



**Town of Southern Pines  
Monday May 23, 2016, 3:00 PM,  
Douglass Community Center  
1185 West Pennsylvania Avenue**

### **Worksession Agenda**

- 1. Continuation of public hearing CU-01-16 Conditional Use Permit: Major Subdivision Application for a Multi-Family Residential Development to include 288 Apartments; Petitioner, Caviness & Cates Building and Development Company – Bob Koontz**
- 2. Request to Discuss a CUP application for a Concept High School – Advanced Career Center on the campus of Sandhills Community College; Petitioner, Moore County Public Schools**
- 3. Request to Discuss a Major Amendment to CU-04-88; Longleaf Golf & Family Club; Petitioners, Floyd Properties & Development**
- 4. BPAC Discussion of Cut Sheet #3 from Bicycle Plan: Director Reeve**
- 5. Pool Park Performance Stage Rental Fees Discussion: Director Reeve**
- 6. Tree Ordinance Discussion : ATM Lindsay**
- 7. Contract Renewal of Water Treatment Plant Discussion: ATM Lindsay**
- 8. FY 2016-2017 Budget Updates**

## ***PUBLIC COMMENT PROCEDURES***

*The Southern Pines Town Council is committed to allowing members of the public an opportunity to offer comments and suggestions. In addition to public hearings, a special time is set aside for the purpose of receiving such comments and suggestions. All comments and suggestions addressed to the Council during the Public Comment Period shall be subject to the following procedures:*

- 1. The Public Comment Period will be held at the end of the Council Meeting.*
- 2. Each person choosing to speak is asked to keep their statements to a reasonable length in time in recognition that others may also wish to speak and that the Council requires time to conduct its normal business. The Chair retains the right to limit discussion as he/she deems necessary.*
- 3. Speakers will be acknowledged by the Mayor/Chair. Speakers will address the Council from the lectern at the front of the room and begin their remarks by stating their name and address for the record.*
- 4. Public comment is not intended to require the Council and/or staff to answer any impromptu questions. Speakers will address all comments to the entire Council as whole and not one individual member. Discussions between speakers and members of the audience will not be permitted.*
- 5. Speakers will be courteous in their language and presentation. Matters or comments which are harmful, discriminatory or embarrassing to any citizens, official or employee of the Town shall not be allowed. Speaker must be respectful and courteous in their remarks and must refrain from personal attacks and the use of profanity.*
- 6. Any applause will be held until the end of the Public Comment Period.*
- 7. Speakers who have prepared written remarks or supporting documents are encouraged to leave a copy of such remarks and documents with the Clerk to the Council.*
- 8. Speakers shall not discuss any of the following: matters which concern the candidacy of any person seeking public office, including the candidacy of the person addressing the Council; matters which are closed session matters, including but not limited to matters within the attorney-client privilege, anticipated or pending litigation, personnel, property acquisition, matters which are made confidential by law; **matters which are the subject of public hearings.***
- 9. Action on items brought up during the Public Comment Period will be at the discretion of the Council.*

## Work Session Agenda Item

**To:** Reagan Parsons, Town Manager

**Via:** Bart Nuckols, Planning Director

**From:** Chris Kennedy, Senior Planner

**Subject:** CU-01-16 Conditional Use Permit: Major Subdivision Application for a Multi-Family Residential Development to include 288 Apartments; Petitioner, Caviness & Cates Building and Development Company

**Date:** May 23, 2016

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### **CU-01-16 Conditional Use Permit: Major Subdivision Application for a Multi-Family Residential Development to include 288 Apartments; Petitioner, Caviness & Cates Building and Development Company**

On behalf of the petitioner Caviness & Cates Building and Development Company, Mr. Bob Koontz of Koontz Jones Design is requesting a development project that will require a Conditional Use Permit application for a multi-family residential development off of US Highway 1 North and NE Service Road. Per Section 4.10.8 of the Unified Development Ordinance, no multi-family development may include more than ten (10) dwelling units except pursuant to a Planned Development or Conditional Use Permit (CUP) approval. The proposed development consists of an apartment project to include two-hundred eighty-eight (288) dwelling units, thereby the proposal will require a CUP. The subject property is comprised of approximately 25.59 acres in the OS (Office Services) and RM-2 (Residential Multi-Family 2) zoning classifications. The property is identified by the following: PIN: 858214321933 (PARID: 00039174); PIN: 858217214672 (PARID: 00032830); and, PIN: 858217213440 (PARID: 00032829). Per the Moore County Tax records, the property owner(s) are listed as MLC Automotive LLC and the Town of Southern Pines.

### **Town Council Hearing - May 10, 2016:**

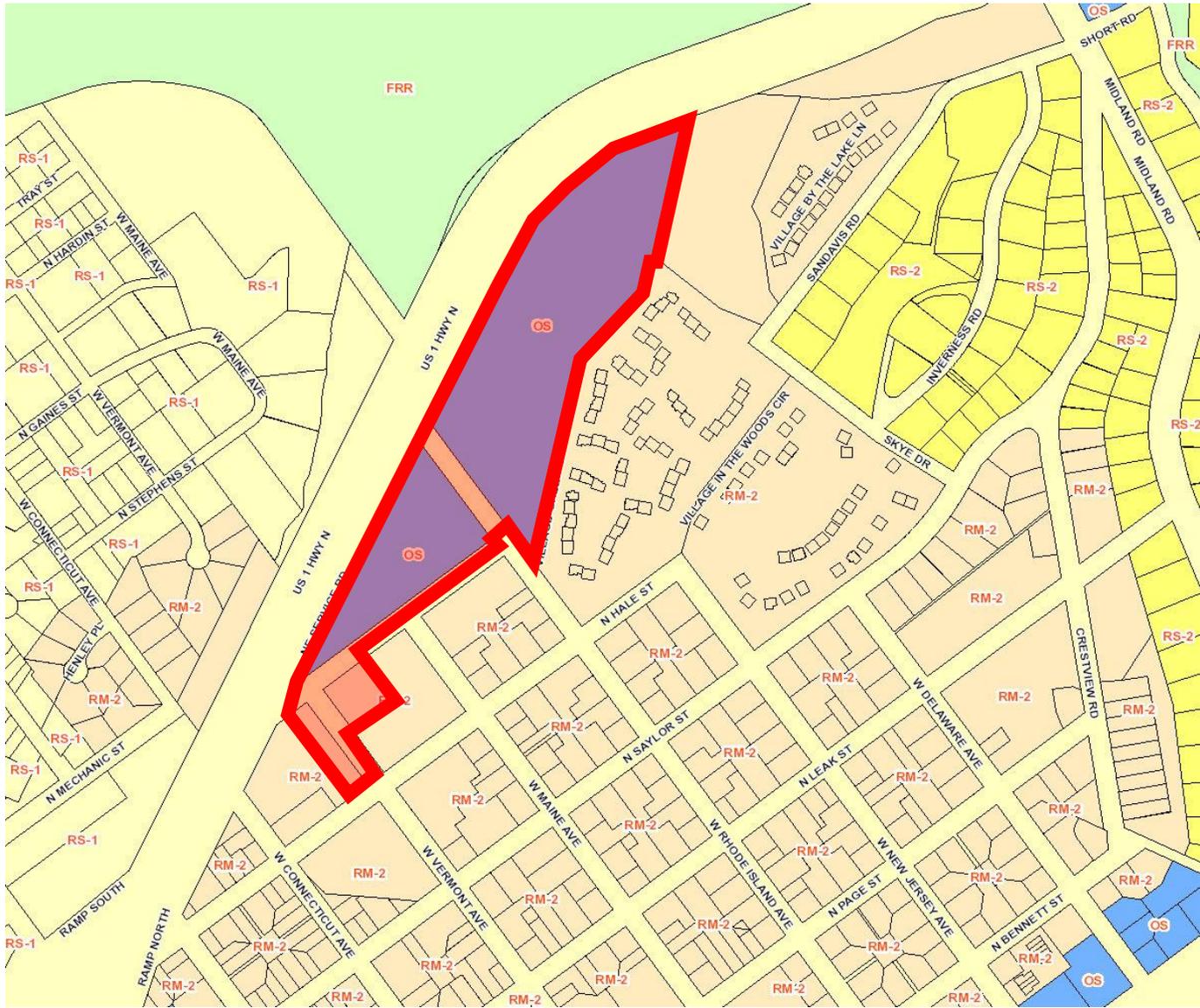
At the May 10, 2016 Regular Business Meeting of the Town Council, the Town Council held a quasi-judicial public hearing and received evidence from those in attendance regarding Conditional Use Permit application CU-01-16. The Planning Department staff opened the public hearing with the staff report. The hearing proceeded with presentations and the submittal of evidence from the petitioner and other persons for and against the project. After all presentations were completed, the Town Council decided to continue the public hearing to the Town Council Work Session on May 23, 2016 to further discuss the application with the understanding that the public hearing for application CU-01-16 would be continued again to the June 14, 2016 Regular Business Meeting of the Town Council.

### **Attachments:**

- GIS Vicinity Map

# CU-01-16 – Proposed Multi-Family Development

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## Work Session Agenda Item

**To:** Reagan Parsons, Town Manager

**Via:** Bart Nuckols, Planning Director

**From:** Chris Kennedy, Senior Planner

**Subject:** Request to Discuss a CUP application for a Concept High School – Advanced Career Center on the campus of Sandhills Community College; Petitioner, Moore County Public Schools

**Date:** May 23, 2016

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On behalf of the petitioner Moore County Public Schools, Ms. Renee Pfeifer of CLH Design, P.A. has requested to speak in front of the Town Council to discuss a Conditional Use Permit application for a new high school to be located on the property of Sandhills Community College. The subject property is identified by the following: PIN: 857312859168 (PARID: 00991683). Per the Moore County Tax records, the property owner(s) are listed as Moore County Community College.

### Staff Comments:

- The concept high school is anticipated to accommodate 800 students with approximately 400-550 parking spaces.
- Moore County Public Schools plans purchase land from Sandhills Community College for the proposed high school.
- The entrance to the concept high school will located along and come in from NC Highway 22. It is undetermined whether the entrance will be on Sandhills Community College land or on land acquired by Moore County Public Schools.
- Surveys and environmental assessments are in progress for the proposed high school. The location of the high school could be subject to change and shift within the site given any environment impacts discovered necessitating a plan alteration.
- Per UDO Exhibit 3-15 *Table of Authorized Land Uses*, Senior or High School are classified under LBCS 6123.
- LBCS 6123 is listed as a “Z” in the GB (General Business) zoning classification and a “C” in the FRR (Facilities, Resources, Recreation) zoning classification.
  - “Z” denotes that the land use may be permitted by right.
  - “C” denotes that the land use must receive a Conditional Use Permit approval.
- The Sandhills Community College property is zoned FRR therefore the concept high school will require a Conditional Use Permit approval to locate on the property.
- The Sandhills Community College property consists of 181.04 acres. The proposal includes the purchase of an unspecified amount of land from Sandhills Community College to develop the new high school.
- The adjoining properties are zoned FRR and RS-3.

- Per UDO Section 3.5.13, the FRR zoning classification is intended for open space, public facilities, and privately owned recreation areas. Publicly owned land uses include governmental, recreational, educational, natural resource, and utility facilities. Privately owned land uses include golf resorts and related facilities, land trusts established to preserve natural resources, schools and recreational facilities that typically include substantial open space. The objectives of the FRR district are to:
  1. Provide land for publicly-owned governmental facilities and privately-owned natural and man-made resources and recreation areas; and,
  2. Preclude major residential, retail office, institutional, and industrial uses that typically provide limited open space.
- Per Section 2.21.7 an application for a Conditional Use Permit must satisfy the following criteria:

2.21.7 *Criteria for a Conditional Use Permit*

A Conditional Use is permitted only if the Applicant demonstrates that:

- (A) *The proposed conditional use shall comply with all regulations of the applicable zoning district and any applicable supplemental use regulations;*
- (B) *The proposed conditional use shall conform to the character of the neighborhood in which it is located and not injure the use and enjoyment of property in the immediate vicinity for the purposes already permitted;*
- (C) *Adequate public facilities shall be provided as set forth herein;*
- (D) *The proposed use shall not impede the orderly Development and improvement of surrounding property for uses permitted within the zoning district or substantially diminish or impair the property values within the neighborhood;*
- (E) *The establishment, maintenance, or operation of the proposed use shall not be detrimental to or endanger the public health, safety, comfort or general welfare; and,*
- (F) *The public interest and welfare supporting the proposed use shall be sufficient to outweigh individual interests that are adversely affected by the establishment of the proposed use.*

- The entrance to the property from NC Highway 22 is within the Urban Transition Highway Corridor Overlay; which shall be developed with a balance of residential, recreational, and commercial uses. These sections are best suited for providing a balance of naturalized and manmade conditions. The visual quality of these sections depends on quality site planning, landscaping, and preservation of natural features.
- The Highway Corridor Overlay standards are set forth in UDO Section 3.6.5 and UDO Exhibit 3-13 and apply to the first 400' of land from the right-of-way of the corridor.
- The Urban Transition Highway Corridor Overlay (UT-HCO), shall extend 400' from the edge of the right-of-way and run parallel to the right-of-way.
- The setbacks for the UT-HCO are as follows:
  - Building Setback: 75.0';
  - Parking Area Setback: 50.0';
  - Landscape Buffer: 50.0';
  - Buffer from Residential Zones: 50.0';
  - Buffer from Non-Residential Zones: 25.0'
- Other Urban Transition Highway Corridor Overlay standards include:
  - Maximum Building Height: 35.0';
  - Maximum Built upon Surface: 65.0%;
  - Maximum Building Footprint: 30.0%;

- Highway Yard Parking Maximum: 40.0% of total spaces;
- Maximum Parking: 5 spaces/1000 square feet of building area
- The entirety of the property is within the Little River #2 Intake (LR#2) Watershed and is therefore subject to Watershed Protection Overlay District and the standards set forth in UDO Section 3.6.8.
- This project may be required to obtain a Watershed Protection Permit from the Town Council due to its location within the high quality watershed. Should the project exceed the 12% impervious level the project will be required to utilize BMPs for storm water management. Should the project exceed the 24% impervious level the project will be required to apply for the 5/70 Exemption from the Town Council as part of the CUP application.
- The Watershed Protection Permit if approved will provide the project with the 5/70 exemption allowing the project to develop up to the 70% impervious surface level.

**Attachments:**

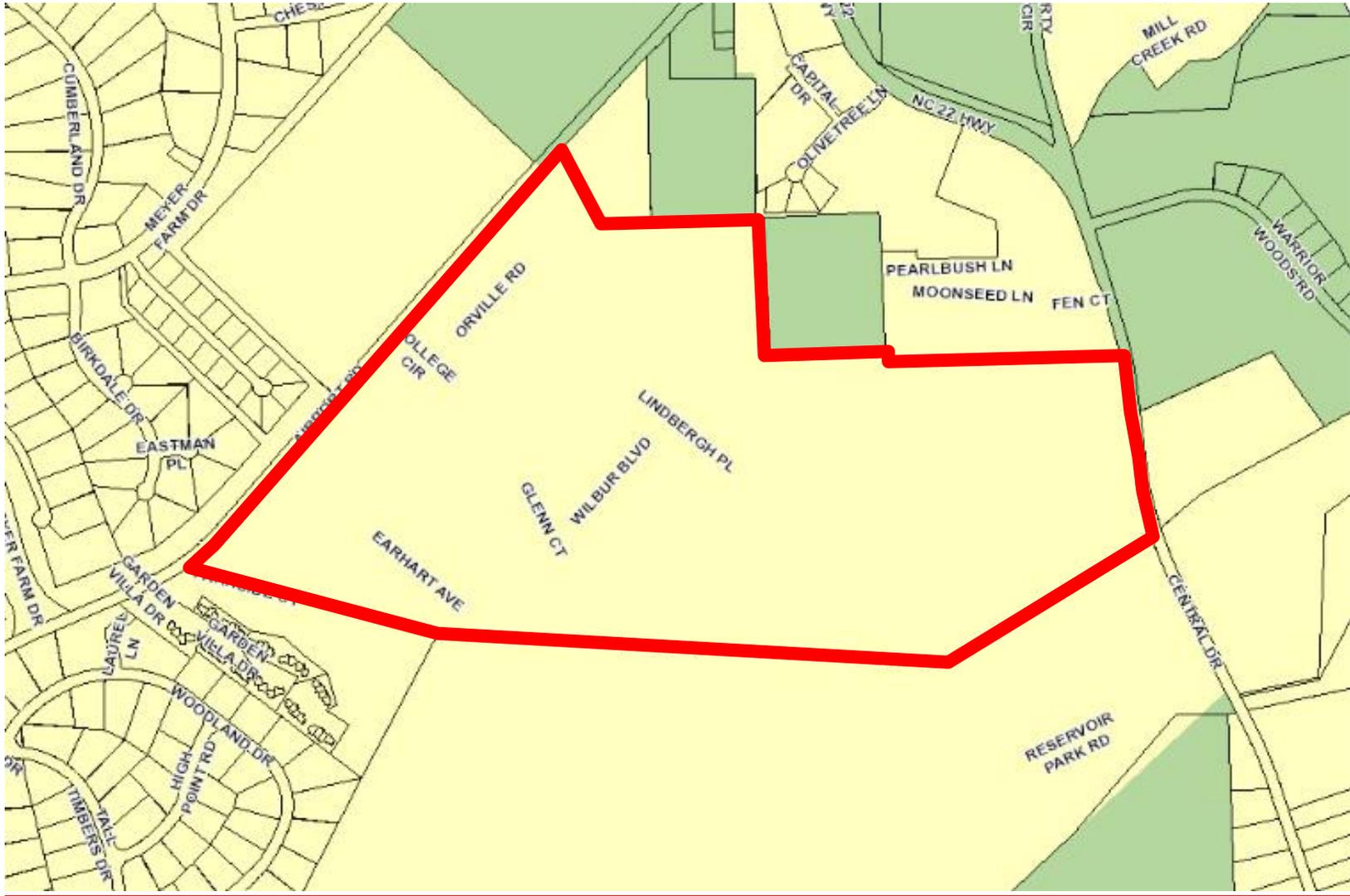
- GIS Aerial Vicinity Maps
- Proposed Layout

**The Town Council may wish to take one of the following actions:**

1. No action;
2. Allow the petitioner to pursue this project through the required CUP processes as outlined in the Town of Southern Pines Unified Development Ordinance;
3. An action listed above with the following conditions...
4. Action not listed above...

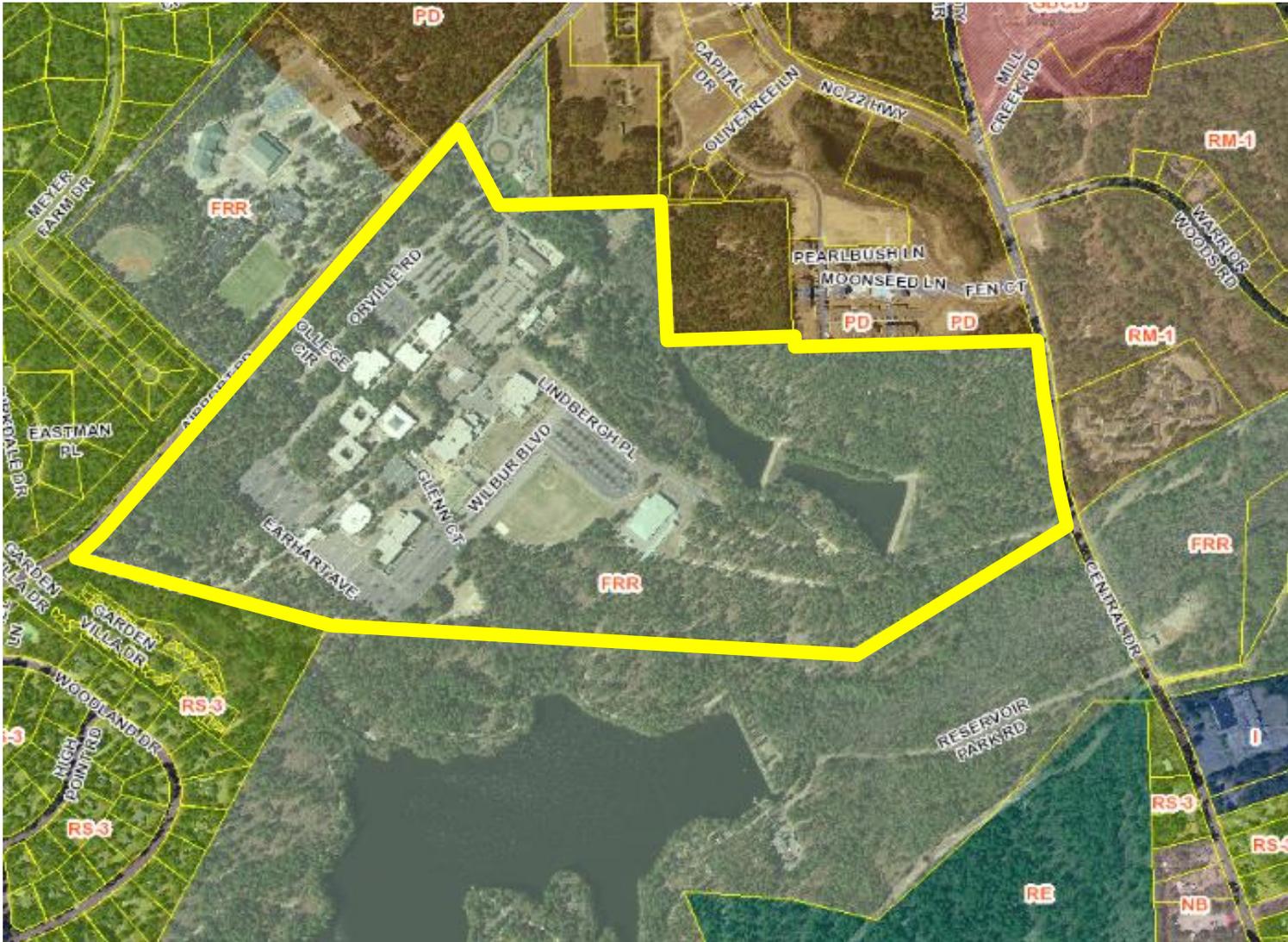
# Concept High School – Advanced Career Center

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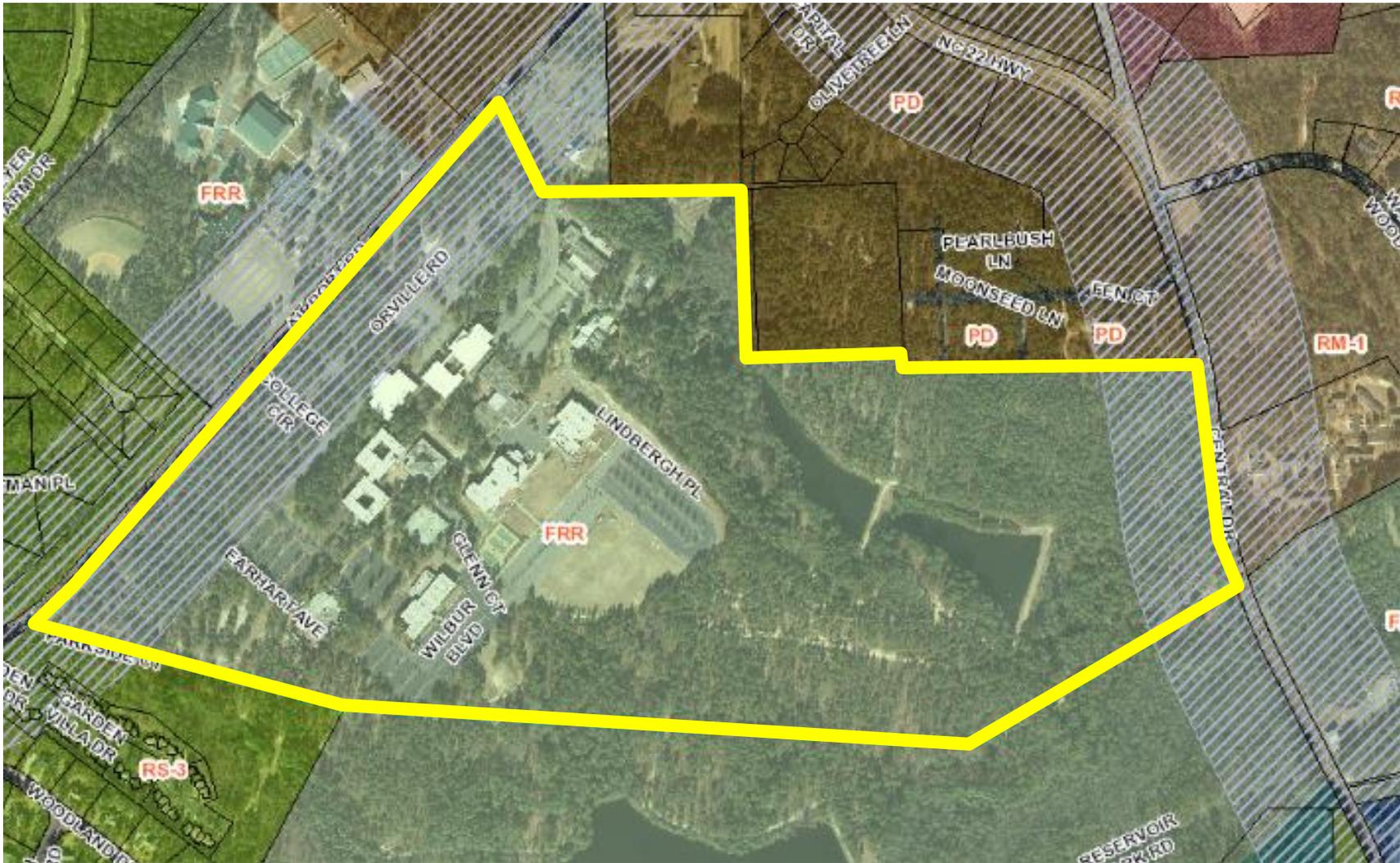
# Concept High School – Advanced Career Center

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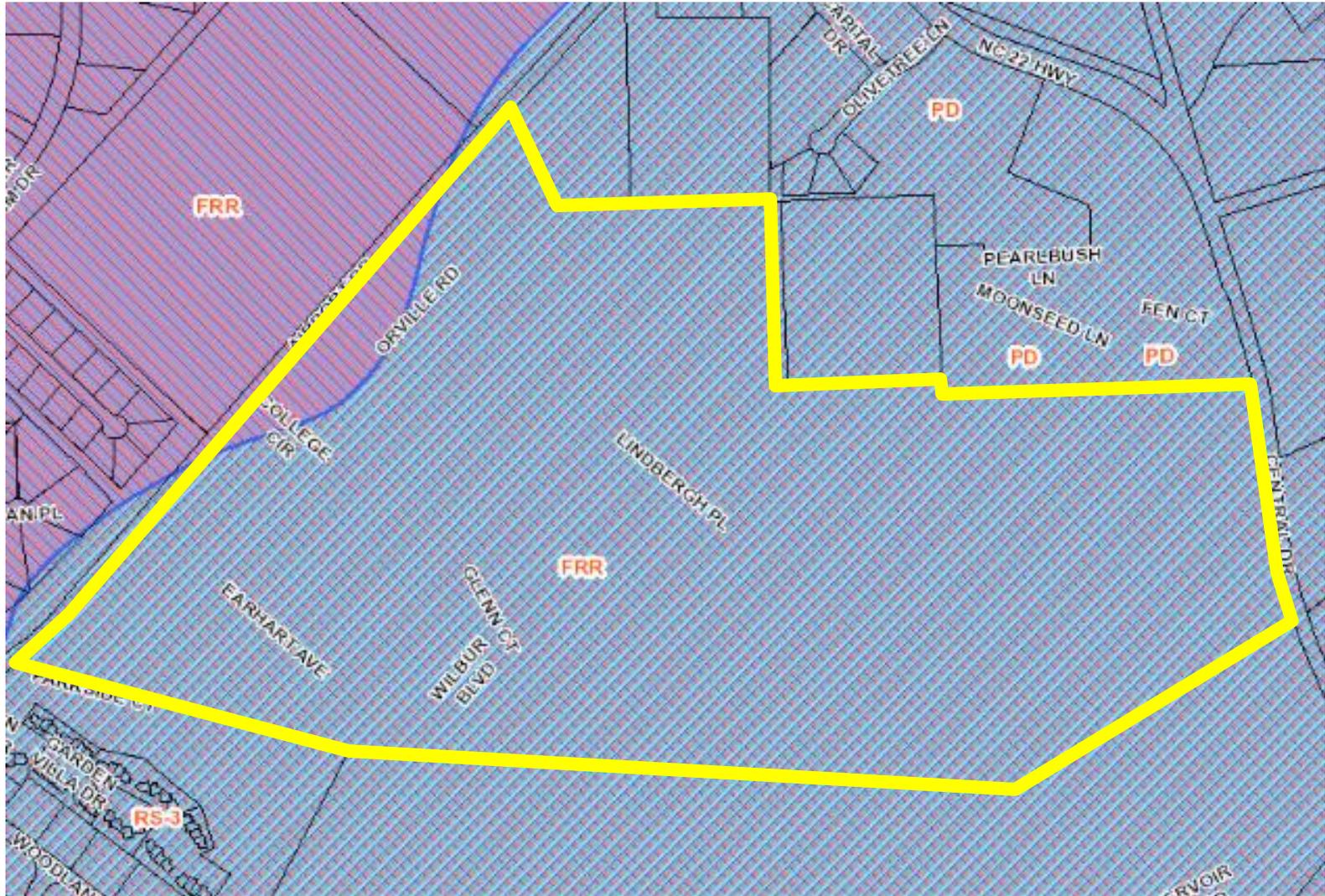
# Concept High School – Advanced Career Center UT-HCO

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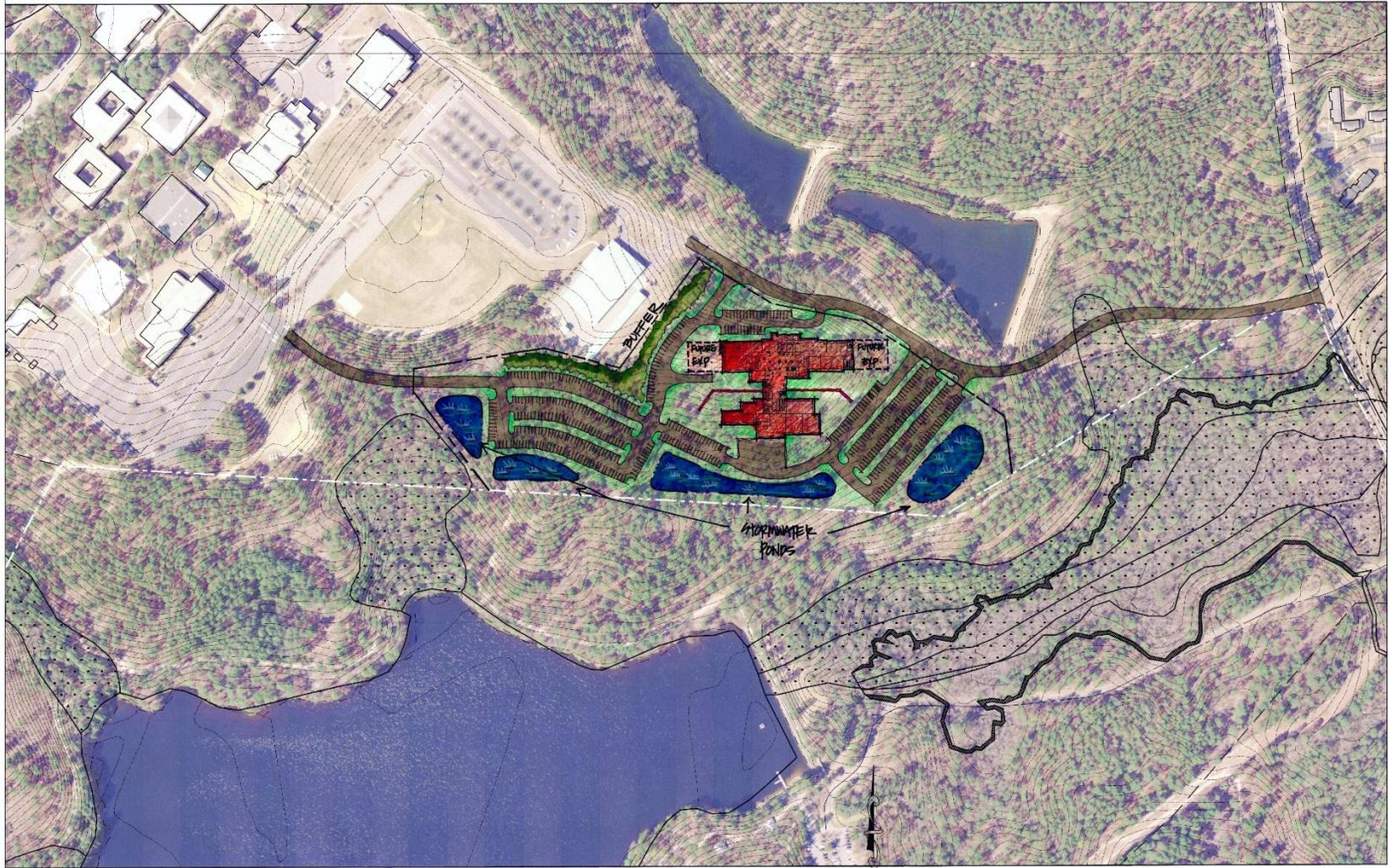


# Concept High School – Advanced Career Center Watershed Map: HQW and Protected

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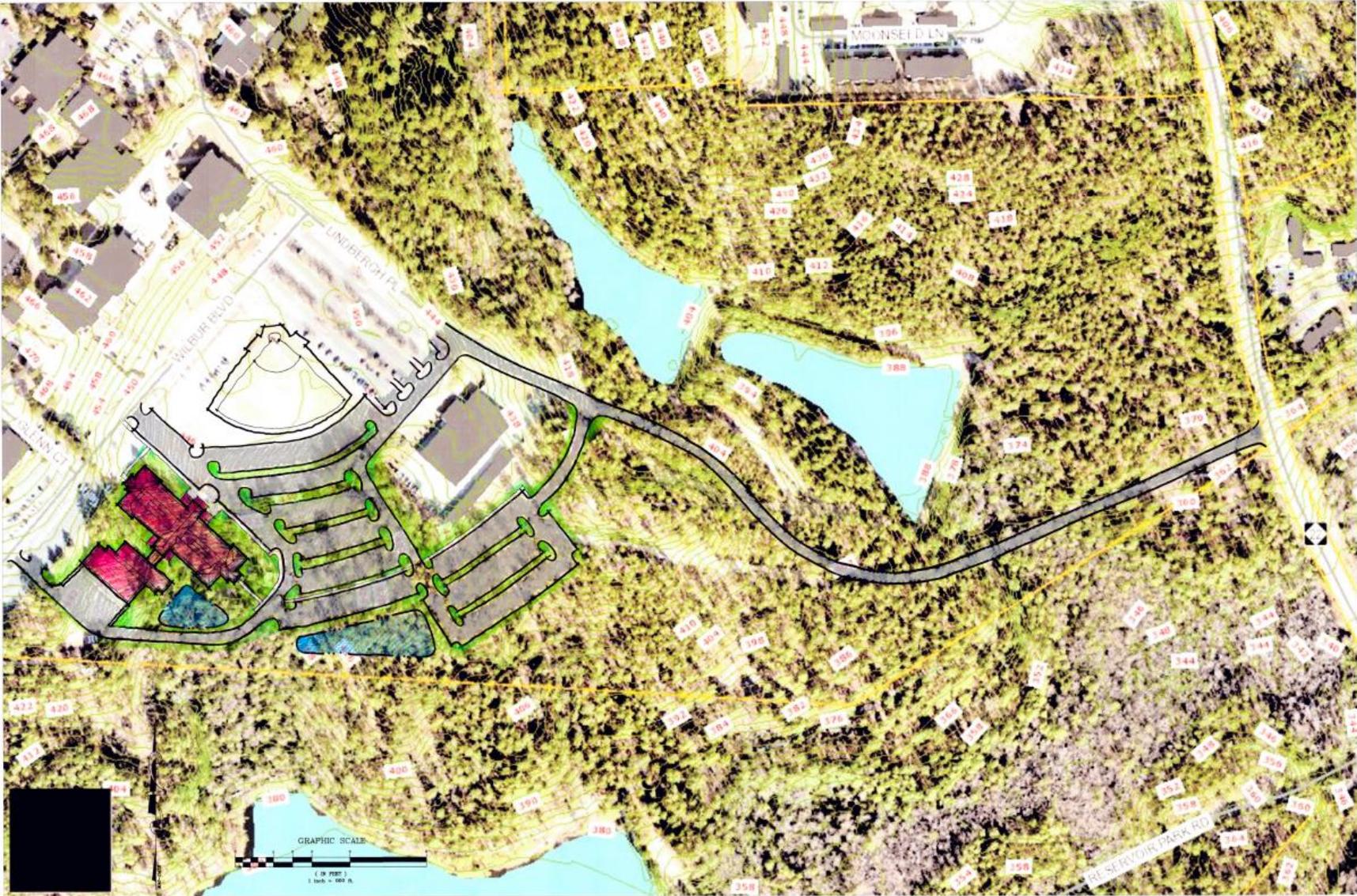
# Conceptual Plan



MOORE COUNTY ADVANCED CAREER CENTER SITE



475 SPACES  
20 ACRES @ 50% IMPERVIOUS *05/17/16*



## Work Session Agenda Item

**To:** Reagan Parsons, Town Manager

**Via:** Bart Nuckols, Planning Director

**From:** Chris Kennedy, Senior Planner

**Subject:** Request to Discuss a Major Amendment to CU-04-88; Longleaf Golf & Family Club; Petitioners, Floyd Properties & Development

**Date:** May 23, 2016

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On behalf of the petitioner Floyd Properties & Development, Mr. David Wilson and Mr. Shane Sanders have requested to speak in front of the Town Council to discuss a major amendment to Conditional Use Permit CU-04-88. The Longleaf Golf & Family Club was approved under application CU-04-88 which permitted a PRD (Planned Residential Development) and a golf course development between Midland Road and Airport Road with a total of (509) dwelling units. The petitioner is seeking a Conditional Use Permit for a Major Modification to “Area F” as designated in the original master plan under CU-04-88 to modify the approved unit type from eighty-two (82) townhomes to twenty-four (24) single-family homes and six (6) townhomes. The proposal will utilize the existing density and approved dwelling unit total approved for the Longleaf Golf & Family Club development, deviating only in the unit type proposed for this section. The subject property is identified by the following: PIN: 857318326163 (PARID: 00041500) and PIN: 857318317745 (PARID: 00992022). Per the Moore County Tax records, the property owner(s) are listed as NC One, LLC.

### **Staff Comments:**

- The proposal includes two parcels designated for development, one parcel comprised of 13.93 acres and the second 1.22 acres; totaling 15.15 acres per the Moore County GIS.
- The subject property the petitioner is seeking to develop is listed on the Master Plan as “Area F” and is designated to be developed with eighty-two (82) townhomes.
- The petitioner must provide the Town with the total number of units built to date for the Longleaf Golf & Family Club Development with the corresponding break down of the unit type mix to ensure compliance with the approved total of (509) dwelling units for the entire development.
  - For each housing type in the unit mix, the number corresponding to that housing type is the maximum allowed for that type in the development. If there are remaining units to be built for a particular housing type for the development, the petitioner may be allowed to develop up to the number allowed for that housing type.
  - Any modification to the approved Master Plan, including but not limited to: building more than the eighty-two (82) townhomes units in “Area F”, building more than the maximum unit mix for an approved housing type, or building a housing

type not listed in the approved Master Plan, requires the approval of a Major Modification to CU-04-88 from the Town of Southern Pines Town Council.

- The petitioner is proposing a Major Modification to “Area F” to permit a total of thirty (30) dwelling units:
  - Twenty-four (24) single-family homes
  - Six (6) townhomes.
  - Proposed setbacks:
    - Front: 20’; Side: 10’; Rear: 20’
  - Total Open Space: 5.42 acres (36.18%)
- The Longleaf Golf & Family Club development is zoned RS-1 – CD (Residential Single-Family 1 – Conditional District).
- The Longleaf Golf & Family Club development was approved under a Conditional Use Permit, CU-04-88 for a 509 Unit PRD (Planned Residential Development) located between Midland Road and Airport Road consisting of single-family, multi-family, and other amenities associated with a gold course development. The Longleaf Golf & Family Club development consists of 308.44 total acres. The golf course and open space comprise 182.27 acres.
  - The land usage from the original approval breaks down as follows:
    - Residential Single-Family 1 – Conditional District: 308.44 acres
    - Dedicated R-O-W (Knoll Road only): 10.89 acres
    - Inn: 3.24 acres
    - Open Space/Golf Course: 182.27 acres
    - Single-Family Lots: 35.15 acres
    - Patio Home Lots: 45.45 acres
    - Townhome Parcels: 33.99 acres
    - Local Business Zoning
      - Local Business: 7.0 acres
      - Dedicated R-O-W: 0.88 acres
- The approved Longleaf Golf & Family Club development Master Plan allots 509 total dwelling units for the development. With a density of 1.645 dwelling units per acre.
  - Single-Family: 68 lots
  - Patio Homes: 190 lots
  - Townhomes: 196 lots
  - Inn Rooms: 55
- The approved Master Plan does not explicitly provide setbacks for single-family dwellings.
- The RS-1 zoning classification per the UDO has the following setbacks:
  - Front: 30.0’; Exterior Side: 15.0’; Interior Side: 10.0’; Rear: 30.0’
- Per the conditions of the original Conditional Use Permit of the Longleaf Golf & Family Club development property, there shall be a thirty (30) foot wide buffer maintained along the Knoll Road right-of-way.
- Per UDO Section 2.21.13 Conditional Use Permit Amendments are subject to the following standards:

(A) An amendment is a request for any enlargement, expansion, increase in intensity, relocation, or modification of any condition of a previously approved and currently valid CUP.

(B) Minor CUP amendments may be authorized by the Planning Director for shifts in on-site location and changes in height, area, or intensity of development by less than five (5) percent, or a five (5) percent or less increase in either impervious surface or floor area over what was originally approved provided that such minor changes comply with the following criteria:

- 1) No previous minor modification has been granted pursuant to this section;
- 2) There will be no detrimental impact on any adjacent property caused by significant change in the appearance or use of the property or any other contributing factor;
- 3) Nothing in the currently valid CUP precludes or otherwise limits such amendment; and,
- 4) The proposal conforms to the UDO and is in keeping with the spirit and intent of any adopted comprehensive plan.

(C) Major CUP amendments are any proposed amendment other than those defined above as Minor CUP amendments and shall be approved in the same manner and under the same procedures as the original approval.

- The entirety of the property is within the Little River #2 Intake (LR#2) Watershed.
- The area designated for the requested modification to the approved CUP may be required to obtain a Watershed Protection Permit from the Town Council due to its location within the high quality water portion of the Little River Intake #2 Watershed. Should the project exceed the 12% impervious level the project will be required to utilize BMPs for storm water management. Should the project exceed the 24% impervious level the project will be required to apply for the 5/70 Exemption from the Town Council as part of the CUP application.
  - The Watershed Protection Permit, if approved, will provide the project with the 5/70 exemption allowing the project to develop up to the 70% impervious surface level.
  - The requested modification will likely trigger the UDO requirements for the developer to apply for the 5/70 exemption for area currently designated as single-family lots in conjunction with the CUP Major Modification.

Previous Conditional Use Permits for the Longleaf Golf & Family Club:

- CU-04-88 509 Units
- CU-17-88 Conversion of site plan from Inn to 54 club cottages
- CU-18-88 Conversion of single-family lots to zero lot line lots
- CU-11-89 Conversion of 43 patio homes to 29 single-family lots
- CU-04-90 Modification of 29 single-family lots to 25 single-family lots and street design
- CU-05-90 Modification of 27 patio lots to 26 patio lots and street design
- CU-09-91 Modification to add 14 single-family homes to Steeplechase Way
- CU-10-91 Hunter Trail Street Design
- CU-05-93 (Z-05-93)Rezone from Local Business Commercial Area to Residential Single Family [CUP for 47 Patio Homes]
- CU-02-11 Six (6) lot addition to Magnolia Court

**Attachments:**

- GIS Aerial Vicinity Maps
- Proposed Layout

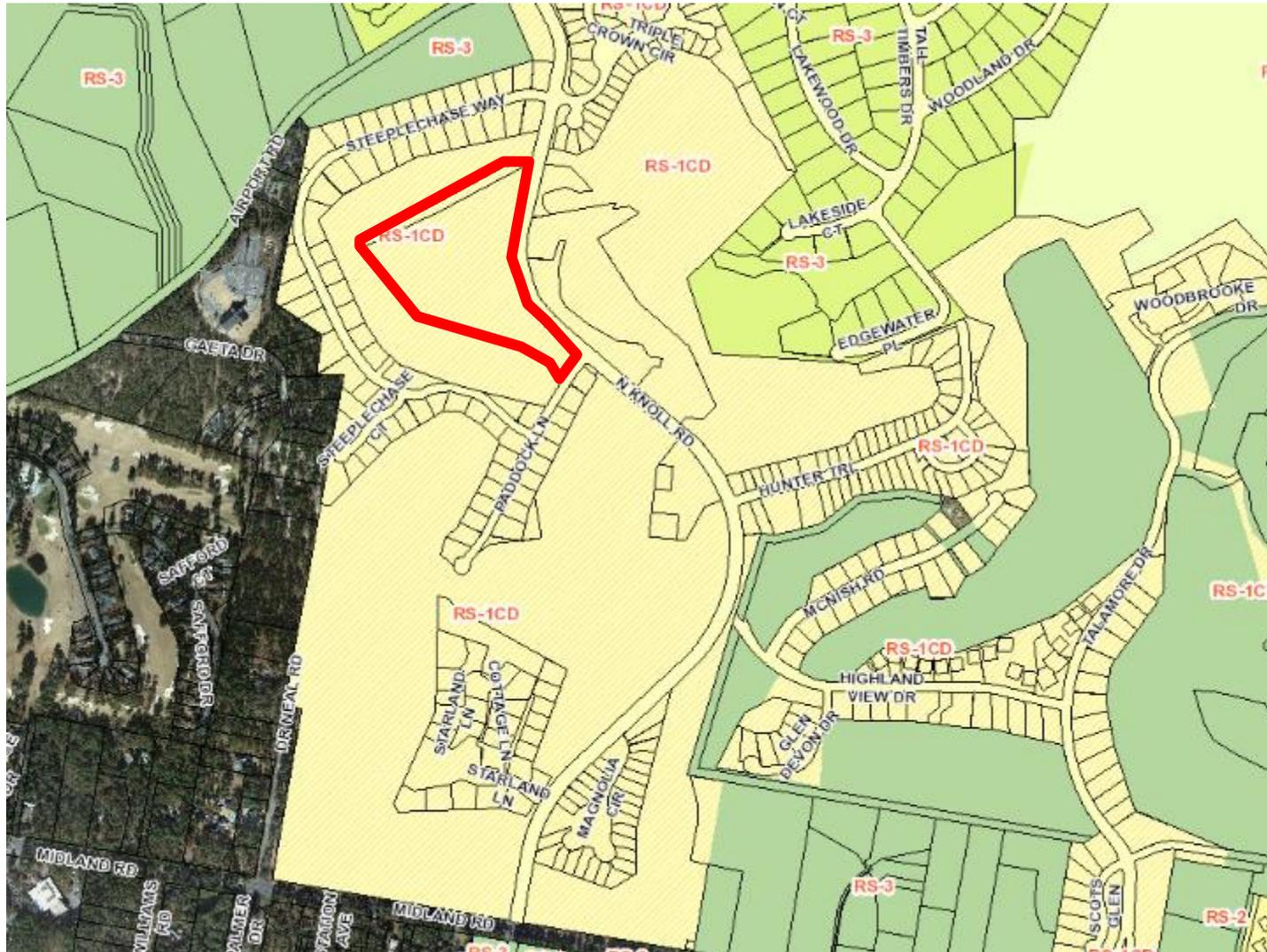
**The Town Council may wish to take one of the following actions:**

1. No action;
2. Allow the petitioner to pursue this project through the required CUP amendment processes as outlined in the Town of Southern Pines Unified Development Ordinance;
3. An action listed above with the following conditions...
4. Action not listed above...

# Longleaf Golf & Family Club

## Request for Major Amendment to CU-04-88

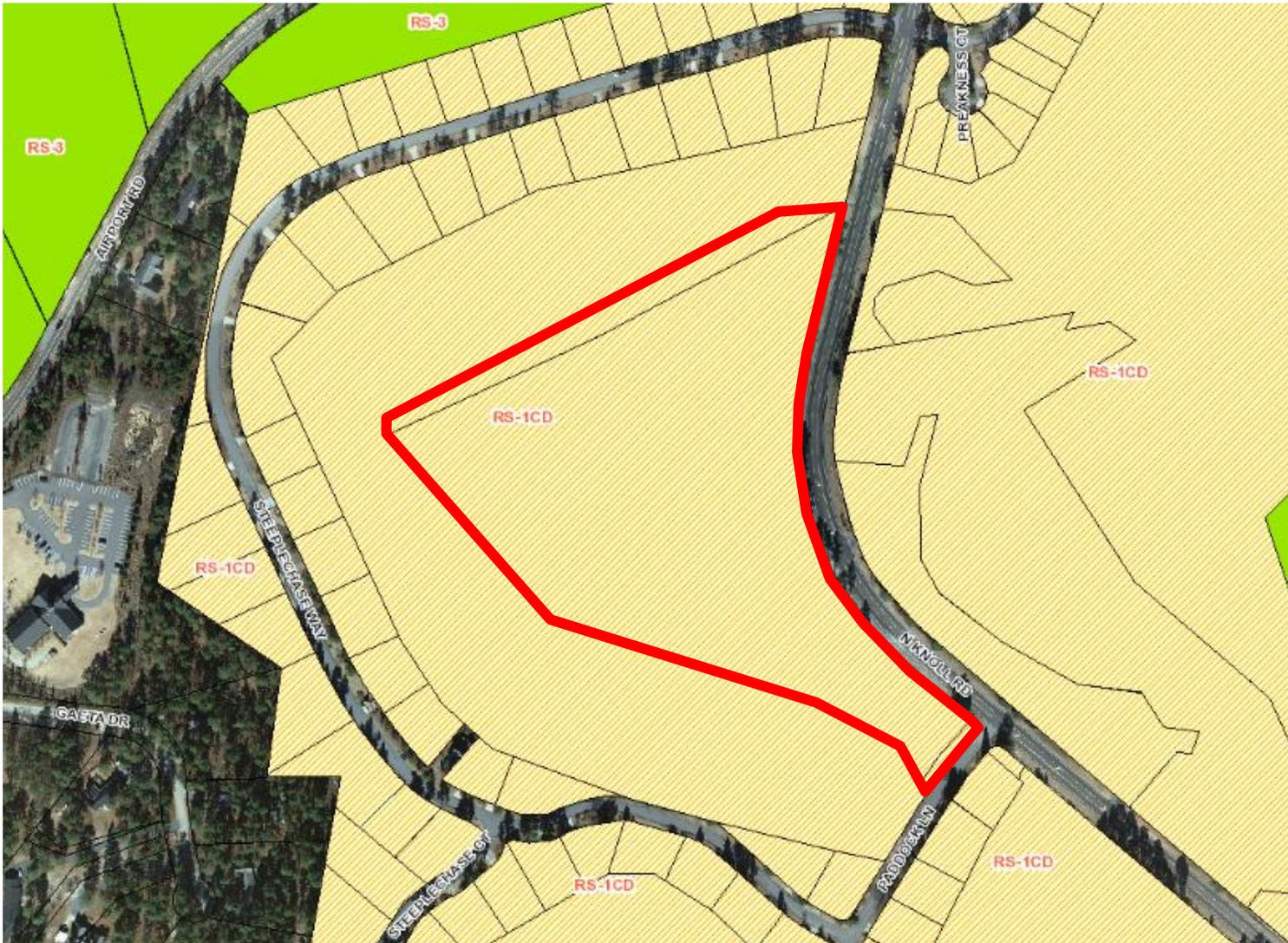
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# Longleaf Golf & Family Club

## Request for Major Amendment to CU-04-88

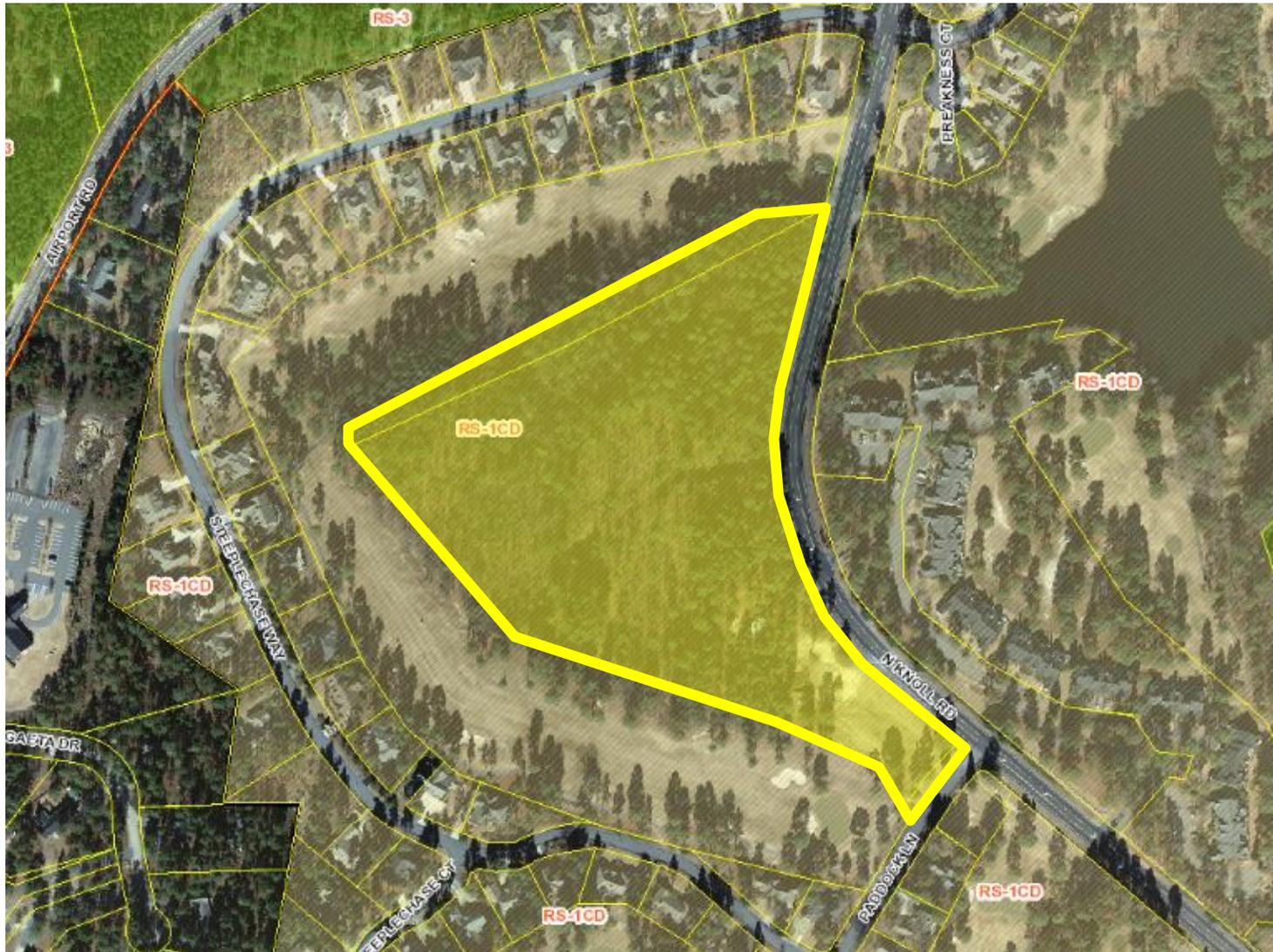
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# Longleaf Golf & Family Club

## Request for Major Amendment to CU-04-88

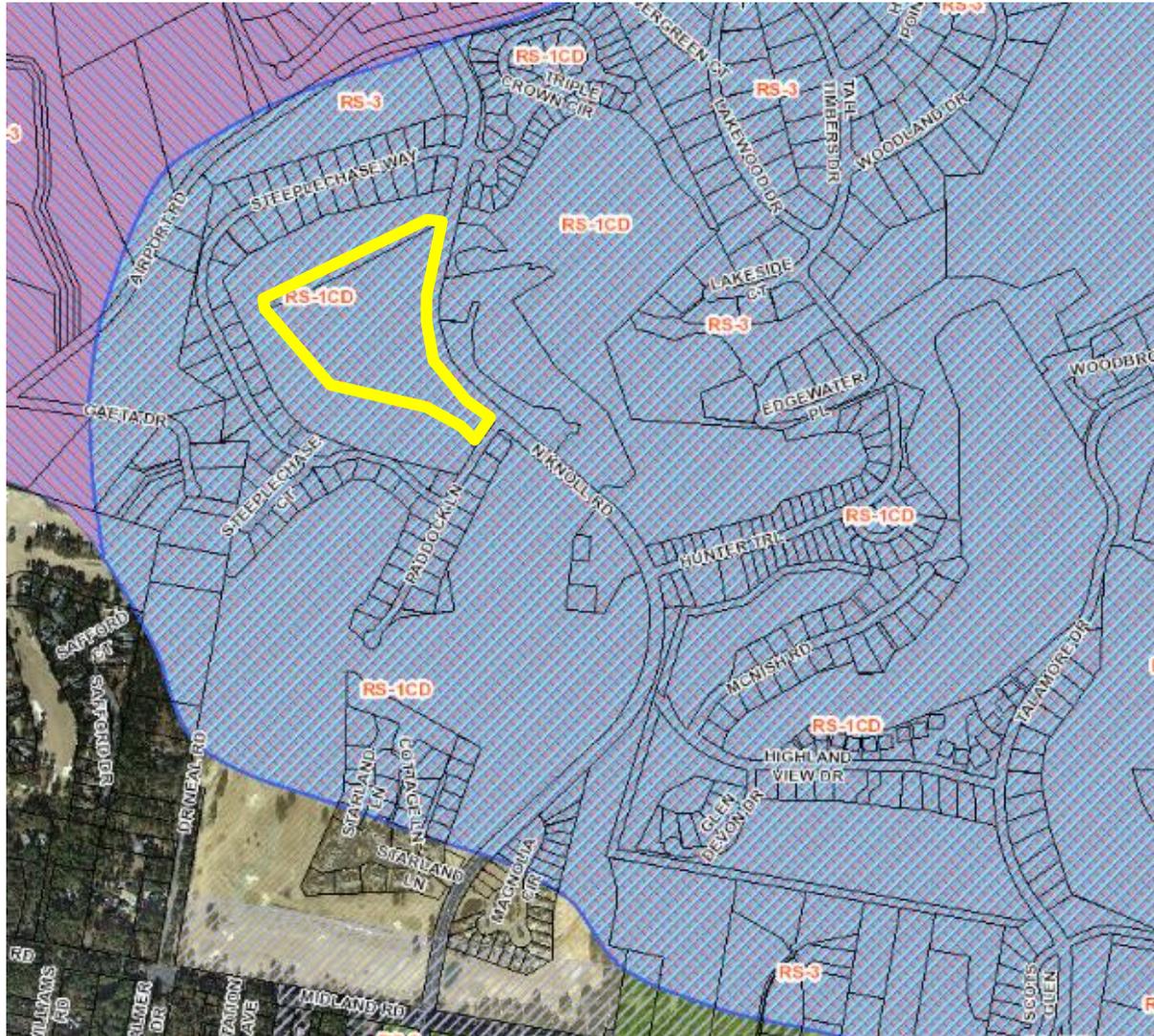
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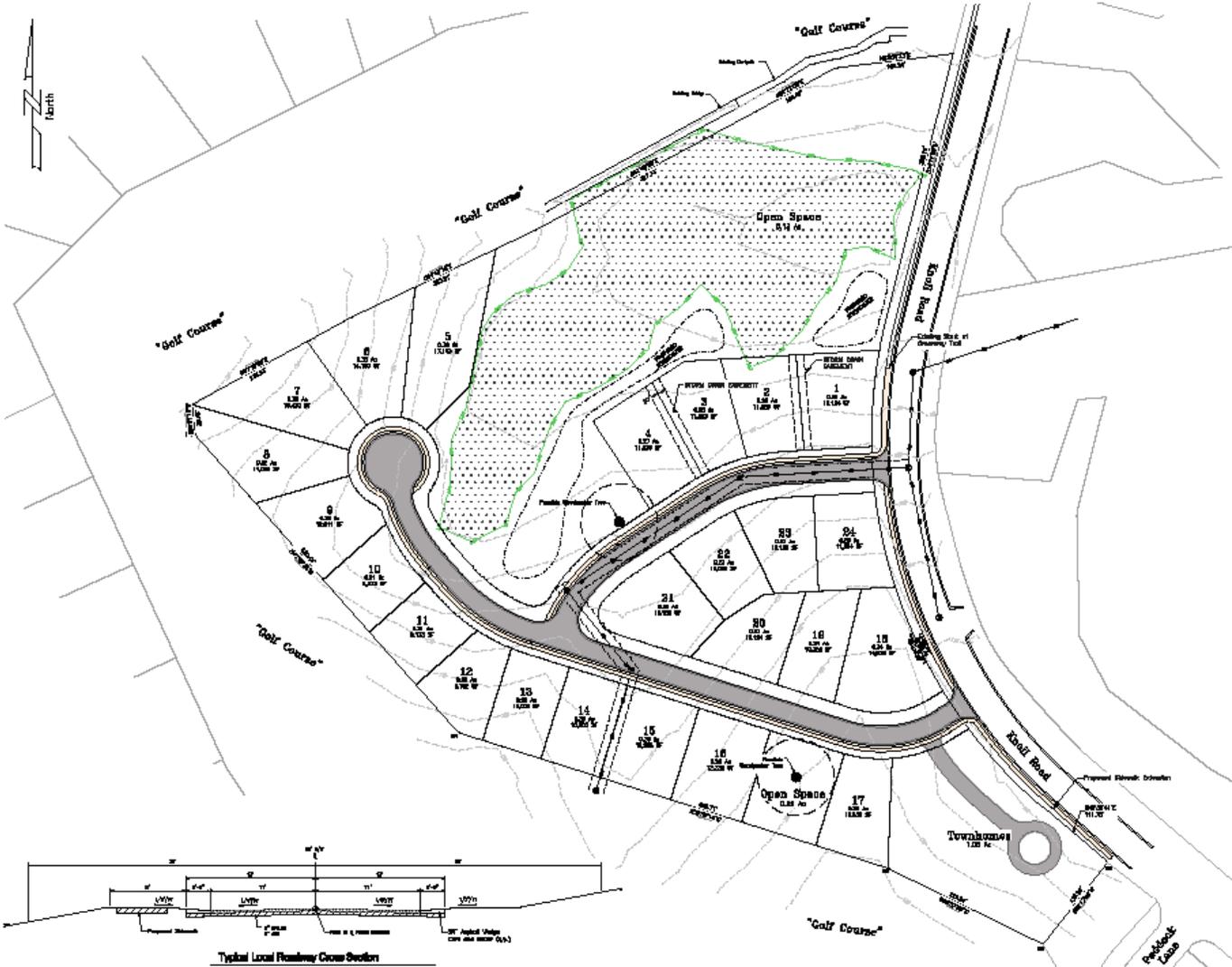


# Longleaf Golf & Family Club

## Request for Major Amendment to CU-04-88

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**Site Data:**

Site Jurisdiction:	Town Of Southern Pines
Address:	Knoll Road (TBD)
Parcel LRK:	992022 & 41500
Deed Book & Page:	Book 2468, Page 323
Current Zoning:	RS-1CD
Setback Proposed:	
Front:	20'
Side:	10'
Rear:	20'
Total Acreage:	15.01 Acres
Total Open Space:	5.42 Acres (36.18%)
Total Proposed Lots:	24 Lots
Total Proposed Townhomes:	6 Units
Total Dwelling Units:	3D Dwelling Units

**Longleaf - 15 Acres**  
 Concept Plan 'A'

2795 8000th Cove, Suite A  
 South of Pines, NC 28387  
 770-240-0038  
 www.snseng.com

Date:	9/18/16
Project:	019101
Drawn by:	1455

MEMORANDUM

To: Town Council  
Reagan Parsons, Town Manager

From: Robert Reeve, Director, Recreation & Parks Department

Date: May 18, 2016

Subject: Discussion of Bike Plan Cut sheet #3

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NCDOT is currently resurfacing Highway 22 to the traffic circle near the airport as part of their yearly maintenance of roads in Moore County. Members of the Southern Pines Bicycle and Pedestrian Advisory Committee (BPAC) recognized that Hwy 22 from midland road to the traffic circle is identified as cut sheet #3 (see attachment) in the Bicycle Transportation Plan for Southern Pines that was adopted in October 2010.

BPAC Chair Dan Kohn contacted Chuck Dumas with NCDOT to begin discussions about the possibility of installing bike lanes that are indicated in the cut sheet. According to Mr. Dumas, the cost of installing the bike lanes if done at this time would be at the Town's expense. Recognizing the importance of this valuable part of the town's bicycle transportation plan, the Bicycle and Pedestrian Advisory Committee members would like to discuss Cut sheet #3 with Town Council at the May 23 Work session.

Thank you.

## Project Cutsheet 3:

3

### CENTRAL DRIVE

TO/FROM: Pee Dee Rd/Airport Rd  
 DISTANCE (FEET): 8,109

FACILITY TYPE: Bicycle lanes

**CONSTRUCTION METHOD:**

New Construction: Add 5' pavement width, total, and restripe; existing shoulder space is already mostly cleared and level; limited regrading of drainage ditches may be required.

**TRIP GENERATORS:**

Sandhills Community College & Reservoir Park to the north and Downtown Southern Pines to the south.

**DEVELOPMENT/FUNDING MECHANISM:**

Town to obtain encroachment agreement from NCDOT. Funding source has not been identified (see note below)

**ROAD/LAND OWNERSHIP:**

NCDOT

**EXISTING LANE CONFIGURATION:**

2 Lane with Paved Shoulders (25'):  
 1-2 | 1 | 1 | 1 | 1 | 1-2

**PROPOSED LANE CONFIGURATION:**

Same, but with bicycle lanes (30'):  
 4 | 1 | 1 | 1 | 1 | 4

**CONSTRAINTS:** Close coordination with future grocery/shopping center development required. No known ROW constraints for what is recommended.

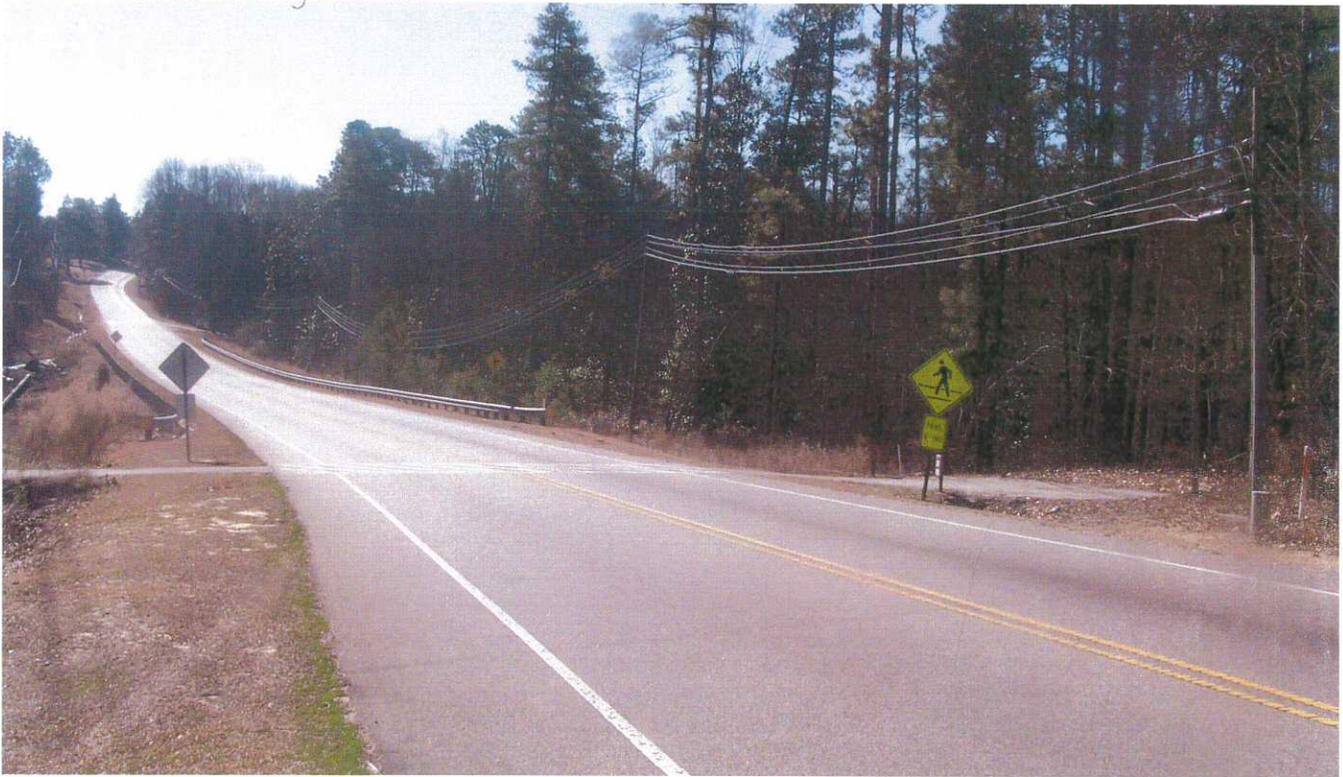
**NOTES/COMMENTS:**

New water line being put in along Central may be an opportunity to add pavement width for wider shoulders.

Current ADT is about 7,600



*Below: Existing Conditions*



**Project Cutsheet 3**

Project Segment Road		Central Dr
From		Pee Dee Rd
To		Airport Rd
Facility Type		Paved Shoulder
Method		New Construction
Miles		1.54
Feet		8,109
Number of Lanes		2

# of 4 inch stripes to remove	4
\$/foot*	0.4
<i>Subtotal</i>	<i>\$12,974.40</i>

Miles of new pavement for bike lanes or shoulders	1.54
\$/mile*	\$440,000.00
<i>Subtotal</i>	<i>\$675,750.00</i>

# of 4 inch stripes to stripe	4
\$/foot*	0.6
<i>Subtotal</i>	<i>\$19,461.60</i>

<b>Total Estimate</b>	<b>\$708,186.00</b>
Contingency	0.15
<b>Grand Total</b>	<b>\$814,413.90</b>

\*Project cost reduced if done during scheduled resurfacing  
 Sources include NCDOT, past projects, and current projects in other locations. ROW costs, if applicable, are not included.

## MEMORANDUM

To: Town Council  
Reagan Parsons, Town Manager  
Crystal Gabric, Finance Director

From: Robert Reeve, Director, Recreation & Parks Department

Date: May 12, 2016

Subject: Pool Park Performance Stage Rental Fees

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The Performance Stage at the Pool Park should be completed by early June, and the department has already had inquiries about renting the stage as part of events. Currently under the fees & charges section of the Town Ordinances (32.093), a picnic shelter/grill site rental for a resident is \$25 for 3 hours; \$10 for additional hour (Non-resident: 2 times resident fee). The fee to rent an indoor facility (such as the Train House) for a resident Monday – Thursday is \$35 for 3 hours; Non-resident: 2 times resident fee; and on weekends is \$50 for 3 hours; \$10 for additional hour (Non-resident: 2 times resident fee).

The Pool Park Performance Stage fee to be added to Town Ordinance 32.093 could be somewhere between renting a picnic shelter and an indoor facility on weekends. A suggested resident rate (without power) of \$35 for 3 hours; \$10 for additional hour (Non-resident: 2 times resident fee); or with power \$50 for 3 hours; \$10 for additional hour (Non-resident: 2 times resident fee).

I would like to discuss the proposed fee for the performance stage at the Pool Park with Town Council at the May 23 Work session.

Thank you.

Public Services  
140 Memorial Park Ct.  
Southern Pines, NC 28387  
910-692-1983



Date: May 12, 2016  
To: Town Council  
CC: Reagan Parsons, Town Manager; Peggy Smith, Town Clerk  
From: Adam Lindsay, Assistant Town Manager  
RE: Town Code of Ordinances, Chapter §101: Trees

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This section of the Code has been in the spotlight for some time and staff continues to work through questions and concerns in an attempt to make the ordinance clear and in line with Council's policy directives. We believe Council's intent is that the ordinance promote healthy trees throughout Town and discourage the illegal removal of right-of-way trees via appropriate but not drastically punitive consequences. Finding this balance has been challenging but insightful as we have learned what other North Carolina communities are doing respecting the same. We have listened to citizen input on this matter and incorporated some but not all of those recommendations into these newest revisions.

Southern Pines is a proud Tree City USA recipient for 36 consecutive years. Chapter §101 of the ordinance is part of the reason we are recognized by the Arbor Day Society.

Modifications to *§101 Trees* were presented to Council at the March 28, 2016 Work Session and new revisions are attached for your consideration. We believe these changes follow the intent and directives previously discussed.

For consistency throughout *§101 Trees*, modifications to remove unnecessary language regarding who and what is a "Person" is recommended. This does not change current interpretation of the ordinance.

Much of the discussion with the public and Council has been regarding the interpretation of how to calculate a tree's caliper and the appropriateness of existing punitive consequences.

Staff's concern regarding both has been to consider how this ordinance will impact a person that unknowingly but illegally removes a tree. Our experience is that the offender is generally a citizen that believes they are doing the right thing and when they find out they did not, want to

make amends. Replacing trees can be very costly and thus determining replacement value and sizes is paramount.

As previously presented, staff does not recommend calculating the replacement trees using a cumulative measurement of the entire stump or cross section. General consensus at the March Work Session was that that approach would put Southern Pines at the top of the punitive approach to enforcement when compared to other North Carolina communities. The latest revisions to §101.23(E)(4) are intended to make the ordinance as clear as possible so as to avoid open interpretation of how to calculate size.

A staff driven policy question remains regarding Council and staff's level of involvement in the appeal process.

§101.23(C) was included in the revised version because that was the general practice. We have since decided it is cleaner to follow the original codified process which is to ask the Town Horticulturist to investigate and render a decision that is then appealable to the Tree Committee as stated in §101.27.

§101.27 Appeal and Review currently reads:

Decisions of the Town Horticulturist or designated Town agent may be appealed through the Appearance Commission Tree Committee for their recommendations to the Town Manager within 5 days notice of the decision. In the event of an unfavorable ruling, the appeal may be reviewed by the Town Council and a final decision rendered.

§101.23 (G) below is a possible modification and would be added to and replace some of §101.27 cited above. It might read:

Any decision by Town Horticulturist or the Tree Committee shall be subject to review in the Superior Court by proceedings in the nature of certiorari instituted within 15 days of notice of the determination.

Should we stay with the current process or make changes?

Lastly, language was reinserted under §101.23 (H), similar to what is found in the current Code, regarding Town authorized right-of-way work regardless of whether or not they are NC Department of Transportation owned.

*Please Note: Lettering and numbering will be adjusted sequentially based on final modifications.*

1. Add the following definitions to § 101.03:

**PERSON.** As defined in §10.05

**TOWN HORTICULTURIST.** An individual designated by the Public Services Director to administer any provision of this chapter.

2. Modify § 101.22 to read as follows:

**§ 101.22 PLANTING, PRUNING, AND TRIMMING TREES**

(A) The Town Tree Committee shall promulgate standards for the manner and extent of planting, pruning, or trimming trees, shrubs, or plants now or hereafter growing in the public rights-of-way of the Town. The standards shall be designed to protect and at the same time to preserve existing trees, shrubs, and plants; to provide for the safety of persons and property within the Town; to assure unimpeded traffic flow on the Town streets; and to assure the reasonable needs, uses, and upkeep of water, sewer, and other utility lines. The Committee shall cause the standards to be published and copies thereof to be made available to all persons on request.

(B) It shall be unlawful for any person, ~~firm, or corporation~~ to prune or trim trees, shrubs, or plants growing in the public rights-of-way of the Town except in accordance with the published standards. The Town Horticulturist or designated Town agent, after consultation with the Town Manager or designee, may waive the standards to

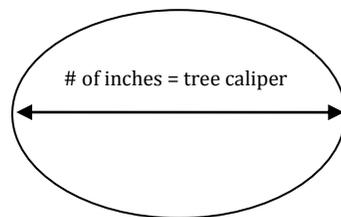
accommodate unusual circumstances after an examination of the situation and consultation with involved parties.

### 3. Modify § 101.23 to read as follows:

#### § 101.23 REMOVING TREES

- (A) It shall be unlawful for any person, unless otherwise authorized, to remove **or cause to remove** a tree from a right-of-way or from town-owned property without written authorization from **Town Horticulturist**.
- (B) **Town Horticulturist** shall issue a permit authorizing tree removal only when, after application is made, **Town Horticulturist** determines that the tree's removal is reasonably necessary for health, safety, or welfare.
- ~~(C) The **Town Horticulturist** may include the Tree Committee in making the determination, but if the Committee has not participated in the initial determination, the applicant may appeal to the Tree Committee.~~
- (D) In addition to the penalties provided by § 10.99, a person who removes a tree without authorization shall provide a replacement tree or trees or other restitution as determined by **Town Horticulturist**.
- (E) Unless **Town Horticulturist** determines that the removed tree can not be replaced in a manner that satisfies the criteria set forth below, the person who removed the tree must provide a suitable replacement in accordance with specifications determined by **Town Horticulturist**, applying these criteria:
  - 1) the replacement shall provide benefits **equivalent** to those provided by the removed tree;

- 2) the location of the replacement shall be in reasonable proximity to the site of the removed tree but without causing deleterious effects;
- 3) the timing and technique of installation of the replacement shall be as needed to assure the health of the replacement;
- 4) if the caliper of the stump (**measured at its widest diameter**) of the removed tree is less than four inches, the replacement shall be a tree at least as great at the same caliper; **if the removed tree has a caliper equal to, or greater than four inches, it may be replaced by two or more trees with a caliper of at least two inches and a cumulative caliper equal to or greater than the tree removed.**



- 5) Unless replacement is completed by the authorized deadline, an acceptable one year 125% security shall be provided in the form of a performance bond, letter of credit, cash, or cash escrow in an amount determined by **Town Horticulturist** to be the cost to the town for estimated material and labor for the replacement, with any amount not used to be returned at the end of the one-year period.
- (F) If the tree cannot be satisfactorily replaced, then the person who removed the tree is liable to the town for the amount that **Town Horticulturist** determines as the cost of a suitable replacement had that been possible.

- ~~(G) Any decision by Town Horticulturist or the Tree Committee shall be subject to review in the Superior Court by proceedings in the nature of certiorari instituted within 15 days of notice of the determination.~~
- (H) Town authorized projects do not need permission from the North Carolina State Department of Transportation when working on their rights-of-way.

#### 4. Modify § 101.25 to read as follows:

##### § 101.25 LICENSE AND BOND

(A) It shall be unlawful for any person ~~or firm~~ to engage in the business or occupation of planting, pruning, or removing trees to remove any park trees or trees in **any** public street right-of-way without having a required license and without complying with the provisions of division (B) below of this section.

(B) All persons, ~~firms, or occupations~~ now or hereafter engaged in the business of planting, pruning, removing, or trimming trees, limbs, or shrubs in the public rights-of-way of the Town shall, prior to the commencement of work, register with the Town Horticulturist or designated Town agent and file with the Town or show evidence of a bond or a liability insurance policy of not less than \$1,000,000 providing for the payment of just compensation to all persons sustaining injury or damage on account of the former's negligence or unlawful acts while pruning, trimming, cutting, or removing trees or limbs within the Town. Public service endeavors are not required to post a bond or liability insurance policy but will, nonetheless, be held responsible for failure to comply with the standards established by this chapter and are liable for any resulting damage to public or private property. At the time of registration, the Town Horticulturist or designated Town agent

shall furnish to the parties so registering a copy of the published standards for planting, pruning, and cutting trees and shrubs and also complete information as to all provisions of this chapter.

## 5. Consider modifications to § 101.27

### **§ 101.27 APPEAL AND REVIEW**

Decisions of the Town Horticulturist or designated Town agent may be appealed through the Appearance Commission Tree Committee for their recommendations to the Town Manager within 5 days notice of the decision. In the event of an unfavorable ruling, the appeal may be reviewed by the Town Council and a final decision rendered.

Or

Any decision by Town Horticulturist or the Tree Committee shall be subject to review in the Superior Court by proceedings in the nature of certiorari instituted within 15 days of notice of the determination.

Public Services  
140 Memorial Park Ct.  
Southern Pines, NC 28387  
910-692-1983



Date: May 6, 2016  
To: Town Council  
CC: Reagan Parsons, Town Manager; Peggy Smith, Town Clerk  
From: Adam Lindsay, Assistant Town Manager  
RE: Water Treatment Plant Contract

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The current contract to operate the Town's Water Treatment Plant will expire on June 30, 2016. In the fall of 2015 Town staff solicited a Request for Qualifications and received two vendor responses, one of which was from the current vendor/operator Suez. Staff met with both vendors and listened to their presentation on their qualifications to provide this service. Ultimately, staff asked both vendors to respond to a Request for Proposals in order to compare prices.

After a lot of deliberation, staff recommends that the Town continue its contractual partnership with Suez for an additional five years. Staff has had very little problems working with Suez and the few areas of concern were satisfactorily addressed during this process.

The cost (\$824,502) for the first year of the new five year term will actually be flat with the current year. Subsequent annual amounts may be adjusted per Consumer Price Index and Employment Cost Index, as is currently the case. The potential to add supplemental services will be discussed directly with Suez in the coming months and years ahead. We believe our relationship will be stronger than ever after going through this process.

One of the advantages of having a third party operate the Town's plant is that they provide assurances of compliance and operation in an extremely regulatory environment. They keep up with and submit required testing and provide timely and accurate responses to manmade and natural conditions. A third party, like Suez, has an advantage over a municipality like us by having multiple regional options for experienced operators that possess the necessary distribution licenses.



SUEZ Water Environmental Services Inc.  
Nadine Leslie, President  
461 From Road, Suite 400  
Paramus, NJ 07652  
(201) 750-3400  
nadine.leslie@suez-na.com

April 21, 2016

Mr. Adam Lindsey  
Director of Public Works  
Assistant Town Manager  
140 Memorial Park Court  
Southern Pines, NC 28387

**RE: Cover Letter to the 2016 Proposal for the Operation and Maintenance of the Town of Southern Pines, North Carolina's Water Treatment Plant**

Dear Mr. Lindsey,

SUEZ Water Environmental Services Inc. ("SUEZ") thanks you for the privilege to perform the services outlined in the enclosed Proposal for the Operation and Maintenance of the Water Treatment Facility for the Town of Southern Pines, North Carolina ("the Agreement"), dated April 2016. The purpose of this correspondence is to serve as the cover letter to the Agreement between SUEZ and the Town of Southern Pines for a five (5) year term, effective from July 1, 2016 through June 30, 2021, as well as to formally memorialize the parties' understanding of the provisions relating to "Value Added Services" as outlined in the Agreement.

It is understood that page 52 of the Agreement outlines that the annual fixed fee for this Agreement shall be Eight Hundred Twenty Four Thousand Five Hundred Two Dollars (\$824,502.00) or Sixty Eight Thousand Seven Hundred Eight Dollars and Fifty Cents (\$68,708.50) per month. In addition to this fixed fee, which covers the base operational and maintenance services to be performed by SUEZ, please note the section titled "Value Added Services", referenced on pages 49-52 of the Agreement. These "Value Added Services" include some additional work not considered a part of the scope of services included in the aforementioned fixed fee structure. Each of these additional services are itemized in the Agreement as options to be exercised by the Town of Southern Pines, with separate payment being due to SUEZ at the completion of the work contemplated therein. It is hereby agreed and understood by the parties that the performance of any "Value Added Service" by SUEZ shall be at the sole option of the Town of Southern Pines. It is further agreed and understood that any and all costs associated with the "Value Added Services" shall be calculated at such time that the Town of Southern Pines chooses to exercise the option related to the particular additional work it wishes to have performed by SUEZ.



SUEZ is tremendously proud of the accomplishments we have made during our time in Southern Pines as well as the strong relationships we have built with the members of your community. We would like to again thank you for the opportunity to continue to provide high quality water treatment facility operation and maintenance services.

If the foregoing as well as the attached Agreement is acceptable to you, kindly sign below as well as on page 47 of the Agreement and return a fully executed copy of both documents to SUEZ, Attn: Carla Krueger, Senior Paralegal, 461 From Road, Suite 400, Paramus, New Jersey 07652.

Should you have any questions or would like to discuss this matter further, please do not hesitate to contact Regional Manager Gary Stainback at (336) 766-0270.

Sincerely,

A handwritten signature in blue ink that reads "Nadine Leslie".

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Nadine Leslie  
President, SUEZ Water Environmental Services Inc.

Accepted, Agreed to, and Approved by Director Adam Lindsay, as of this \_\_\_\_ day of \_\_\_\_\_ 2016.

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*Signature*

Mr. Adam Lindsay  
Director of Public Works/Assistant Town Manager  
Town of Southern Pines, North Carolina

## EXECUTIVE SUMMARY

Since 1991, SUEZ has successfully operated the Town of Southern Pines' water treatment plant providing high quality drinking water to more than 12,000 residents. SUEZ is very pleased to submit a Proposal pursuant to the Request for Proposals released by the Town and in March 2016.

As an experienced owner, operator and lessor of water systems throughout the United States and more particularly in North Carolina, SUEZ is uniquely qualified to bring industry best practices to the Town's water treatment system. We bring robust operations and maintenance plans and extensive capital improvement experience that ensures the Town's assets continue to be improved, operated, maintained and managed in the most cost-effective and efficient manner. The ultimate goal of this approach is to enhance life-cycle value of the Town's assets and mitigate future rate increases.

In our Proposal, we present our references as well as our strategies for building on the successes of our current public-private partnership arrangement aimed at bringing technical solutions to consistently meet all environmental and system requirements. Based on our previous experience and our thorough knowledge of the Town's water production system, we embrace this initiative in which the final goal is to deliver the best value-for-money and high-quality sustainable water to the citizens of Southern Pines.

### **A seasoned and successful operator with innovative ideas for the future**

During our bid preparation, we invested significant time engaging with our current operational staff to leverage our understanding of the key challenges and to identify the various areas for improvement on the water treatment system.

For example, we highly recommend implementing a Computerized Maintenance Management System (CMMS) within the first six months of the new contract term, as a tool to support and improve our current maintenance and business processes.

We would also like to offer an evaluation of the Town's water treatment facility which will provide critical information regarding the status of the existing asset as well as useful recommendations for future operational needs, regulatory requirements and capital planning. This analysis will complement the recent study done by the Town's consultants on the water distribution system.

### **SUEZ' Short/Medium Term Goals**

- ✓ **Further improve system efficiency** by optimizing Operational Practices, putting in place a new Computerized Maintenance Management System (CMMS) and offering additional maintenance work for one of the elevated water storage tanks
- ✓ As the only private water company operating SUPERPULSATOR® treatment systems in North Carolina, **continue to supply the Town with 24/7 high quality drinking water**
- ✓ **Offer an evaluation of the water treatment facility** similar to the recent distribution study provided by the Town's consultants, in order to anticipate future operational needs and regulatory requirements
- ✓ **Offer additional and innovative services** for the O&M of the Town's water distribution

In addition to the current scope of services, SUEZ can offer additional services and support that would optimize the Town's water and wastewater systems O&M. In particular some of the areas that are available include:

- Non-revenue water reduction program (including pressure management)
- Distribution system management
- Collection system management
- Maintenance and repairs of the sewer pumping stations
- Capital Program Management

**From a transition perspective, as the current operator, our team is already in place and will “hit the ground running” with a no-risk transition period for the water treatment facility O&M.**

#### **A Communication and Stakeholder Plan**

Communication, social responsibility and development of people will be the cornerstone of our success. For all the above mentioned offers and due to the nature and importance of this contract, we have nominated appropriately experienced and qualified people blending our strong local knowledge with an extensive collaborative contracting experience. Our experience has shown that constructive and trustworthy interaction with stakeholders is critical to ensuring a successful public-private partnership and achieving the Town's objectives in an environment of change. Our selected team will ensure that strong existing relationships are fostered with all of Southern Pines' stakeholders.

We are excited to commit the best resources of our companies and to offer our SUEZ team as a committed and long-term partner to the Town in the delivery of safe, reliable and secure water services.

## I. SCOPE OF WORK

SUEZ has a thorough understanding of the project requirements and stands ready with a knowledgeable project team reinforced by extensive local, regional and corporate resources to provide successful long-term operations for the Southern Pines Water Treatment Facilities into the next contract term.

SUEZ will continue to operate the Town's water treatment facility in a safe, reliable and compliant manner, manage the day-to-day operations of the facility, operate the facility in a manner that meets all applicable federal and state regulations, and provide appropriate maintenance of the equipment.

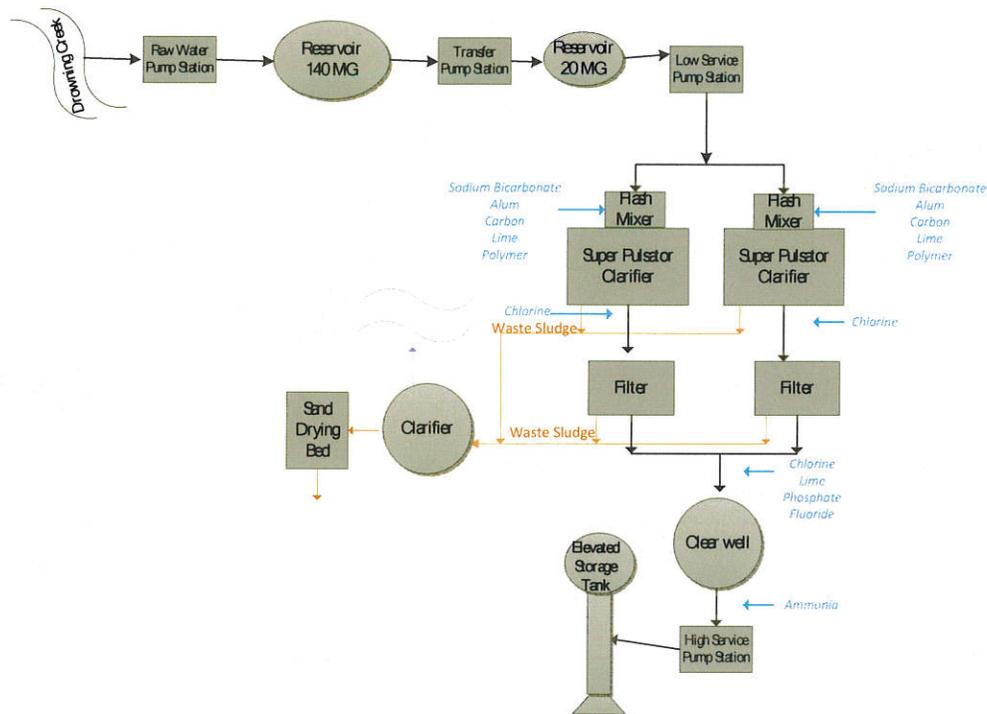
The Town of Southern Pines provides water service for its customers through its publicly owned water treatment facility.

The Town's Water Treatment Facility (WTF) is an 11.0 million gallon per day (MGD) design capacity conventional water treatment facility. The source of water for the treatment facility is Drowning Creek. Two raw water pumps are provided to transfer water from Drowning Creek to the WTF.

The treatment scheme includes chemical addition, flocculation, sedimentation and filtration. The treated water is disinfected by chloramination and final pH adjustment is available. The treated water is stored in an onsite clear well.

Water is then transferred on demand to storage tanks and to customers on the system. The following figure provides a schematic of the current Southern Pines WTF operation.

### ***Current Southern Pines WTP Operation***



Water production at the WTF currently averages 3.5 mgd.

With the presentation of this proposal, SUEZ offers to provide the Town with the expertise and manpower necessary to perform all required operation and maintenance functions to properly operate and maintain the Southern Pines WTF. Specifically, SUEZ will operate the plant in accordance with the rules and regulations established by the U.S. Environmental Protection Agency (USEPA), North Carolina Environment and Natural Resources. SUEZ will serve as the Town’s liaison and representative in matters related to the operation and maintenance of the WTF including regulatory agencies and local governments.

SUEZ has a clear understanding of the Scope of Work required to successfully operate and maintain the Town’s WTF. We are uniquely qualified to meet the needs of Southern Pines as we have 24 years of experience providing successful, compliant operations, maintenance and management to the Town.

The full resources of SUEZ will be available to the Town to review and/or assist in their environmental control program and to provide recommendations for optimizing and/or upgrading the performance of the WTF.

This proposal agreement is based on a 5 year term with options to renew or extend. This information along with cost and insurance levels are provided in Section VIII of this document.

## II. PERSONNEL

### ***Project Team***

As a leading service provider in the industry, SUEZ understands that our people are what makes the difference and are the key to a successful partnership. This is particularly true in Southern Pines where a close working relationship with the Town staff and residents is absolutely critical. Our on-site team is the foundation of our staffing plan and is supported by a large network of local, regional and corporate resources. We understand that our team is the eyes and ears of the Town and the need for us to act quickly and respond to emerging issues. Our team will focus on being highly responsive to the Town's needs and being available on a 24/7 basis.

#### **Gary Stainback, Regional Manager – North Carolina Projects**

Gary Stainback will provide management and operational support to the project activities as well as to the Project Manager on an ongoing basis. Mr. Stainback will also be available for routine project meetings and Town meetings as needed to support any project activities. With over 29 years of operations and management experience with water and wastewater facilities in North Carolina, Mr. Stainback possesses a working knowledge of numerous design processes, including conventional water treatment, advanced wastewater treatment, biological nutrient reduction and treatment of industrial waste streams. He has a firm understanding of federal and North Carolina's water and wastewater regulations. He was involved with the initial start-up of the Southern Pines WTP O&M Project in 1991 and has directly provided management and technical support to the project for over 24 years. Mr. Stainback is a North Carolina A-Surface license-certified operator. Mr. Stainback is located in the SUEZ Clemmons, NC Regional Office and is readily available to the Southern Pines Project.

#### **David McKew, Project Manager**

Our onsite team is led by our Project Manager, David McKew. Mr. McKew is a North Carolina A-Surface water license-certified manager and through his 34-year career has managed surface water plants, start-ups and transitions of facilities similar to Southern Pines. Mr. McKew will continue to manage operations of the water treatment plant. He has successfully operated this system through a construction upgrade and expansion which increased the capacity from 5.5 mgd to 11.0 mgd and upgraded the existing pulsator design to a SUPERPULSATOR® operation. Under Mr. McKew's operational management, the Southern Pines WTP has received two annual North Carolina excellent compliance awards. Mr. McKew and his family have resided in the Southern Pines area for the past 20 years and is an active part of that community.

#### **Nadine Blackwell, North Carolina Compliance Manager**

Nadine Blackwell has over 29 years of experience with North Carolina Water and Wastewater Operations. Ms. Blackwell plays a key role in supporting the Southern Pines Project in regards to regulatory support. She has very good working knowledge of the state and federal regulations and provides support in scheduling, commercial laboratory activities, reporting and regulatory communications. Ms. Blackwell has been involved with the Southern Pines Project for 24 years. She is based out of the SUEZ Clemmons office and is available to the Southern Pines Project as needed.

**Lisa Morris, North Carolina Administrative Assistant**

Lisa Morris has provided administrative assistance to the Southern Pines Project for over 17 years. Specifically, she provides support for routine regulatory reporting, data management, procurement, payroll and client correspondence. Ms. Morris works in the SUEZ Clemmons, NC Office and is available to serve Southern Pines as needed.

**Southern Pines Project O&M Staff**

SUEZ will provide the personnel necessary to properly operate and maintain the Town of Southern Pines WTF. Personnel will be employees of SUEZ. All salaries, wages, benefits and payroll taxes will be the responsibility of SUEZ and are included in any cost proposed.

SUEZ will provide a certified water treatment plant operator to be in responsible charge of the water treatment facility. The Operator-in-Responsible Charge (ORC) will maintain the necessary certification of the grade equivalent to the classification assigned to the water treatment facility. The Southern Pines WTF is rated as a Class A Surface Facility. SUEZ will provide a Grade A Surface level operator and a certified back-up operator for the Southern Pines WTF. The WTF will be operated on a demand for water basis and with the hours of operation scheduled accordingly. The WTF will continue to be manned 24 hours per day seven days per week.

The onsite project staff is comprised of four North Carolina-certified operators (excluding Project Manager David McKew) that collectively possess 67 years of operational experience in North Carolina and 37 years of operating experience at the Southern Pines Project. The staff provides operational and maintenance shift functions and report directly to the Project Manager and Operator-in-Responsible Charge (ORC), David McKew. The shift operators perform daily operational functions such as routine facility inspection rounds, chemical dosage adjustments, record keeping, onsite laboratory process control testing and “operator level” maintenance tasks.

The onsite operators are:

- Kyle Tapscot      A-Surface Certification
- Jeff Brown        A-Surface Certification
- Candace Mott     C-Surface Certification
- David Burris      C-Surface Certification

All staff resides locally within the Southern Pines area.

**Area North Carolina Operational Support**

The onsite Southern Pines WTP operational staff will provide the routine daily operational needs for the facility. The operational group has successfully operated the Southern Pines Facility during significant construction upgrades as well as adverse storm conditions.

SUEZ also has provided a plan of additional area operational support in the case of emergencies. These staff members include three managers that all possess North Carolina Grade A-Surface operator certifications and collectively have over 104 years of experience in the water industry.

They include:

- Joe Thaxton        A-Surface Certification

- Tim Murray      A-Surface Certification
- Mark Grose      A-Surface Certification

All three of these North Carolina support team members reside in North Carolina and are available for technical support or emergency support. These resources will be coordinated, if needed, through the Project Manager and Regional Manager.

Joe Thaxton is located in eastern North Carolina and has managed two SUPERPULSATOR® design water treatment facilities and is a very good operational and technical resource. Mr. Thaxton possesses over 34 years of experience in the water and wastewater industries.

Tim Murray has over 35 years of experience in North Carolina water operations and has served as an operator for the Southern Pines WTP and continues to fill in as needed during regular staff vacation or illness. Mr. Murray is very familiar with the SUPERPULSATOR® process.

Mark Grose currently manages our Ramseur WTP operation and is located just north of Southern Pines. Mr. Grose has been cross trained as a Southern Pines operator and is available on short notice to assist if needed. Mr. Grose has over 36 years of experience in the North Carolina water and wastewater industry.

**Corporate Support Team**

The partnership with SUEZ provides the Town with not only a local company with extensive operating experience in Southern Pines and North Carolina, but also the leading innovative environmental service company. We supply the SUPERPULSATOR® technology through our Treatment Solutions segment (formerly known as Infilco Degremont), and we presently operate five plants using the SUPERPULSATOR® process, including the Southern Pines Water Treatment Facility.

SUEZ will provide a corporate support team to support our local onsite Southern Pines and regional North Carolina team in all areas of operations, maintenance, compliance, human resources, health and safety, engineering and technical support. The table below provides a listing of corporate support that is available to the Southern Pines Project.

Responsibility	Individual	Location	Experience
<b>Chief Operating Officer</b>	John Cheslik	New Jersey	34 years of experience in environmental engineering and operations, focused on large wastewater systems and energy management; managed a team of 200 for operations of 225-mgd wastewater plant and 30-MW cogeneration facility and sludge drying facility. Provides executive support to the Project and Region

Responsibility	Individual	Location	Experience
<b>Technical Services Director</b>	Brian Graham	New Jersey	Over 28 years of experience with reverse osmosis (RO) water treatment, advanced water and wastewater treatment process modeling, sludge management, biological nutrient removal (BNR), master planning and computer simulation
<b>Operational Support</b>	Joe Thaxton	North Carolina	Over 34 years of water and wastewater treatment experience with expertise in SUPERPULSATOR® start-up, operation and optimization. Focus on CMMS start-up and support with expertise in SCADA applications, Serves as supporting resource for Emergency Management
<b>Maintenance and Asset Management</b>	Kelly Smith	Indiana	Over 12 years of water/wastewater and industrial treatment experience. Develops, installs and integrates facility asset management programs and maintenance management system. Expertise in creating value through change management and optimizing business processes
<b>North Carolina Compliance Manager</b>	Nadine Blackwell	North Carolina	Over 29 years of North Carolina water and wastewater operational experience with project focus on regulatory compliance, scheduling, permitting and procurement
<b>Human Resources</b>	Felicia Highsmith	North Carolina	17 years of experience in all areas of human resources including strategic management, organizational development, staffing, policy development, benefits administration, training and creating partnerships with managers and employees
<b>Project Development &amp; Capital Expenditures</b>	Anthony Dusovic	New Jersey	25 years of engineering experience including nearly 20 years in the water industry; specializes in operations management, business development, strategic planning and commercial and customer support with extensive experience in design, manufacture and sale of highly engineered ozone and UV disinfection systems

Responsibility	Individual	Location	Experience
<b>Engineering/ Operational Support</b>	Bob Raczko	New Jersey	35 years of experience in engineering and operations. Expertise in operational troubleshooting and process optimization.
<b>Energy Manager</b>	Elizabeth Keddy, P.E., LEED® AP	New Jersey	Over five years of experience specializing in energy efficient and sustainable design and operation of water and wastewater systems
<b>Environmental Compliance, Health &amp; Safety</b>	Mike Luker	Georgia	34 years of experience in Occupational Health & Safety. Coordinates North Carolina H&S and Compliance Training. Supports Risk Management Program administration for use of chlorine gas
<b>Water Quality &amp; Compliance</b>	Keith Cartnick	New Jersey	Over 33 years of experience in the environmental field, focusing on water quality and treatment, regulations and laboratory operations. Laboratory experience includes management of overall operations, sampling, analysis and regulatory reporting, laboratory QA/QC functions and oversight of compliance with drinking water regulations

SUEZ has delineated corporate and technical resources that are more than support by phone or computer. The support staff provided is familiar with the Southern Pines site and is available to assist onsite when needed. The table below provides a listing of recent onsite visits and technical support provided by our group. In addition, the table also lists the staff members chosen to complete the WTP evaluation if accepted by the Town.

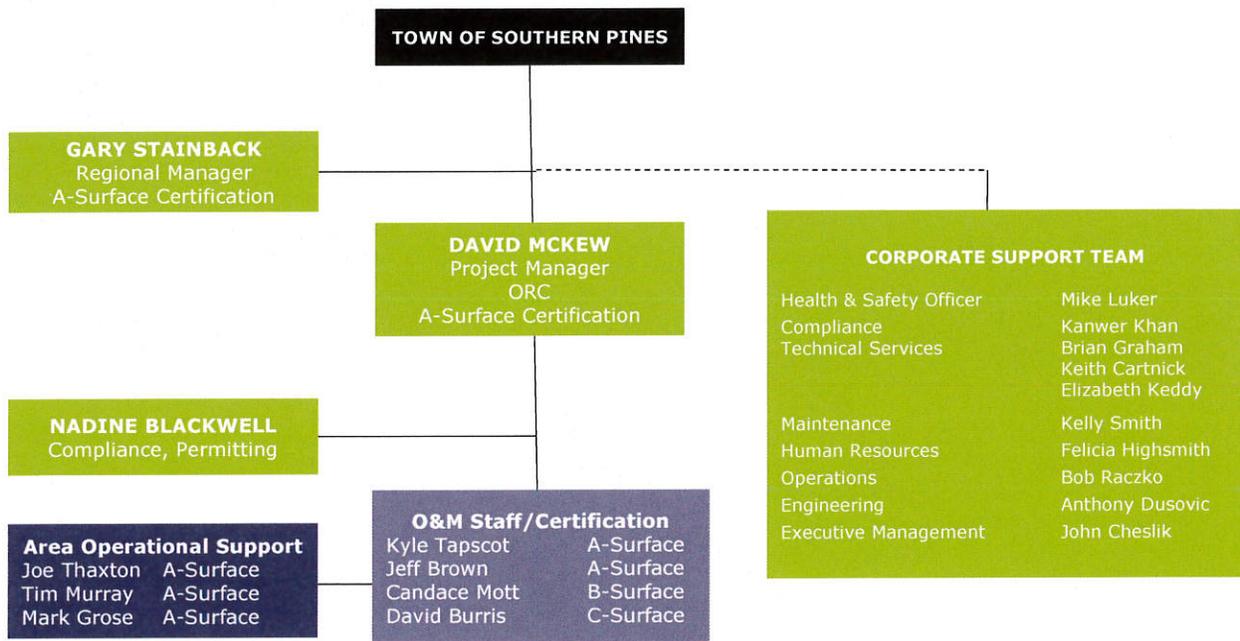
**Recent Corporate Support onsite at Southern Pines Project**

Date	Individual	Event
10/6/2015	Mike Luker	Update and review of Risk Management Program
10/7-8/2015	Mike Luker	Environment, Health & Safety review of Southern Pines Operations
10/7-8/2015	Keith Cartnick	Environment, Health & Safety review of Southern Pines Operations
10/6-8/2015	Keith Cartnick	Operational review and chemical optimization trial review to reduce residual finish water aluminum and lower disinfection byproducts

Date	Individual	Event
3/19/2015	Elizabeth Keddy	Visited Southern Pines operation and provided initial energy assessment. Assisted with modification of Town's electrical accounts to reduce cost
January & February 2016	Joe Thaxton Brian Graham Elizabeth Keddy Robert Raczko Kelly Smith	SUEZ provided Water Treatment Facility evaluation to the Town of Southern Pines. Study included visits by staff and development of report to Town.

### Staffing Plan

The onsite and direct support staffing plan is provided below. Support staff work with the local staff throughout the contract.



### Staff Coverage and Planned Work Shifts

SUEZ is committed to having a well-run dependable, efficient operation. SUEZ will continue to staff the facility 24/7.

### Employee Development and Training

The effectiveness of facility operations is dependent upon the collective and individual abilities of the operating staff. SUEZ recognizes employees as its most valuable resource. To ensure the continued development of their skills and capabilities, we offer tailored training programs to the specific needs of our employees at all stages of their development and growth. This ensures we have the right staff at the right time, to meet the project requirements now and in the future. Recognizing this, we place a high priority on improving the capabilities and productivity of facility

personnel. We accomplish this by providing overall management, on-site direction and support for our personnel. In addition, we conduct a series of specialized training programs specific to the facilities under our responsibility. The expertise of our entire staff of operation specialists, engineers, field technicians, chemists and business administrators is utilized to address specific assignments and specialized needs. In addition, to assist our employees in their improvement of professional skills and the development of new skills, we invest over 16 hours per employee, per year. Our training goal for the Southern Pines project is 40 hours of training per employee per year.

### **Training Needs Assessment**

Training needs assessments and training programs will be performed to achieve the following goals:

- Identify competencies required to perform each job
- Build a comprehensive training program based on the identified skills and weaknesses
- Adjust training material to the background, education, experience, reading level and cultural background of the staff
- Develop and periodically update a skills matrix of SUEZ personnel to understand and mold work force capabilities

While the specific training curriculum cannot be established until after the completion of the training needs assessment, it is likely that at a minimum, the following topics will be covered:

- |                            |                                   |
|----------------------------|-----------------------------------|
| ● Process Control          | ● Energy and Chemical Consumption |
| ● Preventive Maintenance   | ● Predictive Maintenance          |
| ● Computerized Maintenance | ● Customer Service                |
| ● Project Management       | ● Quality Management              |
| ● Personnel Supervision    | ● Environment, Health & Safety    |

A Training Coordinator at every SUEZ-operated facility monitors and implements training activities. An emphasis will be placed on the employee orientation, safety and technical training, and cross-training needs, with equal emphasis on comparable training for managers and supervisors. We emphasize cross training to enhance SUEZ employees' skills and range of capabilities, their effectiveness in performing daily operations and their career advancement potential. Our central training library contains manuals, slide/tape programs, texts, videos and transparencies to supplement each plant's resources.

Employees are encouraged to further their formal education through a tuition reimbursement program where each employee is reimbursed for the successful completion of college classes.

We annually offer diversity training, customer service training and personal goal setting, to help our employees recognize opportunities to succeed both in their professional and personal lives. As part of the Individual Development Plan, employees are identified for management and leadership training. In concert with the strategic plan, a succession plan is developed for both leadership and technical positions.

In summary, there are numerous benefits to the SUEZ training programs:

- Flexibility in training to all employees in a technologically challenging environment
- Quantitative assessment of employee skill levels and needs
- Formalized delivery of required equipment and process skills and knowledge
- Continuous improvement of operations and maintenance performance and management of the Town's assets

### ***Site-Specific Health and Safety Risk Management Plans***

SUEZ firmly believes that in order to develop and maintain a safe working environment, safety must be a key part of all operations, maintenance and administrative work practices. Our safety program not only complies with all federal, state and local regulations, but it also ensures that safety is a responsibility shared by all of our employees. In addition to establishing safe work practices, our safety program also increases safety awareness and provides ongoing safety training opportunities for all employees. Key components of our safety program include our Health and Safety Manual, our safety management programs, and our emergency response program.



### **Health and Safety Program**

SUEZ is committed to the safety of the workforce with a comprehensive health and safety program exceeding the required standards established by applicable state and federal laws. Our program specifically emphasizes the benefits of proactive safety management. SUEZ' goals are to consistently maintain injury and illness rates that are below industry standards. Our experience proves that we can achieve these goals by continually working as a team toward zero lost-time injuries. Specific components of our health and safety program that will be implemented at the Town's 11-mgd Water Treatment Plant include the following:

- Site Specific Health, Safety and Security Program – tailors and implements site-specific activities and conditions unique to each facility
- Responsibilities – describe our management commitment and identifies individual responsibilities for implementing our health and safety program
- Communication Program - establishes a system for communicating with all employees and contractors on health and safety matters
- Personal Protection Programs and Safe Work Practices – describe hazards which may be encountered in the workplace and provides specific procedures for maintaining a safe work environment while protecting employees and the public
- Accident Investigation - outlines accident investigation and corrective action procedures

- Safety Inspections - establishes a system of regular inspections and procedures for correcting deficiencies
- Environmental Health & Safety (EHS) Training - provides guidelines and reference material for ongoing health and safety training that is maintained for the duration of the project.
- Recordkeeping - establishes a system for maintaining records regarding employee injuries.
- High Hazard/Risk Programs - describe specific procedures for work practices for high risk work, such as confined space entry, lockout/tagout, energized electrical work, trenching / excavation.

### **Health & Safety Program Implementation**

The transition team will initiate efforts to implement a Health & Safety Program centered on the key components below. Project Management and the staff will manage and continue the program on an on-going basis at the Town's 11-mgd Water Treatment Plant. Corporate Health and Safety will provide periodic support and monitoring of the program at the facility.

#### **Health & Safety Manual (HSM)**

- Prepare a Health & Safety Manual that will provide guidance to project management and employees on the health & safety policies and procedures to conduct work tasks.
- Train employees in the major components of the HSM via EH&S Orientation Training

#### **Personal Protection Equipment**

- SUEZ to procure standard PPE (hard hats, safety boots and safety glasses) for all personnel
- Distribute PPE to personnel and provide training on when, where and how PPE should be worn
- Require all staff to wear standard PPE as a part of each job task, which will be enforced by Project Management

#### **Safe Work Planning**

- One of the early programs to implement will be safe work planning on all tasks using a simple tri-fold document. The process flows as follows:
  - a. Identify work crew and task
  - b. Identify potential hazards associated with the task
  - c. Verify that proper control measures are in place
  - d. Determine the relative risk and if acceptable then complete the task. If the risk is unacceptable then additional controls and/or different procedures will be implemented
  - e. Debrief after task completion to determine future improvements
- Train all staff in process of safe work planning and staff will initiate procedure for work tasks
- As safe work plans are completed then Job Safety Analysis (JSAs) will be developed using the information on all routine tasks

#### **Health and Safety Audit**

- A Health & Safety Professional will complete a Health & Safety audit of the Town's 11-mgd Water Treatment Plant

- The Health & Safety Audit will identify potential hazards, program deficiencies and needed health and safety improvements
- A Health & Safety Action log will be developed to identify tasks, responsibilities and target dates for identified health and safety improvements. These improvements could include:
  - a. Maintenance fixes
  - b. Health & Safety Program needs / improvements
  - c. Capital improvements – included in the capital program
  - d. Specialty safety equipment and PPE needs
- Conduct periodic follow up on action items to determine implementation/completion

### **Incident Reporting**

- Initiate use of Incident Reporting Hotline number to report all incidents
- Train all employees on Incident Reporting Hotline procedure to include:
  - a. Types of Incidents to report
  - b. What information to report to Hotline
- Implement Incident Intervention via WorkCare to assist in managing injuries
- Submit incidents into SUEZ' Intelex Program to track and investigate incidents
- Investigate all incidents to determine immediate, contributing, and root causes
- Develop and implement corrective actions to address the root causes

### **EH&S Training Needs Assessments**

- Complete EH&S Training Needs Assessments on all employees
- Develop an EH&S Training Plan to complete required training
- Assign courses to employees in PureSafety (on-line training) and schedule classroom training based on EH&S Training Schedule
- Monitor EH&S training completion via monthly EH&S Training Needs Assessment Report

### **Safety Committee**

- Implement Safety Committee for the Town's 11-mgd WTP
- Conduct monthly safety committee meetings
- Focus on activities to improve the safety of the operations
- Complete monthly safety committee minutes/action log to track safety committee activities
- Communicate to personnel on a monthly basis on safety improvements

### **High Risk Tasks**

- Develop programs on identified high risk tasks
  - a. Confined Space
  - b. Energized Electrical Work
- Identify equipment needs for tasks and procure
- Conduct training for employees involved in tasks

- Conduct work site inspections to verify controls are in place

#### **Residual Risk Assessment**

- Identify a team to conduct a residual risk assessment of the Town's 11-mgd WTP
- Determine initial risk and existing controls
- Identify proposed controls and residual risk after controls are implemented
- Develop action log of proposed controls and assignments to complete tasks
- Follow the completion of the control measures via periodic reviews of the action plans.

SUEZ' approach to safety is one that requires full participation from all employees. As a condition of employment, our employees are required to comply with the SUEZ health and safety program while in the performance of their assigned duties and while on company or client premises. SUEZ provides employees with the proper tools, equipment and training to perform their jobs safely and efficiently, while maintaining a healthy work environment. We want our facilities to be places that encourage and support our employees to be their best. In return, we expect employees to perform their jobs productively by conforming to all safety rules and regulations to minimize opportunities for injury or illness.

Every employee is responsible for recognizing unsafe and unhealthy conditions and is obligated to report these conditions to his or her supervisor. Employees are provided with risk assessment pocket cards to remind them of the need to think before acting. In our permit programs, we have step-by-step instructions for entering confined and permit required spaces and for obtaining confined space entry permits. At no time will we allow an employee, manager, subconsultant, contractor or visitor to complete a task at the expense of safe work practices. In fact, the start or completion of any project is delayed until it can be safely executed.

Safety is promoted through:

- Continuous improvement of health and safety management processes
- Maintenance and continued development of an integrated health and safety culture
- Defining the most efficient and cost-effective use of available resources
- Continuous improvement in health and safety performance as demonstrated by recognized industry and internal performance measures

The organization's values are as follows:

- Health and safety is integral to our work; it is the way we do business
- All incidents, injuries and occupational illnesses are preventable
- Health and safety is a responsibility shared by individuals, teams, management and the corporation
- Employees and contractors are obligated to refuse unsafe work based on imminent danger

The organization is committed to:

- Holding paramount the health and safety of people as well as the protection of property, process and the environment

- Working toward recognized industry practice and complying with all regulatory and legal requirements
- Ensuring our people have the training, tools and resources needed to work safely

### **Security Program**

In recent years, SUEZ' security and crisis management programs have also been stepped up with extensive security measures introduced at all facilities. The organization is committed to providing a safe and secure workplace for its employees, contractors and visitors, as well as protection of facilities from external threats to safeguard the public service. Among the threats the program addresses are vandalism, terrorism, low-intensity conflict and technical vulnerabilities of other essential infrastructure, such as energy or gas installations.

The SUEZ team is committed to maintaining security initiatives at its facility operations and has in place a strong security management system, including Emergency Response Plans at the site, corporate (Corporate Response Team), and international levels.

Security policies will include, but not be limited to, the following features:

- External facility doors locked at all times
- Securely locked gates during non-business hours
- Periodic inspection and maintenance of fencing and gates
- Routine monitoring, inspection, testing and maintenance of available building entry and fire alarm systems
- Appropriate identification and documentation of authorization of all persons accessing the facilities—trespassing will not be tolerated, and will be referred to local law enforcement agencies.
- Recording in a logbook of all persons accessing the facilities.

### **III. OPERATION AND MAINTENANCE (O&M)**

#### ***Operations and Maintenance Work Plan***

In managing water treatment facility operations, SUEZ' mission is to safely provide the highest level of service to the client in the most cost-effective manner. This objective is achieved while safeguarding the environment and providing an unsurpassed level of water treatment performance, facility condition and working environment, for our employees. We accomplish this by applying our continuous improvement process in all components of our operations and maintenance. Through this process, (1) performance parameters are applied and measured, (2) operations methodologies are continually reviewed, (3) technology is advanced as a core management strategy and (4) efficiency in execution of all activities is established as performance goals are achieved.

**The Southern Pines water treatment plant directly benefits from our continuous improvement program through cost-effective operations, high quality drinking water and assistance with an effective capital improvement program.**

SUEZ' Operating and Maintenance Plan identifies our approach towards continued efficient, compliant and reliable services to the Town. Highlights of the plan include:

- Continuing to refine performance metrics that drive optimal performance
- Implementing an emergency preparedness and security plan that will ensure SUEZ is prepared to safeguard the Town's facility
- Ensuring full environmental compliance using Hach Water Information Management System (WIMS™) data management software
- Optimizing chemical and energy use through our management control and reporting systems, key performance indicators and support of the Town's energy programs
- Managing an effective and value-added partnership between the Town, its customers and SUEZ through a detailed communications program that includes weekly, monthly and annual client reports and regular meetings
- Maintaining a safe work environment with the further refinement of our comprehensive safety program
- Providing superior oversight and assistance to the requirements of upcoming reviews, upgrades and enhance operational functions with regional technical support
- Continuing to provide training and skill building to all employees

## Water Treatment Plant

**SUEZ will manage, operate and maintain all water facilities, which include the following:**

- River Intake with air scour cleaning system
- Raw Water Pumping Station at Drowning Creek equipped with two 5,600-gpm Vertical Turbine Pumps, Standby Pumps and Pre-Oxidant Feed System
- Raw Water Transmission Piping
- 140-mg Raw Water Reservoir
- 140-mg Intermediate Pumping Station equipped with three 2,800-gpm pumps
- 20-mg Raw Water Reservoir
- 20-mg Low Service pump station with three 2,800-gpm pumps
- Rapid Mix Chamber
- SUPERPULSATOR® Upflow Clarifier
- Anthracite Media Filters
- 2.0-mg Clearwell
- Three High Service Pumps
- Chemical Feed and Bulk Storage
- Water Treatment Building housing, Chemical Feed Pumping, Filter Operations, Laboratory and Administrative space
- Finish Water Piping including Metering and Control Valves for Delivery to customers



***Southern Pines SUPERPULSATOR® facility  
operated by SUEZ for over 23 years***

**SUEZ will perform all services in a professional, efficient and economical manner and in accordance with the contract with the Town and in compliance with all federal, state and local laws, regulations and requirements. We will maintain the systems in good repair and working order and in a neat and orderly condition at all times to avoid interrupted service. We will base operational decision making on the following overall objectives:**

- Protection of public health and welfare
- Protection of operating staff health and safety
- Preservation of the long-term capability of the water supply, water treatment, distribution and storage systems
- Protection of the environment
- Protection of public and private property
- Maximization of operational efficiency and minimization of operational costs

SUEZ will maintain flows and storage to meet daily demands and emergency situations. We will perform all routine, predictive and preventive maintenance, including replacement and/or repair

of equipment in accordance with the contract and all applicable laws and regulations. We will meet requirements that are accepted or recommended industry maintenance practices, procedures and standards, but in no event less frequently or comprehensively than that recommended or specified in manufacturers' warranties. We will maintain, on behalf of the Town, all manufacturers' warranties on new equipment purchased during the term of the contract, and will fully cooperate and assist the Town in enforcing equipment warranties and guaranties relative to components of the systems.

SUEZ has integrated the following procedures:

- **SOPs – Process Unit Operation Evaluation:** provides a template outline for the review of unit process operations in order to achieve documentation of the relevant data, identification of the process testing and control parameters, development of routine operational procedures to be followed and performance guidance for diagnosing and controlling process problems.
- **Laboratory Methodology and QA/QC Handbook:** as applicable to this project, provides guidelines for general laboratory operations in order to achieve the required level of quality control and consistency in analysis results. The handbook establishes procedures for sample collection, control, chain of custody and testing.
- **Asset Management and Maintenance:** SUEZ is proposing a Computerized Maintenance Management System (CMMS) to provide the highest level in reliability in the process operating units. In addition, the program enables the closer management of valuable resources such as replacement parts, consumables and equipment wear elements to improve overall cost control while optimizing the availability of operating units.
- **Emergency Response Planning:** This plan adopts an emergency management plan specifically tailored to the Town's system. The plan is implemented through employee training and communications with the Town's wholesale customers and with public safety agencies.

SUEZ will implement and refine the program elements in conjunction with the facilities' Operations and Maintenance Manuals, a permit compliance strategy and appropriate and generally accepted industry practices, to affect customized operations of the total facilities. SUEZ will plan and schedule operations to deliver services in a manner which avoids any perceived or real, negative impacts for the Town's customers or agencies.

### **Water Treatment**

The Southern Pines Facility consists of the following processes:

- Raw Water Screening
- Raw Water Pump Station
- Raw Water Reservoir
- Coagulation
- Flocculation
- Upflow Clarification
- Filtration
- Disinfection
- Corrosion Protection
- Residuals Handling

Treatment is provided through two parallel treatment trains that include rapid mixing and flocculation feeding into two SUPERPULSATOR<sup>®</sup> upflow clarification units. The clarified water is transferred to eight multimedia filters. The following chemicals will be added during the treatment process:

- Capability is present to add a pre-oxidant to the raw water
- Liquid Alum added to the rapid mixers as the primary coagulant
- Liquid Lime added at the rapid mixers for coagulant control, at the clarifier effluent for pH control or at the finish water pumps for final pH adjustment
- Provisions are available to add polymer at the SUPERPULSATOR<sup>®</sup> clarifier
- Powdered Activated Carbon may be added in the rapid chemical mix
- Chlorine and Ammonia are added for disinfection
- A corrosion inhibitor will be fed following the chlorine contact to provide corrosion protection and sequestering of iron and manganese in the distribution system

### **Intake/Low Lift Pumping**

Raw water is brought to the treatment plant site through a raw water intake structure located at Drowning Creek. The structure has intakes protected by a screen with air scour cleaning capabilities to keep coarse material from entering the plant. The raw water pump station includes two 5,600-gpm vertical turbine pumps.

### **Raw Water Reservoir**

The Southern Pines WTP includes a 140-mg and a 20-mg Raw Water Reservoir. The reservoirs help reduce influent turbidity and dampen turbidity swings from the river as well as provide adequate raw water storage during drought periods.

### **Chemicals**

As a matter of good practice, SUEZ' operating philosophy is to review all chemical programs. This includes evaluation of the type, dosage and unit cost of all chemicals utilized in the operation with an eye towards optimizing performance and reducing cost. SUEZ' team routinely reviews all chemical usage and, by working closely with our Supply Chain Management department, seeks to optimize chemical consumption and costs at the facilities.

For the Southern Pines WTP, SUEZ has developed an understanding of the chemical requirements based on raw water quality conditions and finished water quality treatment objectives. Our staff is very familiar with the raw water characteristics and there will be no "learning curve" in regards to chemical feed strategies or treatment unit optimization. Key chemicals include:

1. Alum dosage depends on raw water turbidity and organics (TOC). The 140-mg and 20-mg raw water reservoirs will help reduce the raw water turbidity and dampen turbidity variations from Drowning Creek
2. Polymer – aids in coagulation and helps maintain the stability of the solids blanket in the SUPERPULSATOR<sup>®</sup>
3. Lime – Used as needed for a alkalinity adjustment ahead of the SUPERPULSATOR<sup>®</sup>s, typically added at the finished water for pH adjustment
4. Chloramines – Used for disinfection requirements

The chemicals included by SUEZ are: potassium permanganate, carbon, alum, sodium bicarbonate, polymer, chlorine, lime, ammonia, fluoride and corrosion inhibitor. The use of thiosulfate has also been included for the wastewater discharge.

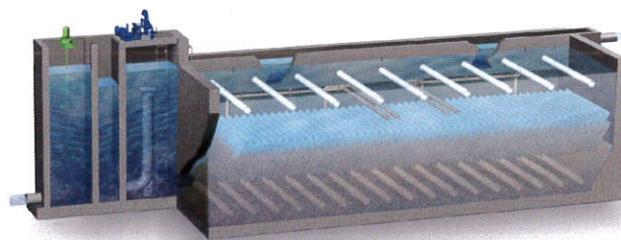
SUEZ will provide the chemicals necessary for the operation of the water treatment plant. However, should conditions change (such as an increased water demand, construction modifications, regulatory modifications) which would require additional types and/or quantities of chemicals (different from what is currently in use) SUEZ would be reimbursed, at cost, for the additional chemical requirements. SUEZ chemicals costs for the water plant operations are based on current average water production (treatment) rates of up to 3.5 mgd. If the average water production rates and subsequent chemical and supply demands increase, or treatment requirements dictate increases in chemical dosages or the application of additional chemicals, then the Town and SUEZ will evaluate these costs and make any fee adjustments, as necessary.

Conversely, if the annual average water production rates are reduced significantly, then the Town and SUEZ will evaluate the chemical and supply costs and make any fee adjustments, as necessary.

**Chemical Pretreatment**

Rapid mix chambers are provided to mix pretreatment chemicals with the raw water. Alum, lime and coagulant aid may be added to the rapid mixers.

SUEZ determines coagulant chemical dosages through regular monitoring of pH, alkalinity, turbidity and color of raw, coagulated, settled and finished water; routine jar testing; and review of filter operating trends and performance.



**Rapid Mix Integrated in SUPERPULSATOR®**

The jar testing procedure is a communication tool between shifts to further evaluate the daily coagulation process by the following procedure.

Lime addition prior to the SUPERPULSATOR® is regulated where the influent alkalinity is too low for effective alum coagulation. It is important to keep the pH of coagulation as low as possible to maximize organics (TOC) removal, which will help reduce DBP formation. We limit adding lime ahead of the filters; this will keep the pH lower through the chlorine contact tank, which will reduce the chlorine residual needed for disinfection and reduce DBP formation.

Post flash mix samples are collected by the operator at the beginning of each shift and set up in the Southern Pines WTP lab to complete the flocculation process. At the end of the theoretical flocculation time the jars are allowed to settle. Jar test results are analyzed on-site and recorded for evaluation of turbidity, color, pH and aluminum residual.

These results will quickly determine if the plant operation is consistent with previous results and give an indication of the finished water quality. This will also allow the plant staff to continually optimize the operation for the most efficient usage of coagulants as well as improved water quality compliance.

### **SUPERPULSATOR® Clarification**

Clarification is provided in two parallel units. The Southern Pines WTP incorporates the use of the SUPERPULSATOR® Clarifier process. This process combines basic water treatment chemical principles in a high rate, solids contact clarifier.

Coagulated water from the rapid mix is transferred to the SUPERPULSATOR® vacuum system. Coagulated water is distributed to a series of laterals. Orifices in the laterals point downward to scour the unit floor and provide energy for the flocculation process.

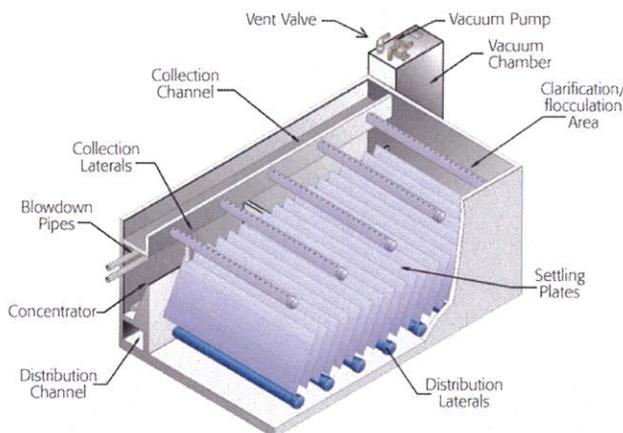
The flocculated water is directed upward through a series of inclined plates. A 10-ft. high sludge blanket is developed and retained from the basin floor and between the settling plates.

The SUPERPULSATOR® unit provides an internal concentrator to collect excess sludge during sludge blanket expansion. The operator adjusts the sludge collector discharge through determination of the desired frequency and duration.

Clarified water is collected across the length of the settling area. The heart of the SUPERPULSATOR® system is the vacuum pump and vent valve assembly. Proper operational controls include maintaining the optimal frequency and duration, creating a pulsating action of the sludge blanket in the settling area.

### **Filtration**

Following clarification, water is distributed among one of eight filters. The filter media consist of anthracite. Each filter provides at a design loading rate of 3 gpm/ft<sup>2</sup>. Filtered water ultimately travels to the 2.0-mg clearwell that provides storage for backwash supply as well as a source for high service pumping.



***SUEZ' connection with the treatment equipment (formerly known as Degremont) provides unmatched depth in technical support.***



***SUEZ provides unmatched SUPERPULSATOR® experience***

Backwash water is supplied by a backwash pump to create a rise rate in the filters. Waste backwash water is transferred to the backwash/sludge holding tanks and subsequently discharged through Outfall 001 which is governed by an NPDES Permit.

SUEZ initiates filter backwashing based on:

- An increase in effluent turbidity from an individual filter; this criterion governs water treatment filtration
- An increase in filter head loss beyond desired levels
- Operating time (based on operating experience and turbidity profiling of filter runs).

SUEZ also provides regular monitoring of the backwash process to identify process deficiencies such as:

- Observation of media boils caused by uneven backwash flow distribution
- Observation of media carryover to identify excess wash rates
- Observation of media surface after backwashing to identify coagulant deficiencies or backwashing deficiencies
- Monitoring of initial filter head-loss after backwashing to identify deterioration in filter bed
- Turbidity pattern monitoring after placing the filter back in service (ripening period)
- Turbidity observation of backwash water through backwash cycle to ensure that filters are being optimally cleaned
- Adjusting wash rates to account for changes in temperature so that proper bed expansions are achieved
- Performing annual filter media inspections to assess filter media condition
- Post-Treatment Chemical Addition
- The corrosion inhibitor is added prior to the clearwell; the system incorporates the ability to make final chlorine and pH adjustments

### **High Service Pumping**

Three high service pumps are provided to deliver treated water to the distribution system from the finished water 2.0-mg clearwell.

### **Residuals**

Settled sludge generated from the SUPERPULSATOR<sup>®</sup> operation and filter backwash water are discharged into two waste tanks. One tank is used for collection of filter backwash water and provides gravimetric thickening for sludge prior to transfer to the second tank. The second tank is used as a wastewater clarifier and allows any remaining solids to settle prior to the discharge of wastewater to the receiving stream. Thickened sludge is periodically transferred from the first tank to one of six sand drying beds. Dewatered sludge is collected from the sand drying beds and disposal of in an area landfill.



***Southern Pines Clearwell***

SUEZ sludge handling costs are based on sludge produced at a maximum average water production rate of 3.5 mgd. It is agreed that if the average production rate exceeds 3.5 mgd then the Town and SUEZ will review the sludge disposal costs and make adjustments, if necessary. It is agreed that if the Town adds large water users that the Town and SUEZ will review the compensation paid to SUEZ and make adjustments at the time of addition of any large water user(s).

The Town acknowledges that except as specifically stated herein, SUEZ has no responsibility as a generator, treater, storer or disposer of hazardous or toxic substances found or identified at a site. The Town agrees to defend, indemnify and hold harmless SUEZ, from any claim or liability, arising out of SUEZ's performance of work under this Agreement and made or brought against SUEZ for any actual or threatened environmental pollution or contamination except to the extent that SUEZ has negligently caused or contributed to any such pollution or contamination. This indemnification includes reasonable attorney fees and expenses incurred by SUEZ in defense of such claim.

### **Water Treatment Process Optimization Strategy**

Two water treatment regulations that have significantly impacted water systems utilizing surface water supplies include the removal of microbial contaminants through the interim Enhanced Surface Water Treatment Rule (ESWTR) and control of disinfectant byproducts under the Stage I Disinfectant/Disinfection Byproducts (D/DBP) Rule. As their names imply, more stringent regulations were imposed to surface water facilities. The irony associated with these regulations is that enhanced measures to improve compliance with one, often leads to additional challenges in compliance with the other.

The ESWTR will require that systems meet a filtered water turbidity standard of 0.3 NTU for 95% of samples taken, and a maximum turbidity reading of 1 NTU in any given month. While turbidity readings from individual filters will not be used for maximum contaminant level (MCL) determinations, individual filter effluent turbidities above 0.5 NTU can trigger required actions under certain conditions.

The Phase I D/DBP Rule lowered the MCL for total trihalomethanes (THM) from 100 parts per billion (PPB) to 80 PPB. In addition, haloacetic acids (HAAs) were regulated at an MCL of 60 PPB. Phase II regulations have further impacted the WTP with more aggressive sampling criteria. Treatment plants with certain raw and finished water characteristics, based primarily on alkalinity and organic content, will be required to optimize coagulant addition for reduction of organics.

SUEZ strives to minimize THM and HAA levels in the system by optimizing the treatment process for both the removal of organic precursor compounds, as well as optimizing the chlorination process to minimize the formation of these compounds. The exceptional performance of turbidity removal will continue throughout this process. SUEZ will implement the following strategies:

- Perform periodic bench testing to optimize precursor removal. This is done by measuring the removal of total organic carbon (TOC) and specific ultraviolet absorption (SUVA) – a measure of the ease with which organic compounds in the water can be removed by coagulation, with varying alum dosages and coagulation pH levels. Chemical dosing and coagulation pH strategies will be modified as necessary to implement the strategies suggested by the testing and analyses.

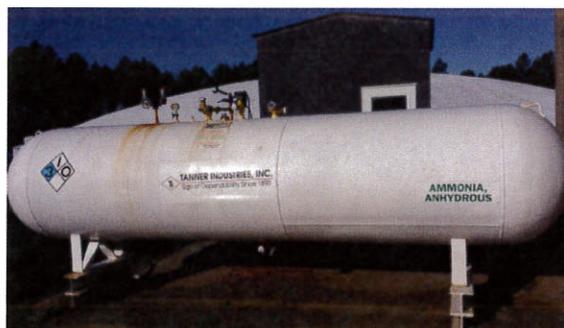
These operational optimization studies and measures will be necessary to gain an understanding of any real future need to invest in process modifications to meet the longer-term regulatory changes. SUEZ has worked diligently to reach the Stage II D/DBP standards through operational measures, therefore minimizing the need for an otherwise significant capital investment.

**SUEZ optimizes the Southern Pines operation by utilizing the Laboratory to include the necessary equipment/personnel to analyze the following parameters:**

- **TOC:** We will utilize the onsite analysis of total organic carbon (TOC) to evaluate the efficiency and performance of the treatment process. TOC analysis will also assist with evaluating chemical types, application points and possible pretreatment influences.
- **THM and THM Formation Potential:** This analysis will allow further evaluation of treatment options and type of chemical as well as point of application. To further enhance the treatment process the conditions of each application could be evaluated inside of each day of operations. This analysis is a predictor of compliance sampling to further enhance or predict distribution conditions prior to the actual compliance monitoring.
- **Mono – Chloramine Monitoring:** The Southern Pines WTP uses chloramines as a disinfectant strategy to reduce disinfection byproducts. As this system is brought on line, SUEZ will provide the monitoring capabilities to optimize this operational strategy. The effectiveness of chloramination is dependent on the conditions at the point of application. The monitoring of those conditions plus the detection of the levels of mono-chloramines (as well as the other components) will be the lead indicator of the success of this application. Appropriate analytical equipment and skills are provided by SUEZ for the reliable operation of this process.

**Disinfection Byproduct Treatment Solution**

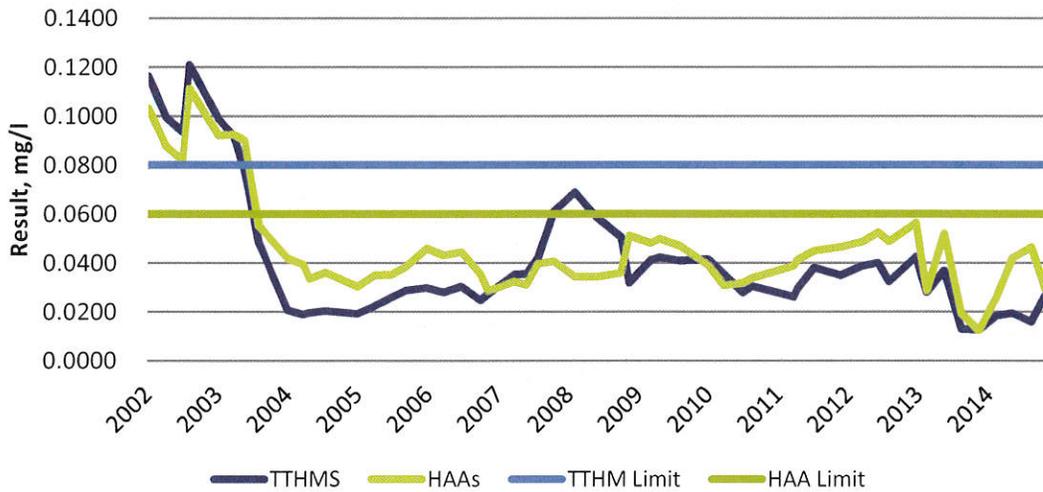
- SUEZ led the corrective measure with the Town of Southern Pines to use chloramination to effectively reduce disinfection by products (DBPs) such as THMs and HAAs in finished water.
- The Southern Pines WTP had historically been challenged by the latest THM and HAA regulatory limits. SUEZ coordinated the installation and startup of a chloramination process in the fall of 2003. The introduction of this process required significant modifications in the sampling and monitoring program and the distribution hydrant flushing program. SUEZ has implemented this program with documented success. The figure below demonstrates the quarterly average THM and HAA concentrations at Southern Pines prior to the addition of chloramines and following the implementation of this program.



**Ammonia Storage: SUEZ will continue to optimize the chloramine treatment program to reduce DBPs.**

***SUEZ brings demonstrated experience in successfully managing water systems in North Carolina and brings Best Management Practices to Southern Pines’ water treatment facility.***

### Southern Pines WTP



- The success of the Southern Pines chloramination project eliminated the periodic challenges of the increased THM and HAA concentrations and returned this Public Water Supply to a consistent status of compliance.

SUEZ will continue to provide the operational support to ensure proper implementation and success of this program. The success of this program is dependent on a thorough understanding of proper chlorine and ammonia ratio to produce the desired results. A ratio less than target dosage will result in excess ammonia and potential bacterial re-growth and conversely, a ratio in excess of the target dosage can result in taste and odor problems, in addition to an ineffective process.

#### Electricity

SUEZ has not included the cost of electrical service for the water treatment plant. All electrical costs for the operation of the water treatment plant will be borne by the Town of Southern Pines. If selected by the Town to negotiate a WTP O&M contract or renewal, SUEZ recommends utilizing eRPortal CMMS and transitioning to this CMMS within the first six months of the new contract term. SUEZ will utilize resources listed below to assist local staff with the successful transition and start-up of this system.

## ***Maintaining All Land, Buildings, Improvements and Permanent Equipment***

### **Maintenance, Repair and Replacement**

#### **Preventive, Predictive and Corrective Maintenance**

The core philosophy of SUEZ' maintenance approach is to assess the condition of all critical equipment and schedule preventive and corrective maintenance to assure reliable operation and maximum life cycle. This approach is cost effective, as it reduces the frequency of expensive emergency repairs and delays replacement costs.

Critical equipment is necessary to:

- Ensure potable water quality, pressures and flows
- Ensure regulatory compliance and public safety

To ensure all critical equipment receives the highest priority, the equipment management process requires daily status updates by both operations and maintenance staff on all critical equipment and associated system components. Subject to the final contract terms and conditions, maintenance budgets and associated maintenance cost caps, the goal of this process is to maintain a minimum of 95% critical equipment availability at all times.

SUEZ will also develop a reliability plan that identifies and prioritizes preventive maintenance (PM) and predictive maintenance (PdM) tasks for each critical piece of equipment.

#### **The Computerized Maintenance Management System**

SUEZ will provide and implement a Computerized Maintenance Management System (CMMS) as a tool to support our current maintenance and business processes. We will include the implementation of a new CMMS at the Southern Pines Facility as part of our base service. The implementation will include entry and verification of all preventive work procedures and timelines as outlined in the manufacturer's literature to automatically generate PM work orders. SUEZ has significant experience with many types of CMMS software systems. We recommend eRPortal as our preferred system for the WTP. The eRPortal system was selected as a result of its ease of use, data mining capabilities, intuitiveness of work flow, schedule generation capabilities, and material and labor allocation processes. The eRPortal system will be utilized to manage and document our maintenance program. Our asset management implementation strategy consists of seven key modules as illustrated in the figure on the following page. Each module is used to manage our maintenance work processes, including work management, asset management, procurement, inventory, data management, materials and contract management.

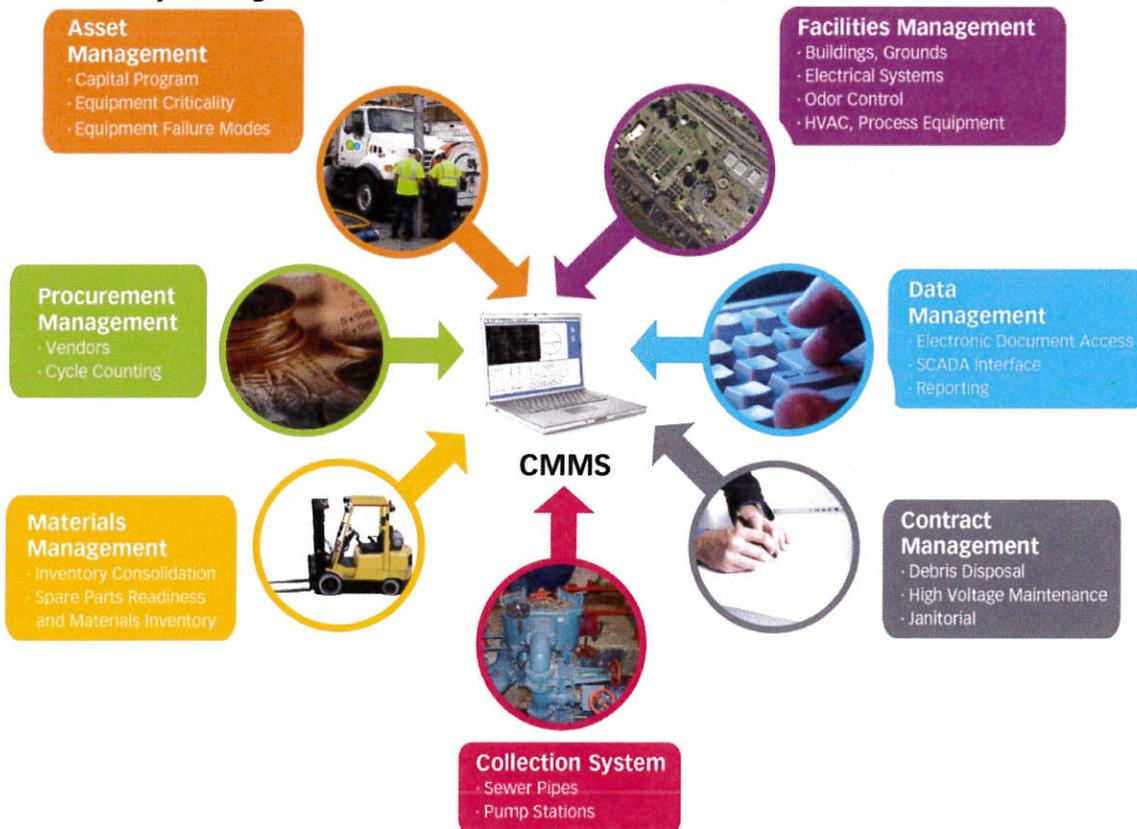
SUEZ will also work with the Town of Southern Pines to implement critical maintenance performance indicator benchmarks. These may include:

- Critical equipment availability
- PM/CM ratio
- PM Completion
- Inventory runs and stockouts
- Work order aging, including work orders open more than 30 days and work orders open more than 90 days
- Warrantee Information

SUEZ will transition to this CMMS within the first eight months of the new contract term. SUEZ will utilize resources listed below to assist local staff with the successful transition and start-up of this system.

Southern Pines CMMS Transition Start-up		
Responsibility	Individual	Experience
CMMS/Maintenance Support	Joe Thaxton	Over 33 years of water and wastewater treatment experience with expertise in SUPERPULSATOR® operation. Focus on CMMS start-up and support with expertise in SCADA operations
O&M Technician Assistance	Roy Deckard	Over 20 years of experience with water and wastewater treatment. Working knowledge of eRPortal system.
Administrative, Data Collection and Computer Support	Nadine Blackwell	Over 20 years of North Carolina water and wastewater operational experience and 24 years of experience working with the Southern Pines WTP. Working knowledge of asset management and scheduling for CMMS

**Our Asset Management system consists of seven key modules that enable SUEZ to successfully manage the Town of Southern Pines assets.**



**Preventive Maintenance**

SUEZ’ approach includes documentation of the following PM activities:

- PM schedule
- Completion of PM activities, tracking equipment failures and performance, for the purpose of creating baselines for reliability analysis
- Follow-up repair activities where the detected failure can be repaired during the inspection
- Documenting conditions that require attention/conditions that potentially lead to a failure
- Planning, scheduling and performing repairs documented by the PM inspector
- Analysis of frequency and severity of failures to refine the PM task list
- Documenting and scheduling training and skills development related to current PM technologies
- Standard Maintenance Plans (SMPs) that outline standard procedures as appropriate
- Reference or access to vendor literature in the computerized O&M document specific to each piece of equipment

**Predictive Maintenance**

Our Predictive Maintenance (PdM) system uses an equipment-performance baseline to identify equipment performance degradation in advance of a catastrophic failure. PdM analysis tracks process variables such as temperature, vibration and amperage to identify trends that predict equipment failure. When these readings exceed statistical limits, the system alerts SUEZ maintenance personnel to make the necessary repairs prior to equipment failure.

**Routine and Corrective Maintenance**

Routine and Corrective Maintenance (CM) performance is also an important aspect of SUEZ’ Asset Management Program. Routine maintenance includes landscaping, road upkeep, grounds keeping, building maintenance, painting, janitorial services and similar activities associated with the upkeep of equipment and facilities. CM includes repairing mechanical, electrical and instrumentation failures.

SUEZ Approach	Southern Pines Benefits
Implement critical equipment management process	Ensures operational readiness and environmental compliance
Develop critical equipment reliability plans	Improves critical equipment reliability and availability
Implement predictive maintenance program	Reduces costs while improving equipment reliability and availability

**Asset Management**

SUEZ’ record of accomplishment in Asset Management is best illustrated by our ownership and/or operation of large water and wastewater projects and the resulting long-term perspective on decision making. The Asset Management Program components include:

- Integrated CMMS
- Inventory management and reporting system
- Document management system for O&M manuals, vendor literature and design documentation
- Systematic identification and communication to the system CAPEX needs

The table below summarizes SUEZ’ technical approach to the maintenance and management of the Town’s assets. SUEZ implements a Maintenance Management Plan to ensure the Town’s water assets are maintained in accordance with recognized maintenance standards.

**Technical Approach to Asset Maintenance and Management**

Maintenance Plan Requirements	SUEZ’ Approach
Preventive, Predictive, Corrective and Routine Maintenance	Incorporates reliability plans that focus actions on preventable maintenance interventions
Computers and Software	Provides asset management software as our CMMS and information to support maintenance process
Asset Management Plan	Develops proactive culture and process
Inventory Management	Uses CMMS to manage inventory
Vehicle and Rolling Stock Maintenance	Capitalizes and properly maintains rolling stock utilizing our CMMS program

**Building and Grounds**

SUEZ takes pride in the physical appearance of the facilities it manages. This pride reflects a level of commitment and professionalism while providing best value and cost realism for common sense building and grounds maintenance. SUEZ provides continuous, cost-effective buildings and grounds maintenance, which includes painting, janitorial services, pest control and grounds maintenance to maintain the appearance of the facilities and grounds.

**Maintenance Performance Benchmark**

SUEZ’ approach is based on carefully designed plans that incorporate regulatory and contractual compliance requirements into one comprehensive system. SUEZ experts team with the onsite team to develop and integrate metrics into the CMMS that enable them to plan, execute, track and measure the work needed to operate, maintain and manage the facility in accordance with prudent industry and utility practices and in compliance with site-specific requirements. These key performance indicators (KPI) include metrics to ensure maintenance is performed to protect the Town’s investment in its water facility.

SUEZ will assume responsibility for the costs of repair of breakdowns and malfunctions of the equipment at the water treatment plant. SUEZ will provide all replacement parts and supplies with

a ceiling cost of \$500 per breakdown event, not to exceed an annual maximum total of \$12,500 for operation of the water facility. This includes items such as bearings, belts, bushings, lubricating oil, grease, paint, etc. Items above the \$500 per event value may be purchased directly either by the Town or by SUEZ. If SUEZ purchases the item on behalf of the Town, then SUEZ will obtain prior approval from the Town prior to purchasing any “large-dollar” items. The labor required for replacement and/or repair of major equipment items will be addressed on a case-by-case basis. The Town would be notified and would give authorization prior to SUEZ commencing any repair work. SUEZ will allow for a \$500 credit on all breakdown events costing more than \$500. SUEZ will not be responsible for equipment failure or repairs resulting from Acts of God (such as, but not limited to lightening damage, flooding, drought, etc.) or structural or design deficiencies.

The cost of repairs or replacement for any single item of equipment, as well as the cost of normal replacement parts and expendable items will be borne by SUEZ. The maximum cost that will be borne by SUEZ for the repair or replacement of any single item will be \$500 and the maximum annual total repair/replacement cost to be paid by SUEZ will be \$12,500 for the water treatment facility. If the function of an item can be restored by repairing or replacing a part(s), it will be considered a single item. SUEZ will not incur any expense without the express authorization of the Town and whenever possible, repairs shall be performed by the employees of SUEZ and these personnel costs shall not be included in the \$500 limit. Similarly, the Town will not unilaterally undertake to complete any allowance from SUEZ, without prior authorization of SUEZ. Costs are not included for repair or replacement of collection equipment or remote pump stations.

If the Town does not accept a written recommendation from SUEZ to repair or replace an item of equipment, and/or to make improvements to the facility, or propose a feasible alternative solution that would prevent a failure or failures without the recommended improvements being made, then SUEZ would not be held responsible for any failures or resulting violations that were a consequence of not making the recommended improvement(s). In addition, SUEZ would be reimbursed for any additional incremental operational costs associated with the Town’s failure to implement necessary improvements. SUEZ will be responsible for the grounds upkeep (mowing) of the plant inside the fenced area surrounding the immediate area of the water treatment facility.

## IV. WATER STORAGE FACILITY MAINTENANCE

As part of our program to adequately sustain water quality in the distribution system, SUEZ will provide water storage facility services. The current tank service provided by SUEZ was initiated approximately five years ago and the tank agreement still has two additional years on this current scope which was developed specifically for the Town of Southern Pines. SUEZ recommends continuing the use of the current tank service agreement as this service incorporates a total of a 7 year plan to accomplish work in this area and improve the overall status of the tanks. At the conclusion of the two remaining tank maintenance service years, the service will be extended. SUEZ will provide recommendations to the Town regarding water tank maintenance and service needs. Water tank maintenance is a specialized service area and will require the use of subcontractors that possess the experience and skills in that area. SUEZ proposes the use of Utility Service Company Incorporated (USCI), which is now known as Advanced Treatment Solutions segment under the SUEZ brand. USCI is the largest provider of contract water tank maintenance services in the United States. USCI presently maintains approximately 5,000 water tanks nationwide and annually inspects approximately 6,000 tanks.



AWWA M42 Statement

"Thousands of dollars can be saved and complaints from citizens can be eliminated if a planned approach to tank maintenance is adopted."

The Town of Southern Pines has four water distribution storage facilities. SUEZ recognizes that water storage is essential for meeting the community's needs for the domestic, commercial, industrial and fire demands placed upon the system. Optimal use of the water distribution storage system is necessary to accommodate the needs of the Utility and their wholesale customers.

SUEZ has provided this service to the town for the past five years and has a good working knowledge of the tanks. SUEZ has visited the site of each of these water storage facilities and conducted a preliminary assessment of each facility. SUEZ will provide a thorough washout of all storage facilities, the interior surfaces will be disinfected and a professional, comprehensive inspection will be done, at a minimum, every two years. All inspection and related work pertaining to storage facilities will be performed in accordance with AWWA Manual M42- Steel Water Storage Tanks and Concrete Tanks as the criteria applies to the tank.

***Distribution System Tanks. Our O&M approach protects the life of the Town's assets.***

Water Storage Tank	Volume (Gallons)	Construction Material
1800 Highway US 1	2,000,000	Concrete
Weymouth	2,000,000	Steel
Henley Street	500,000	Steel
Eastman Tank	1,000,000	Steel

Inspection of all the tanks will include the identification of corrosion signs or patterns, structural deficiencies, and coating defects. All identified problematic areas will be prioritized with corresponding corrective action steps and any associated cost impact.

Inspections will also include all components of each storage facility, with added emphasis on water quality and related components, such as:

- Altitude valves
- Shutoff valves
- Drainage hydrants
- Riser pipes
- Overflow pipes
- Air vents
- All interior surfaces in contact with potable water

SUEZ also understands the need to operate each storage facility on a daily basis that sustains and supports all water quality objectives in the distribution system. The focus for the operation of the distribution includes the following:

- Ensure water volume turnover of storage facility volume as determined by the Town
- Monitor and optimize operating water levels in all storage facilities
- Maintain all operational data pertaining to storage levels
- Monitor and evaluate storage tank levels on a frequent basis
- Monitor strategic locations for system pressure
- Evaluate and define system diurnal demands, with respect to weekly, monthly, seasonal and annual variations
- Evaluate interactions between pump operation and storage facility operating levels, with respect to improving operational characteristics and customer service.

SUEZ will manage any subcontractor work on the water storage tanks. SUEZ will obtain prior approval for any storage tank work to be performed.

SUEZ has included the cost of the annual routine tank maintenance service in the cost fee shown in the cost section. The terms and conditions associated with the annual cost are outlined.

The included water storage tank service responsibilities are provided in the paragraphs that follow.

The following scope of services is included for the Town's three steel tanks: the Weymouth tank, the Henley Street tank and the Eastman Road tank.

- Annually inspect and service the tank. The tank and tower will be thoroughly inspected to ensure that the structure is in a sound, watertight condition.
- Engineering and inspection services shall be provided as needed to maintain and repair the tank and tower during the term of the contract. The repairs include: steel parts, expansion joints, water level indicators, sway rod adjustments and manhole covers and gaskets.
- The interior and/or exterior of the tank shall be cleaned and repainted at such time as complete repainting is needed. The need for interior painting will be determined by the thickness of the existing liner and its protective condition. When interior painting is needed, procedures as

outlined in AWWA-D102 specification for cleaning and coating of potable water tanks will be followed. Only material approved for use in potable water tanks will be used on any interior surface area. The need for exterior painting will be determined by the appearance and protective condition of the existing paint. When the exterior requires repainting, the tank shall be painted with the same existing color paint and a coating system which best suits site conditions, environment and general location of the tank shall be used. When painting is needed all products and procedures will be equal to, or shall exceed the requirements of the North Carolina Department of Environment and Natural Resources, the American Water Works Association and the Society for Protective Coatings as it relates to surface preparations and coating materials.

- A lock will be installed on the roof hatch of the tank.
- Emergency services will be provided when needed to perform all repairs during the term of the agreement. Reasonable travel time must be allowed for the repair unit to reach the tank site.
- If needed pressure relief valves will be provided and installed in the water system while the tank is being serviced.
- Current certificates of insurance will be furnished to the Town.
- SUEZ is accepting this tank under program based upon its existing structure and components. Any modifications to the tank, including, but not limited to antenna installations, shall be approved by SUEZ prior to installation or modification and may warrant an increase in the annual fee.

**Excluded Items:** This Proposal does NOT include the cost for and/or liability on the part of the SUEZ for: (1) containment of the tank at any time during the term of the Contract; (2) disposal of any hazardous waste materials; (3) resolution of operational problems or structural damage due to cold weather; (4) repair of structural damage due to antenna installations or other attachments for which the tank was not originally designed; (5) resolution of operational problems or repair of structural damage or site damage caused by physical conditions below the surface of the ground; (6) negligent acts of Owner's employees, agents or contractors; (7) damages, whether foreseen or unforeseen, caused by the Client's use of pressure relief valves; (8) repairs to the foundation of the tank; or (9) other conditions which are beyond the Clients' and SUEZ control, including, but not limited to, any damage to the tank or tank site which results from unauthorized entry of any kind to the tank site or tank.

Please note that all of the above services are also included in the scope of services for the Highway US-1 concrete tank except for the following:

- The concrete tank will not require the above mentioned engineering and inspection services needed to maintain and repair the tank and tower that would include steel parts, expansion joints, or sway rod adjustments.
- The concrete tank will only be provided with exterior painting as described earlier. Interior painting is not required for this tank.
- All other terms and conditions listed above, for the three steel tanks, also apply to the US-1 concrete tank.

## V. SAMPLING, MONITORING AND REPORTING

### ***Permit-Required Sampling, Monitoring and Reporting***

SUEZ will utilize the on-site laboratory at the water treatment plant. We will operate the laboratory in compliance with North Carolina 15A NCAC 2H 0.0800, 40 CFR 136 and 40 CFR 141. SUEZ will provide laboratory services to properly analyze process control tests, NPDES Permit compliance testing and drinking water compliance testing.

***SUEZ' comprehensive sampling and monitoring schedule improves process control and compliance monitoring for the Town's facilities.***

Southern Pines WTP: Process Control		
Lab Test	Monitoring Frequency	Name of Laboratory
Color, pH, Total Alkalinity, Iron, Manganese, Fluoride**, Monochloromine*, Free Ammonia*, Free Chlorine*, total Chlorine*	Daily	Southern Pines WTP Lab
Total Hardness	Monthly	Southern Pines WTP Lab
Aluminum	Quarterly during seasonal changes	Southern Pines WTP Lab
Nitrate*	Seasonal	Contract Laboratory
Total Organic Carbon	Monthly	Contract Laboratory
Filter Media Evaluation	Quarterly	Southern Pines WTP Lab
Total Coliform	Monthly	Southern Pines WTP Lab
Turbidity, Residual Chlorine	Hourly	Southern Pines WTP Lab
Inorganics, VOCs, Nitrate	Annual	Contract Laboratory
Total Organic Carbon & Alkalinity	Monthly	Contract Laboratory
Haloacetic Acids, Trihalomethanes	Quarterly	Contract Laboratory
Lead and Copper, PCBs, SOCs	Once every three years	Contract Laboratory
Radiological	Once every eight years	Contract Laboratory
TSS (effluent discharge)	Twice per Month	Contract Laboratory
Turbidity (effluent discharge)	Weekly	Contract Laboratory
Aluminum (effluent discharge)	Weekly	Contract Laboratory

\*Testing will be implemented after disinfectant conversion

\*\* Testing will be provided if the Town fluoridates water

## ***Sampling, Monitoring and Reporting Plan***

SUEZ will conduct process monitoring and all required permit monitoring. The table on the previous page summarizes current North Carolina Public Water Supply monitoring requirements.

SUEZ will complete all routine testing, such as turbidity, temperature, pH, color, chlorine, fluoride, iron, manganese, CO<sub>2</sub>, alkalinity, hardness, and bacteriological analyses. For some tests, the required number of sampling events is based on the number of customers served and the analytical results obtained from the initial sampling event. And for other tests, the frequency of analyses may vary from once every three years up to once every nine years.

Additional analyses, which are included in our cost estimate, are Radiological testing, PCB's, SOC's, monthly distribution bacteriological analyses, Lead and Copper, Trihalomethanes, Haloacetic Acids, Nitrates, Inorganics, VOC's, and Asbestos. SUEZ will complete these tests and file the appropriate reports.

SUEZ will prepare and submit the required Monthly Monitoring Reports to the North Carolina Department of Environment and Natural Resources, Public Water Supply Section. Copies of these reports will be sent to the Town along with any and all other pertinent records and information concerning the operation of the facility. SUEZ will complete all sampling and monitoring requirements currently required of Community Surface Water Systems. Since it is not possible to anticipate future monitoring requirements, no contingency costs are included in our proposal for future analytical requirements. These analyses will be completed by SUEZ and billed back to the Town of Southern Pines at actual cost, plus 10%. No new analytical testing will be initiated without first obtaining authorization from the Town of Southern Pines.

SUEZ will respond to all water quality questions and complaints and provide onsite investigations, laboratory samples, and other appropriate action, as required. SUEZ will maintain records of all water quality complaints, including name, address, apparent problem and resolution. These records will be maintained at the Plant and available to Southern Pines upon request. A typical distribution water quality evaluation form is presented in **Appendix B**. A summary of these complaints and their resolutions will be provided to the Town by SUEZ. SUEZ will be responsible for the upkeep of the laboratory equipment and for the purchase of chemical testing reagents.

All facility records, data, and onsite information, including, but not limited to operation reports, laboratory data, and budgetary and regulatory information shall remain the property of the Town of Southern Pines. All operating procedures, guidelines, preventive maintenance, and plant evaluation reports shall, upon termination of this Agreement, remain the property of the Town of Southern Pines.

SUEZ will assist the Town in developing the Annual Consumer Confidence Report (CCR). SUEZ will provide the reportable analyses, regulatory standards, and language required to effectively communicate this information to the customer and public. The Town will be responsible for printing and distribution of this material.

## Laboratory Quality Assurance/Quality Control (QA/QC)

QA/QC plays an essential role in the operation of any laboratory. High quality results can only be obtained if a comprehensive QA/QC program is in place, and it is strictly followed. SUEZ has developed, and will continue to use, a program that includes all aspects required by regulation and consists of three major components:

- Adherence to documented procedures and protocols detailing frequency and types of quality control parameters used within each analytical run
- Established and documented acceptance criteria by which to judge the performance of these parameters
- A formal multi-level review process to verify that quality control parameters lie within acceptance criteria and that no calculation or data entry errors have occurred in processing the raw analytical data

A Regional Quality Control Officer oversees the quality control program. The Project Manager and Quality Control Officer will continue to have full responsibility for ensuring the quality of the work generated by the lab. This will be accomplished by:

- Providing guidelines for the quality control program to all personnel and confirming that they can demonstrate an understanding of the program
- Overseeing and maintaining the training program files for each analyst
- Interacting with certification authorities and auditors in conjunction with certification
- Maintaining copies of procedural write-ups and ensuring that all lab personnel follow them
- Coordinating the analysis of Performance Testing samples for every test for which the lab is certified, reviewing results with analytical staff and providing timely response to certification authorities with respect to any problems
- Ensuring the analysts are monitoring quality control results and that corrective action is taken whenever an out-of-control event occurs
- Maintaining QA documentation files
- Performing periodic audits of laboratory data, procedures and files
- Preparing reports to management on lab activities, including a section on QA/QC

SUEZ has developed a Laboratory Methodology and QA/QC Handbook that provides guidelines for general laboratory operations necessary to achieve the required level of quality control and consistency in analysis results. SUEZ will continue to refine and update the QA/QC Manual and SOPs for all laboratory methods and sampling to be performed as part of our operations and maintenance agreement with the Town. All SOPs will follow and reference an approved methodology.

Appropriate sample containers and preservatives will be used for all samples. Some of the laboratory work may be subcontracted to certified labs. When work is subcontracted, it will be done so under chain of custody, and the appropriate records will be included with the data package.

On an annual basis, SUEZ will continue to participate in the State's proficiency testing in order to demonstrate accuracy and maintain state certification for the treatment plant laboratories. This certification is obtained through proper analyses of state selected independent supplier blanks, and by successfully passing a state inspection of laboratory test methods, procedures and test equipment.

SUEZ will continue to participate in the State's proficiency testing in order to demonstrate accuracy and maintain state certification for the treatment plant laboratories.

### **Management and Reporting**

SUEZ will utilize Hach WIMS™ as its data management system. All process control data, regulatory compliance data, and MCRS data will be stored in Hach WIMS™. SUEZ' internal reports like the DWOR and regulatory compliance reports are generated by the use of Hach WIMS™. In addition, SUEZ will develop any additional reports specific to the Town.

### **Quality Management**

SUEZ understands that the regulatory environmental climate throughout the United States and North Carolina is ever-changing and in most cases becoming more stringent. SUEZ maintains an Environmental Compliance Team that is constantly monitoring proposed and new regulations. As these regulations develop, SUEZ will keep the Town informed and provide recommendations for establishing additional treatment processes, changes in operational strategies, chemicals and sampling and monitoring. These recommendations are based on the best available data and management practices. For instance, if the Town converts the disinfectant at the water treatment plant from chlorine to chloramines, SUEZ will initiate the operational training, public education, monitoring, reporting and management initiatives that correspond with the chloramines program. As noted earlier, the on-site SUEZ staff will be heavily supported with experienced staff members to start-up this program and monitor it closely as well as provide local support as needed.

### **Records and Reporting**

The successful operation of water and wastewater systems involves much more than technical and "hands on" expertise. Accurate and timely records and reporting mechanisms are essential components of the process. These are the tools that enable us to measure our progress, comply with contractual and regulatory requirements, and maintain ongoing communications between the company and the Town.

As both owners and private operators of water and wastewater infrastructure, SUEZ has demonstrated its capability to provide municipal and regulatory officials with necessary accountability, performance and compliance, as required by our clients and all appropriate regulatory agencies.

In addition, we will compile data in a meaningful way to serve as a tool that can improve quality, service and efficiency. We will maintain well documented records of operations and maintenance, laboratory analyses, personnel, training, safety, process control, inspections, materials, alarms and other significant events and information. This data will be fully available to the Town.

As a supplement to our Management Control Reporting System (MCRS) communication methods, our approach to documenting our activities includes reports issued within the appropriate

timeframe and presented in a fashion that facilitates a clear understanding of our management performance and the treatment facilities’ operating performance. Examples of the reporting tools that we may use are summarized in the following table.

***SUEZ utilizes a "Balanced Scorecard" approach to deliverables to ensure the timely submittal of key information and a transparent working relationship for SUEZ and the Town.***

Report Schedule	Schedule
Contract Compliance Update Meeting	Monthly
Client Status Report	Monthly
Status of Maintenance Management	Monthly
Treatment Plant Performance	Monthly
Safety	Monthly
Training	Monthly
Annual Performance Wastewater Report	Annually
Annual Water Report	Annually
Capital Improvement Recommendations	Annually
Special Project Reports	As Requested

Serving as an extension of the Town’s staff, SUEZ will act responsibly in the Town’s interest while keeping Town staff fully informed of our operations. Together, the Town and SUEZ will develop a calendar for standing meetings with key personnel to review pertinent operational data to preserve our common understanding of goals and to monitor ongoing progress. Certainly, meetings may be held more frequently or as needed to address given circumstances. In addition, we will schedule an Annual Meeting with the Town to present the previous year’s activities as described in our Annual Report. SUEZ values frequent, informed reporting for better management.

## VI. EMERGENCY PREPAREDNESS AND RESPONSE

### Emergency Response Plan

An **Emergency Response Plan (ERP)** establishes Standard Operating Procedures (SOPs) that specify types of emergencies, preventive measures and response actions. SUEZ objectives prevent hazardous situations, minimize disruptions and restore service quickly and safely while protecting human life and managed assets.

Contingency plans will be in place to cope with a **failure of any critical system**. Plans will include instructions for isolating the equipment; alternate means of operations without the affected equipment; spare parts or units available in the system; and contact names, numbers and addresses of suppliers where applicable.

SUEZ will take precautions to reduce the impact of a **power failure**, which include the following: standby power generation equipment and Uninterruptible Power Supplies will be kept in good repair and tested on a regular basis; and alternative standby sources will be located in the event of primary standby failure.

The first priority in **fire and explosions** is the safety of all on-site personnel. Our staff receives training focused on securing the proper response from local emergency services such as containing the fire with on-site capability if reasonably possible, evacuating the facilities as appropriate and notifying local responders promptly. Our staff will interface with local emergency services on a minimum of an annual basis to familiarize response teams with the facilities and confirming points of contact and methodology.

SUEZ will develop a contingency plan related to **weather emergencies/terrorist activities** which provides guidance in outline form detailing the response actions to be initiated by the facility manager and all available personnel. The conditions are prioritized and reflect the potential impact on the facility operations, if any. The plan will also address the role of local emergency responders and law enforcement officials in these scenarios.

A critical part of that plan will be procedures for establishing and maintaining communications with the appropriate municipal, county, state, federal, fire, police and public works agencies. SUEZ works collaboratively with communications liaisons from the local emergency response teams, enabling coordination on one unified message, which reduces confusion and ensures the accuracy of information that is being released to the public.

**Training programs and drills** are designed so all employees know their responsibilities during an emergency and possess the skills to do their jobs efficiently. Training takes place regularly on the job, in classrooms and during drill exercises. Tabletop drills, in-house drills and external drills are held with Town officials, law enforcement and safety agencies at least annually to simulate elements of the plan.



Drills held with safety agencies, law enforcement and Town officials ensure that employees are skilled in doing their jobs efficiently and know how to respond to an emergency.

### **Catastrophic Loss Plan**

We have a number of plans devoted specifically to security and catastrophic loss. These plans have served us well and limited our risks associated with and our exposure to public enemies and vandalism. They have also enabled us to mitigate the effects and quickly respond to catastrophic events, the most recent being Superstorm Sandy in 2012.

Water treatment and distribution systems are exposed to a number of natural and man-made threats. These threats can generally be divided into three categories:

- Malevolent threats
- Natural threats
- Unintentional threats

Historically, malevolent threats at water facilities were limited to vandalism and minor theft. More recently though, water systems along with other critical infrastructure and essential service providers are targets for disgruntled or terminated employees and/or homegrown violent extremists (HVEs) or international terrorists (public enemies). Malevolent threats may include intentional source water contamination, intentional finished water contamination, disruption of power, cyber intrusion, equipment/supplies/material theft, hazardous material incidents or supply chain interruptions.

Natural threats such as hurricanes, floods and fires (acts of God) also have the capacity to cause major infrastructure failure, power outages or interruptions, source water contamination, finished water contamination, supply chain interruptions or cyber-related events. Unintentional threats associated with system malfunctions or operator errors can also result in similar scenarios.

For the WTP, we will develop a site-specific security plan that takes into account each of these threat categories and looks at the risk from each in terms of the vulnerability, threat, and consequence in order to fully protect the facilities, both physically and financially.

Our approach to security is based on the theory that internal and external facility environments can be designed and managed to create conditions that, together with specific physical security safeguards, will reduce the risk of violence to employees; protect against unauthorized access, theft and sabotage; detect attempted or actual unauthorized access; and activate an effective response. Our physical security strategies are based on the following:

- Protection
- Detection
- Response
- Recovery
- Capability to increase security during emergencies and increased threat situations

At the Southern Pines facility, we will deploy physical, procedural, and psychological barriers to delay or deter unauthorized access. As mentioned above, we use four programs to address security: protection, detection, response and recovery. Our protection program covers a wide variety of physical security measures. Our detection program involves the use of appropriate devices, systems, and procedures to signal that an attempted or actual unauthorized access or breach has occurred.

Our response program addresses the implementation of measures to ensure that a security incident is reported both internally within SUEZ and externally to the Town's facility, law enforcement, and if necessary, to the appropriate State and Federal regulatory agencies. Our response program also ensures that immediate and long-term corrective action is taken in a timely fashion. Our recovery program encompasses the restoration of full service levels following an incident. We also have a contract and master services agreement in place with a nationally recognized security firm (G4S) that allows us to ramp up security as needed.

Because of the confidential nature of any security plan, we do not disclose specific strategies and/or procedures. While we do not disclose specifics, rest assured that security is and will be an integral part of our overall operations at the WTP, as well as all of our daily administrative, operational, maintenance and distribution system work practices. We are dedicated to the protection of our employees, visitors, vendors, clients and subcontractors and all propriety and non-propriety information, as well as the grounds, equipment and assets from any security threat. We will guard against all damage to the property and assets under our control from public enemies, saboteurs, trespassers, negligence, vandalism or malicious third party mischief. Simply put, the procedures we will put in place at the WTP will be designed to:

- Prevent unauthorized entry
- Prevent interference with the water treatment process and distribution system
- Prevent injuries to our employees, consultants, contractors, visitors and neighbors
- Prevent loss or damage to our and the Installation's property

Additionally, one of our best security assessment tools is the Department of Homeland Security's (DHS) web-based Infrastructure Survey Tool (IST). We have used the DHS IST at our project locations throughout the country. The DHS IST allows us to assess a facility's infrastructure risk and resilience based on a variety of natural and man-made hazards. The DHS IST is part of the department's Enhanced Critical Infrastructure Protection (ECIP) program. It relies on information collected by 93 DHS Protective Security Advisors (PSAs) who are located throughout the United States.

The PSAs use a web-based data collection template that has more than 1,500 variables covering six major security-related components (i.e., physical security and security management) and 42 subcomponents (i.e., access control). Information collected during the assessment is then turned into a protective measures index (PMI) score. The PMI score is broken down into consolidated and component dashboards. The PMI dashboards are constructed so that as UW adds new security measures or updates existing measures, the dashboard score changes (increases) to reflect the improvements. The dashboards also provide a comparison of a facility's protection posture with that of similar facilities nationwide. This comparison provides a feel for a facility's security strengths and weaknesses, which may be contributing factors to its vulnerability and protection posture.

The DHS also has a simplified security assessment tool called the Rapid Survey Tool Question Set (RST) for smaller outlying facilities where the IST may not be appropriate. Utilizing both the IST and the RST will help us perform the following functions:

- Determine the baseline security condition

- Prioritize our security improvements and allocate CAPEX funds
- Benchmark how the Town's WTP compares to similar facilities nationwide
- Raise the security awareness
- Enhance existing relationships between the DHS and Federal, State and local law enforcement personnel

To ensure our security program remains up to date, we will conduct an annual security review and update the program as needed throughout the year. For example, we recently updated our New York program to cover the changes announced on December 16 to the National Threat Advisory System (NTAS) and to incorporate information from the NTAS Bulletin published the same day. Balancing effective security while providing convenient access for authorized personnel and materials is a challenge for any facility. We are confident we can meet the challenge and ensure a safe and secure environment.



**Emergency Preparedness Experience**

The safety of the public and our employees is our highest priority. As such, we have a proven ERP at each site which enables us to respond quickly in the event of an emergency.

During 2012 thru 2014 SUEZ has managed several hurricane and tropical storm events at our plants in Scotland Neck, Enfield, and Farmville, NC. In addition, in August/September of 2012, SUEZ managed the Hurricane Isaac event at our projects in Laurel, Jackson and Canton, MS. Corporate, regional and local SUEZ personnel worked with public agencies to plan, prepare and execute the ERP. Our efforts led to the plants continuing to operate throughout the event, no environmental incidents and no injuries to project personnel.

Over the 24 years that SUEZ has served the Town of Southern Pines, there have been numerous events such as adverse effects from hurricanes, tropical storms, drought conditions, snow and ice storms and routine severe thunderstorms that are very common to the Sandhills area. SUEZ has successfully managed the water treatment facility through these events and maintained the water supply through these periods.

A few of these events include:

- Hurricane Bertha in July 1996
- Hurricane Fran in September 1996
- Hurricane Floyd in September 1999
- Snowstorm in January 2000 which resulted in 20 inches of snow

## **VII. PERFORMANCE GUARANTEES**

SUEZ' objectives in the operations of water and wastewater treatment facilities are to operate the systems as efficiently and economically as possible and to produce safe and environmentally acceptable product.

SUEZ is committed to complying with the regulations and guidelines as set forth in the North Carolina Clean Water Act and other applicable laws. SUEZ agrees to pay all fines levied against the Town of Southern Pines by the regulatory agencies for any violations due to verifiable negligent operational errors or negligent oversights by SUEZ or its personnel.

The guarantee is contingent upon:

1. Not exceeding the design flow rate of the system.
2. Not being responsible for Force Majeure events such as, such as flooding, lightning damage, etc.
3. Not being responsible for design and/or structural defects resulting in failure of the equipment, processes or facilities design.
4. Having no toxic or inhibitory substances in the raw water.

## VIII. ADDITIONAL CONSIDERATIONS

SUEZ will:

- furnish the telephone service;
- provide grounds upkeep equipment;
- assume responsibility for plant instrumentation maintenance and calibrations;
- supply the vehicles required for project operations and maintenance; and,
- furnish small hand tools for employee use.

The Town will be responsible for all distribution system maintenance, invoicing customers, and collection of water and sewer bills. All telemetry costs, and standby generator fuel costs will be the responsibility of the Town of Southern Pines. All facility modifications and safety equipment such as retrieval hoists, ventilation fans, installation of railing, etc. will be provided by the Town.

### ***Legal Considerations, Risk Allocation and Insurance***

#### **Insurance and Indemnification**

The Town of Southern Pines will be responsible for providing all real, personal property, and public liability insurance on the Facility and shall name SUEZ as an additional insured.

The Town agrees to provide SUEZ with a waiver of subrogation on behalf of itself and its insurance carriers.

The Town of Southern Pines agrees to defend, indemnify and hold SUEZ, its employees, subcontractors and agents harmless from any liability for damage or claims that may arise from the discharge, dispersal, release, or escape from the water treatment facility and the landfill or other disposal sites selected by the Town, any flow into or upon land, the atmosphere or any water course or body of water; any violation by the Town of any Applicable Law prior to the first date of the Term of this Agreement; or any negligent acts, errors or omissions by any elected or appointed officer, contractor, subcontractor or any Town employee or agent, except to the extent caused by SUEZ negligence or willful misconduct.

SUEZ will maintain Commercial General Liability Insurance for losses caused by SUEZ with the limits of liability being \$1,000,000.00 for each occurrence. SUEZ will provide the Town annually with a Certificate of Insurance detailing the insurance coverage. SUEZ will list the Town of Southern Pines as an additional ensured party and provide that Southern Pines receives at least thirty (30) days advance notice of cancellation, termination or alteration of the policy, except ten (10) days' notice shall be provided for nonpayment of premium. SUEZ will maintain all insurance coverage required by federal, state, and local agencies for our employees. All vehicle insurance and auto operational expenses will be SUEZ's responsibility.

SUEZ agrees to defend and hold the Town of Southern Pines, and its officials, employees, and agents harmless from any liability or claims that may arise out of or result from the negligence or willful misconduct of SUEZ or its agents, employees, and/or subcontractors arising out of the performance of this Contract or the services except to the extent caused by negligence or willful misconduct of the Town of Southern Pines, its officials, employees or agents.

SUEZ shall not be liable to the Town of Southern Pines for any special, indirect, incidental or consequential damages arising out of this Contract and SUEZ's total liability shall be limited to the value of the annual fee plus applicable insurance proceeds.

### **Force Majeure**

Either party's performance shall be excused if, and to the extent that, either party is unable to perform because of actions due to causes beyond its reasonable control such as, but not limited to, change of Applicable Law, Acts of God, the act of civil or military authority, floods, epidemics, quarantine restrictions, riot, strikes, commercial impossibility, fires, explosions, bombings, and all such interruptions of business, casualties, events or circumstances reasonably beyond the control of the party obligated to perform, (including theft, damage, or unauthorized use of the water treatment facility) whether such other causes are related or unrelated, similar or dissimilar, to any of the foregoing. In the event of any such force majeure, the party unable to perform shall promptly notify the other party of the existence of such force majeure and shall be required to resume performance of its obligations upon the termination of the aforementioned force majeure. SUEZ's compensation shall be equitably adjusted if there is any increase or decrease in the scope of services or if the cost of services increases as a result of a cause beyond its reasonable control (as described above).

### **Termination**

This Contract may be terminated by with or without cause by either party by giving written notice to the other party thirty (30) calendar days prior to the termination date. In this event, SUEZ shall be entitled to just and equitable compensation for any and all work satisfactorily completed. If this Contract is terminated for the convenience of the Town of Southern Pines, then SUEZ shall be compensated in the amount of one (1) month's fee for demobilization costs. In the event this Contract is terminated for cause, the defaulting party shall have thirty (30) days upon notice by the non-breaching party to cure the stated deficiency.

### **Dispute Resolution**

In the event that a dispute arises among the parties, the disputing party shall provide the other party with written notice of the dispute and within twenty (20) days after receipt of said notice, the receiving party shall submit to the other a written response. The notice and response shall include a statement of each party's position and a summary of the evidence and arguments supporting its position. Each party shall designate a high level executive or officer to work together in good faith to resolve the dispute; the name and title of said executive shall also be included in the notice and response. The executives shall meet at a mutually acceptable time and place within thirty (30) days of the date of the disputing party's notice and thereafter as they reasonably deem necessary to resolve the dispute. If the executives have not resolved the dispute through good faith efforts within sixty (60) days, then, before resorting to taking the case to court, the parties shall try in good faith to resolve the dispute by mediation administered by the American Arbitration Association ("AAA") under its Commercial Mediation Rules. All costs attributed to mediation shall be borne equally by both parties. If mediation proves unsuccessful, either party may then initiate litigation.

### Governing Law

This Contract shall be governed by and construed in accordance with the laws (and not the rules governing the conflict of laws) of the State of North Carolina, as effective and in force on the date of this Contract.

### Proprietary Nature of Proposal

SUEZ hereby reserves its copyright and other property rights in these plans, ideas, proposals, and designs. These plans, ideas, proposals, and designs are not to be reproduced, changed, or copied in any form or manner whatsoever, nor are they to be assigned to, or shared with, any third party without first obtaining the express written permission from SUEZ Distributions of copies of these documents to meet regulatory requirements in connection with the proposed project is not to be construed as publication in derogation of these reserved rights. In the event of the breach of these common law rights belonging to SUEZ the party shall be responsible for fair compensation to SUEZ.

### Acceptance Acknowledgement

Confirmation of acceptance of the terms and conditions of this Proposal may be accomplished by signing and returning one copy of this Proposal. Proposal shall be valid if executed and returned within 60 days.

**TOWN OF SOUTHERN PINES**

**SOUTHERN PINES, NORTH CAROLINA**

ACCEPTED:

By: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

AUTHORIZATION or  
P.O. NUMBER: \_\_\_\_\_

**SUEZ WATER ENVIRONMENTAL SERVICES INC.**

APPROVED:

By: Nandi Leslie

TITLE: President

DATE: 4-21-16

## IX. COST ESTIMATES

Costs for the proposed program are presented at the end of this section. The estimates are based on the personnel and time required to adequately operate, maintain, and provide the operational services as efficiently and economically as possible.

Any additional work requested by the Town of Southern Pines will be billed according to the rate schedule shown in the table below.

The terms and conditions of this proposal are for a period of sixty (60) months commencing July 1, 2016 and ending June 30, 2021.

### **Rate Schedule\* for SUEZ**

Classification	Rate
Project Manager	\$65.00/Hour
Operational Specialist	\$40.00/Hour
Technician/Operator	\$25.00/Hour
Accounting/Clerical	\$20.00/Hour

\*For any additional work requested by Southern Pines beyond that specified in the Scope of Services. The hourly rates will be adjusted annually on the contract anniversary date in accordance with the Employment Cost Index Component of the annual adjustment.

Project expenses are reimbursed at actual costs except as indicated below:

- 1) Local travel by employees will be invoiced at the current IRS rate.
- 2) Copying and printing costs will be invoiced at a rate of 15 cents per page.

Annual fee adjustments will be made using the Employment cost Index (ECI), and Consumer Price Index (CPI) based on their pro-rata portion to cover economic increases and decrease. Annual fee adjustments for non-labor will be based on the Consumer Price Index (CPI). Annual fee adjustments for personnel costs will be calculated by the Employment Cost Index (ECI) as published by the U.S. Department of Labor. **Appendix C** details these calculations.

At the conclusion of the contract period, the contract may be extended by mutual consent and negotiation.

### **Payment**

Payment for contract operational services will be based on direct payment at the rate per month as outlined in this Cost Section. The Town of Southern Pines will be invoiced at the fixed fee amount per month, as shown in the table at the end of this section, during the contract period for operation and maintenance of the facility. Project billings for the fixed fee contract amount will be forwarded monthly during the duration of the contract period.

Reimbursement for any additional services that may be requested by the Town of Southern Pines will be based on direct reimbursement at the rate per hour for each personnel classification engaged in performing the work as outlined in the above table. This rate schedule will only apply for work requested by the Town above and beyond the work tasks described in **Section 2.0: Scope of Services** of this Proposal. No work of this type would commence without prior approval from the

Town of Southern Pines. Invoices for any and all approved work beyond the fixed fee contract will generally be divided into two classifications of charges — labor and project expenses. Labor charges will delineate the hourly rate and the hours expended noted. Back-up documentation will be provided to the client for all project expenses beyond routine service.

Payment for all work completed will be due in full amount upon receipt of invoice. Balances remaining unpaid after thirty (30) days may be assessed a charge of 1.5 percent per month until paid.

### ***Value Added Services***

In addition to the requested base operational and maintenance services, SUEZ can provide additional services to further enhance the operational and m facility, as well as support in other fields such as the water distribution, wastewater collection and capital program management.

- **Computerized Maintenance Management System (CMMS):** SUEZ will provide and implement a Computerized Maintenance Management System (CMMS) as a tool to support our current maintenance and business processes. We will include the implementation of a new CMMS at the Southern Pines Facility as part of our base service. The implementation will include entry and verification of all preventive work procedures and timelines as outlined in the manufacturer's literature to automatically generate PM work orders. SUEZ has significant experience with many types of CMMS software systems. We recommend eRPortal as our preferred system for the WTP. The eRPortal system was selected as a result of its ease of use, data mining capabilities, intuitiveness of work flow, schedule generation capabilities, and material and labor allocation processes. The eRPortal system will be utilized to manage and document our maintenance program. Our asset management implementation strategy consists of seven key modules as illustrated in the figure on page 28. Each module is used to manage our maintenance work processes, including work management, asset management, procurement inventory, data management, materials and contract management.

SUEZ will also work with the Town of Southern Pines to implement critical maintenance performance indicator benchmarks. These may include:

- Critical equipment availability
- PM/CM ratio
- PM Completion
- Inventory runs and stockouts
- Work order aging, including work orders open more than 30 days and work orders open more than 90 days
- Warranty information

This CMMS will be provided as an added value service tool by SUEZ as part of the base fee service with no additional cost.

- **Water Treatment Facility 140 MG Raw Water Impoundment Grounds Upkeep:** Currently the town utilizes a contractor to fulfill the grounds upkeep requirements at the 140 MG raw water impoundment. SUEZ will provide this grounds upkeep service for an additional cost of \$3,600.00 per year.

- **Distribution System Water Hydrant Flushing Program:** Fire hydrant maintenance is one of the highest priorities of any distribution system operation and maintenance plan and, accordingly, SUEZ implements a comprehensive fire hydrant maintenance program. The Town of Southern Pines Water Distribution System includes 1,338 hydrants. This program includes annual inspection of all hydrants in the Town's Water Distribution System. SUEZ will provide services relative to the installation and repair, periodic testing, and maintenance of hydrants, and will coordinate and assist the Fire Department with periodic hydrant assistance and training needs.
- In addition, SUEZ will perform a strategic **Unidirectional Flushing (UDF)** Programs as determined for the system every year. All dead-end water mains will be flushed annually or as required. All other water mains shall be flushed as necessary, based on customer complaints and water quality data. SUEZ will continuously strive to identify areas in need of water quality improvement and focus on customer satisfaction. Hydrant flushing will be performed in accordance with AWWA Standards where each hydrant is opened and closed 100%, assuming that there is no potential for property damage resulting from this operation.

We also will evaluate the use of automatic flushing devices that can be used on dead ends or on low flow mains to keep the water flowing and prevent stagnation and resultant water quality deterioration.

SUEZ will utilize our Project Manager to coordinate these hydrant flushing events with the Town . SUEZ will provide the annual hydrant flushing service which will require additional staff which will be provided by SUEZ. The annual cost for this additional service is \$6,164.00 per year.

- **Water Treatment Facility Assessment and Capital Planning Update:** SUEZ has always provided the Town with annual budget recommendations. However, in 2016 SUEZ assembled a larger review team with expertise in various areas such as operations, maintenance, engineering, electrical and instrumentation components, Health and Safety and energy management. This allowed for a more thorough review and recommendation of operational needs, regulatory requirements and capital planning. SUEZ proposes to provide an annual update of this assessment and budget recommendations for the Town that will correspond with the annual budget development and review. This service will be provided as a value added component at no additional charge to the town. SUEZ will prepare an annual report and present these findings to the town.
- **Distribution System Monitoring Stations:** The Town of Southern Pines is considering modifying their existing distribution system to a system which incorporates multiple system pressure zones to accommodate different operating requirements. SUEZ proposes to offer the procurement, installation and management of chlorine and pH monitoring stations in the distribution system. This would allow the staff to monitor the chlorine and pH levels at different pressure zones and locations in the system. The SUEZ price and approach is based on our ability to locate these monitoring units at the elevated water storage tank locations. We recommend placement of these units at all three tank locations. This allows a secure location with radio connectivity for transfer of information. SUEZ has priced these as cost per unit which will allow the Town to determine how many, if any, they desire. The cost to provide and install these analyzers is \$7,185.00 per unit. SUEZ would provide the routine maintenance

for these units. Any repair or replacement cost would be covered under the existing water treatment facility maintenance fund or billed back to the town as directed.

- **Water Treatment Plant Chemical Feed System:** During the recent SUEZ WTP assessment and capital recommendations evaluation, the staff identified the water treatment plant chemical feed area as an area that is in need of replacement. This portion of the treatment process is vital to successful operation. SUEZ proposes providing an upgrade to this area as an additional service option. This work will include replacement of the chemical feed pumps that are approaching the end of their useful life, replacement of the chemical day tanks and replacement of the associated piping from the day tanks and chemical feed pumps. SUEZ will utilize our staff from our “mechanical services” group to lead the maintenance and electrical portions of the work. Area SUEZ maintenance staff will assist and support this project.

The estimated cost for this replacement project is \$45,000.00. The total cost of this option is spread out over the 5-year service period. If accepted, SUEZ will provide the town with a schedule and listing of replacement equipment and materials recommended for final approval.

**COST ESTIMATES FOR OPERATION OF TOWN OF SOUTEHRN PINES WATER TREATMENT AND WATER STROAGE FACILITEIS BASED ON 3.5 MGS AVERAGE PRODUCTION RATE.**

<b>Function</b>	<b>Cost (\$)</b>
PERSONNEL: Direct salary, insurance, payroll taxes, benefits	\$410,814.00
OPERATION, MAINTENANCE, REPAIRS*	\$12,500.00
OPERATIONAL SUPPLIES: Reagents, tools, PPE	\$85,800.00
SLUDGE DISPOSAL	\$16,600.00
LABORATORY SERVICES	\$37,800.00
TRAINING: Annual CEUs, Safety	\$4,200.00
ADMINISTRATION: Vehicle, telephone, insurance, office support, etc.	\$58,568.00
CHEMICALS	\$198,220.00
Base Fee Total Without Value-added Services	\$824,502.00
<b>VALUE-ADDED SERVICES**</b>	
Raw Reservoir Grounds Upkeep	\$3,600.00
Hydrant Flushing Program	\$6,164.00
Distribution Monitoring Stations	\$4,311.00
Replace Chemical Feed System	\$9,000.00
Bi-annual Energy Audit	\$0.00
Annual Capital Assessment	\$0.00
<b>TOTAL ANNUAL COST</b>	<b>\$847,577.00</b>
<b>TOTAL MONTHLLY COST</b>	<b>\$70,631.42</b>

\*NOTE: Contractor will assume responsibility for the costs of repair of breakdown and malfunctions of water plant equipment. Contractor will provide all replacement parts and supplies up to \$500 per breakdown event, not to exceed an annual maximum of \$12,500 for operation of the facility. Major capital costs will be the Town's responsibility.

\*\*Value Added Services are itemized as options. The value added services are priced per year

**MEMORANDUM**

TO: Town Council  
Reagan Parsons

FROM: Crystal Gabric

DATE: May 20, 2016

SUBJECT: Updated Budget

The following items have been updated to reflect changes since the last FY 2016-2017 budget presentation:

FY 2016-2017 Fire District Tax revenue has been reduced to reflect the amount provided by Moore County.

The amount of increase in the major medical insurance premiums has been reduced to reflect the final net increase of 6.36%, representing an 11.36% increase adjusted down via implementation of a 5% employee participation contribution. The original Budget contained an increase of 10%.

The revised General Fund available fund balance and Utility Fund retained earnings is listed below:

\$ 409,850	Available Fund Balance 05/10/16
(13,261)	Reduction in Fire District Tax Revenue
26,496	Reduction in major medical expense
180	Reduction in major medical expense for new IT position
<u>6,669</u>	25% Reserved Fund Balance
<u>\$ 429,934</u>	Available Fund Balance 05/23/16

\$ 5,042,050	Retained Earnings 05/10/16
<u>3,760</u>	Reduction in major medical expense
<u>\$ 5,045,810</u>	Retained Earnings 05/23/16

Please let me know if you have any questions.



**DRAFT  
ANNUAL BUDGET  
2016-2017**

05/23/16

**TOWN OF SOUTHERN PINES,  
NORTH CAROLINA**

**ANNUAL PROGRAM OF SERVICES**

**2016 – 2017**

**TOWN COUNCIL**

W. David McNeill	Mayor
Michael D. Fields	Mayor Pro-Tem
Fred C. Walden	Treasurer
James R. Simeon	Council Member
Teresa M. VanCamp	Council Member

**TOWN MANAGER**

Reagan D. Parsons

Town of

Chartered 1887

Southern Pines

**TOWN OF SOUTHERN PINES  
2016-2017 ANNUAL BUDGET**

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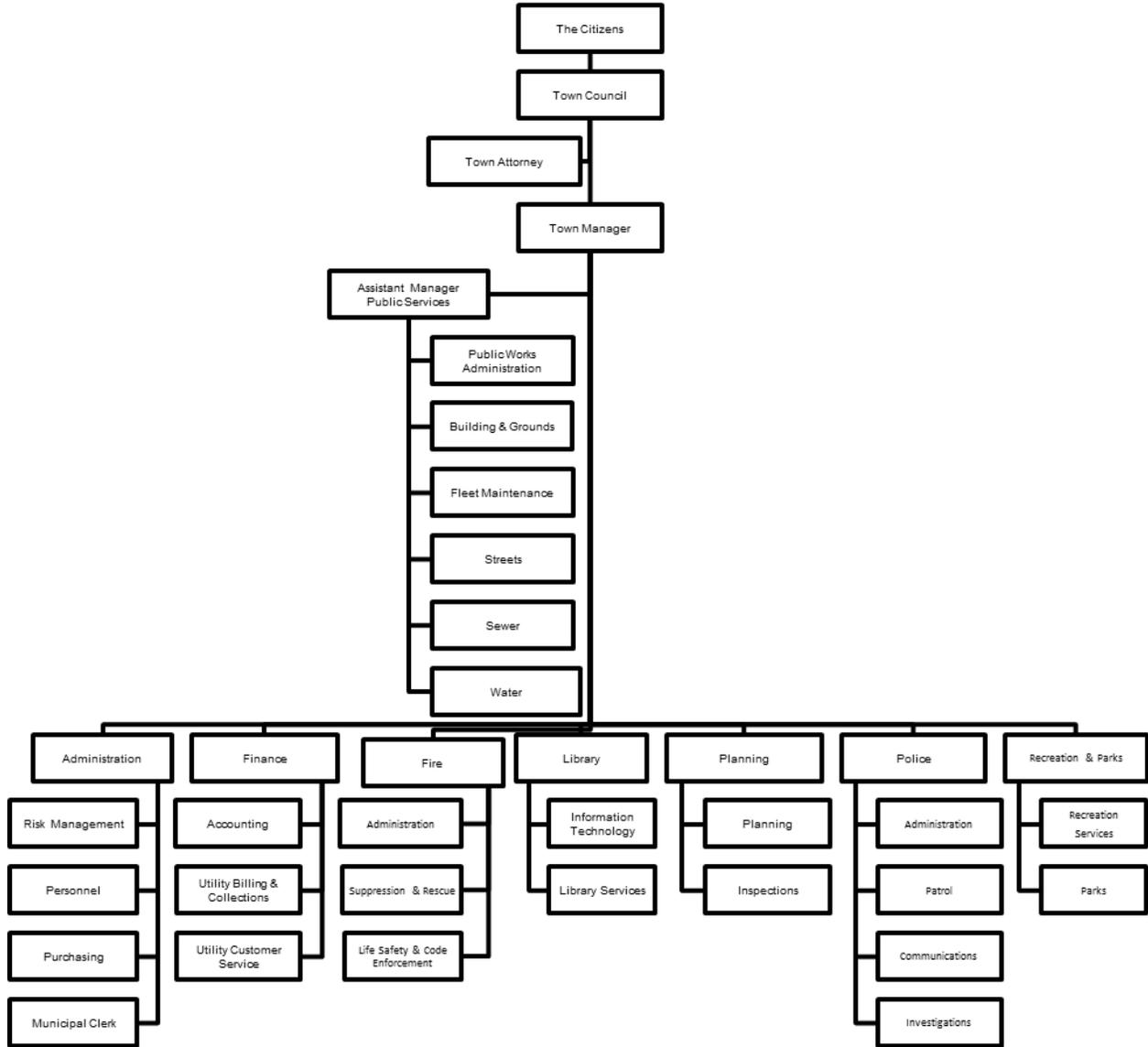
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# **TOWN OF SOUTHERN PINES EXECUTIVE MANAGERS**

---

Reagan D. Parsons	Town Manager
Douglas R. Gill	Town Attorney
Adam J. Lindsay	Assistant Town Manager Director of Public Services
Crystal J. Gabric	Director of Finance
Bart Nuckols	Director of Planning
Robert Reeve	Director of Recreation & Parks
Bruce Rosenberger	Director of Administrative Services
Robert Temme	Chief of Police
Lynn Thompson	Director of Library & Information Technology Services
Hampton Williams	Fire Chief

# TOWN OF SOUTHERN PINES ORGANIZATIONAL CHART



## EXECUTIVE SUMMARY

The Fiscal Year 2016-2017 Town of Southern Pines Budget represents a continued emphasis on sustaining excellent public services that directly impact quality of life indicators, with a keen focus on the maintenance, replacement, and development of Town infrastructure necessary to deliver those services. Following last Fiscal Year's historically unique challenge of addressing a relatively decreased property tax base following revaluation, estimates from Moore County utilized in arriving at this budget place valuations at 1.37% above those of last year. Strong positive trends in the areas of sales and utility taxes in addition to permit fees will allow the Council and staff to begin to address a number of infrastructure issues, including some planning toward long-term facility functionality and sustainability. The Budget contained herein recommends no increase in the ad valorem tax, resulting in a continued tax levy of thirty-eight (38) cents.

Even at an estimated 1.37%, which is more robust at this stage of budgeting than any year in recent memory, the Southern Pines tax base continues to grow very slowly. While overall construction permits have shown great signs of recovering, there has been a significant shift in both the base value and general location/service requirements of homes under construction. Furthermore, with the notable exception of the Morganton Road area, commercial development has been of a redevelopment nature that has added much to the community from an aesthetic and general atmosphere standpoint, but to some extent has simply replaced, with small augmentation, already existing tax base. With the very limited opportunities that the State of North Carolina affords local governments to raise revenues, and Southern Pines' relatively low tax burden compared to other full-service communities across the State, the anticipated minimal to no growth of the community's tax base will likely require a more challenging annual review of service levels versus acceptable tax rates in the future in an effort to maintain the quality of life that has become expected and is enjoyed by residents of the Town.

It is both an honor and pleasure to present a FY 2016-2017 Budget that again takes a conservative approach to revenue estimates and strives to match revenue sources with desired services and long-term expenditure commitments. Specifically, the FY 16-17 Budget proposal:

1. Maintains existing service levels, while augmenting roadside maintenance abilities
2. Funds all outstanding debt service (FD: \$161k, PD \$551k, PW 78k) and operational expenses.
3. Contains continuation projects that include:
  - a. Transfer to Sidewalk CPF (\$150k)
  - b. Annual Powell Bill paving (\$250k)
  - c. Seven vehicle replacements (\$301k)
  - d. Copier replacements (92k)
  - e. Backhoe Replacement (95k)
  - f. Transfer to Downtown Park CPF (150k)
  - g. Transfer to Unpaved Streets Fund (92.5k)
  - h. Transfer to Storm Water Fund (100k)
  - i. Decorative Street Signs (30k)
4. Offers new programs that include:
  - a. Transfer to Recreation Improvements Fund (80k)
  - b. New tractor and mower attachments (56k and 44k)
  - c. Asphalt Recycler (85k)
  - d. Additional IT position (57k)
5. Reserves a 25% fund balance to provide financial protection from catastrophic occurrences and maintain the Town's excellent bond rating and borrowing capacity.

This budget proposal has again been developed under the leadership and guidance of our Town elected officials with consideration to day to day feedback from our citizenry and customers and an excellent Town staff dedicated to implementation of policy and service to the community. It is with sincere respect for the community, its citizens, and all who make Southern Pines an exceptional place to reside and do business that the Administration submits this 2016-2017 Budget to Town Council for consideration and adoption.

## GENERAL FUND

This FY 2016-2017 proposal maintains a flat ad valorem rate of thirty eight (38) cents. With an average residential property in Southern Pines valued at \$207,646 according to Moore County, an owner of such property would pay the Town \$789.05 in ad-valorem taxes. This average home value represents a \$2,699 increase from the 2015-2016 average.

Based upon information from Moore County at the time of this writing the Town of Southern Pines tax base is **\$2,287,163,000, a 1.37% growth rate over FY15-16**. This percentage represents a continued trend of below 3% growth rates since 2008-2009. This base would yield **\$228,716 per penny** levied at a 100% collection rate. The Moore County Tax office has developed an excellent track record for collections that they have maintained even through the recent economic recession, and as a result we have budgeted FY16-17 revenues based upon **a 98.5% successful collection rate**.

As an overview, the Budget document contains expected **General Fund revenue before other financing sources increases of \$299,666** over the revised amount budgeted in 15-16. In addition to the 1.37% growth in tax base that comprises a portion of this figure, the Town is estimating growth in sales and use tax revenue in addition to utility franchise sales in the amount of \$190,600.

On the expenditure side of the ledger, General Fund **expenditures before transfers are expected to increase \$650,835 (4.11%)** compared to the revised 15-16 budget. Police/Patrol (\$122,947) and Streets (\$161,725) Divisions represent a significant portion of this increase. The expense side of the ledger also includes an 11.36% increase for major medical expenses offset in part by the implementation of a 5% employee payment toward premium resulting in a net additional expense to the Town of 6.36% (\$53,017), a modest 2.0% adjustment for positions (\$157,424), a \$25/pay increase in the 125 employee benefit (\$115,595), seven vehicle replacements in various departments (301k), a replacement backhoe (95k), copier replacements (92k), an asphalt recycler(85k), a new IT employee(57k), a debt service payment for a Fire Rescue Truck (\$161k), debt service on the Police facility (\$551k), and debt service on a Street Sweeper (\$78k.)

At budgeted levels of tax revenue acquisition (98.50%) and without any dollars over and above our conservative estimates, the FY16-17 work plan will result in an **ending available fund balance of \$429,934 (this represents dollars in reserve, over and above the locally mandated 25%, that may be transferred to projects by Council action throughout the fiscal year)**. This figure will allow for consideration of smaller projects throughout the year in addition to providing some cushion against the yet unknown impacts of State, Federal, and County budget deliberations.

## UTILITY FUND

The Utility Fund budget for FY16-17 represents a continued conservative fiscal approach. The Town has been placed on notice that Moore County Utilities intends to increase their bulk sewer rate to the Town by .06/1000g. The proposed Budget again does not increase water rates, but does include a 2% sewer rate increase to our customers in FY 16-17. Debt service in FY16-17 will include the reservoir payment of \$415,804 in addition to an installment for the AMR project in the amount of \$175,993. Overall **Utility Fund revenues are projected to increase \$398,119 (5.98%)** over the amount budgeted in FY 15-16. This increase will help to begin funding long term capital planning that is currently underway, in addition to increasing operational expenses. The recently adopted impact fee revisions by the Town Council will aid significantly in the implementation of a 14M+ Capital Project Plan in the Utilities Division.

**Overall, expenditures are projected to increase \$102,825 (1.57%).** Outside of the County treatment increase, the majority of the operational expense growth is contained in the aforementioned additions to employee compensation. Debt service obligations are being met through scheduled payments toward the Raw Water Reservoir (\$416k) and AMR project (\$176k), and the Town has no bonded debt against its Utilities at this point in time.

## CAPITAL PROJECT FUNDS

The final area of significance in the proposed 2016-2017 Budget is one of Capital Funds. The following represents a summary of any proposed changes from FY 15-16:

1. Capital Project Fund – Sidewalks – Fund 44 is being closed out following the final billings from the FY15-16 program and a new Sidewalk Fund created with an appropriated transfer (\$150k) allowing for continued progress on our long term sidewalk plans. Preliminary intent is to install sidewalk along portions of Murray Hill Road, with a reevaluation of the sidewalk master plan taking place during the coming year.
2. The Downtown Park Capital Project Fund will receive a transfer (\$150k) toward the replacement of playground equipment and fall zone materials. The smaller children's area will be completed by June 30, 2016 and the intent is that these funds finish out the remainder of the playground area.
3. The CPF for Unpaved Streets will receive a transfer of \$92,500 toward the paving of Riding Lane in the coming Fiscal Year.

4. The Storm Water CPF is receiving a transfer of \$100,000 toward a ditch project along a small section of New York avenue that represents an initial phase of what is likely to become a larger project in future years. The Town will also be addressing a failed section of pipe in another area of Town.
5. A Capital Project Fund is being established for Recreation with an initial transfer of \$80,000. The intent is to eventually fund a full replacement of the Optimist Field lighting system, our last field without updated lighting, and ultimately utilize this fund for upcoming replacements of older playground equipment and play surfaces at various parks throughout the Town, providing full ADA accessibility at all of our parks.
6. Water and Sewer Improvements Fund will receive a \$900,000 transfer toward future upgrade and replacement costs associated with the Utility System. A new fifteen to twenty year Capital Project Plan has been developed and the updated Impact Fee ordinance will greatly augment the ability of the Town to perform the scheduled improvements.

The Town Council, its Boards and Commissions, and Town staff have again tirelessly facilitated the development of a conservative and responsible Budget document. Southern Pines remains an attractive, low cost alternative for those looking to locate a family or business to the Sandhills of North Carolina. It has been my honor and pleasure to serve this community through the past eleven plus years and I look forward to carrying out the directives being made through the adoption of the FY 2016-2017 Budget. As always, this Budget and everything we do with the Town is truly a team effort and my office cannot work on a proverbial island. Thank you to everyone involved with the development of this Budget proposal and, more importantly, the successful implementation of both past Budgets and the eventual carrying out of the work program contained herein. Southern Pines is truly a special place to both live and work.

Town of

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Southern Pines

## **TOWN OF SOUTHERN PINES PROFILE**

The Town of Southern Pines (Town) was incorporated in 1887, and is located on the fringe of the piedmont section of the State of North Carolina in an area known as the Sandhills. The Town has an estimated 2015 population of 13,310 and is located in Moore County (County) and encompasses 16.76 square miles. The Town provides a full range of services including police and fire protection, streets, planning and zoning, parks and recreation, library, fleet maintenance, and general administrative services. The Town also operates water and sewer utility services.

The Town operates under the Council-Manager form of government. The Legislative Body of the government of the Town is comprised of a Mayor and a four-member Town Council. The Legislative Body is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Town Manager. The Town Manager is responsible to the Town Council for the administration of all affairs of the Town. The Town Manager appoints the Department Heads and supervises and coordinates the activities of the departments.

**TOWN OF SOUTHERN PINES  
BUDGET FORMAT**

The accounts of the Town are organized on the basis of funds or account groups of which each is considered a separate accounting entity. The separation of revenues and expenditures allow close monitoring of accounts to provide surety that expenditures are in conformity with the adopted annual budget.

The Town of Southern Pines annual budget consists of two funds; the General Fund and the Enterprise Fund:

The General Fund accounts for the revenues and expenditures of all Town departments except those required to be accounted for in other funds.

The Enterprise Fund accounts for water and sewer activities.

A project ordinance is adopted for General and Enterprise capital project funds.

**TOWN OF SOUTHERN PINES**  
**DESCRIPTION OF THE BUDGET PROCESS**

The North Carolina Local Government Budget and Fiscal Control Act requires that the Town Manager submit a recommended budget to the Mayor and the Town Council no later than June 1<sup>st</sup>, that the Council hold a public hearing on the budget and that the Board adopt an annual budget or interim budget each year by July 1<sup>st</sup>. The budget must be balanced. Defined by the Fiscal Control Act, “the sum of estimated net revenues and appropriated fund balance in each fund shall be equal to appropriations in that fund”.

The budget is the single most important document presented to the Town Council. The budget serves the citizens by providing an understanding of the Town’s operating fiscal programs and it reflects the Town’s commitment to maintain necessary services as well as improving the quality of service and keeping the impact of taxes to the citizens at a minimum.

The Town operates under an annual budget ordinance adopted in accordance with the Local Government Budget and Fiscal Control Act. The budget ordinance is the legal basis of the budgetary accounting system and the standard by which proposed expenditures are measured. All annual appropriations lapse at fiscal year-end. Any revisions to the original budget ordinance must be approved and adopted by the Town Council and made a matter of record in the Town minutes. Project ordinances are adopted for Governmental Capital Project Funds and the Utility Capital Project Funds. Project ordinances are on-going until the capital project has been completed and closed.

The budget is prepared using the modified accrual method of accounting for all funds. This accounting approach recognizes revenues when they become measurable and expenditures at the time liabilities are incurred.

The preparation of the budget requires structured guidelines as well as the participation and cooperation of many participants and a carefully scheduled series of events. The Town in the formulation of the budget follows the following budget calendar and budget cycle.

**BUDGET CALENDAR**

December 28	Capital and New Request Forms to Department Directors
January 15	Capital and New Request Forms due to Finance
January 25	Departmental Budget Packets to Department Directors
February 12	Departmental Budget Packets due to Finance
March 3	Budget Reviews with Department Directors, Town Manager and Finance Director.

March 18	Department Director's Retreat
April 5	Council Retreat
May 10	Presentation of Budget by Town Manager and Public Hearing
May 10 – June 14	Budget Discussions
June 14	Public Hearing
June 14	Adoption of Budget

### **COMPILATION OF HISTORICAL DATA**

During the first phase of the budget process, the accumulation of four years of historical expenditure data is compiled by the Finance Department. The data is used by Department Directors and management for performance evaluation and projection of resources required to meet departmental objectives and needs.

### **PREPARATION OF DEPARTMENT REQUESTS**

Estimating department expenditures is the responsibility of the Department Director. The basic requirements of budgeting expenditures are to request sufficient funding to adequately operate the department and to request funding at the lowest reasonable level in order to achieve the departmental goals and objectives.

### **CONSOLIDATE PRELIMINARY BUDGET**

The departmental requests are submitted to the Finance Department in order to consolidate the individual departmental requests and the revenue projections into an overall budget. Departmental capital outlay requests are analyzed in coordination with the vehicle and equipment replacement schedule.

### **EVALUATION OF PRELIMINARY DATA AND PRIORITIES**

The evaluation of preliminary data and priorities is an important step in developing a fiscal plan, which will achieve the Town's program of service for the upcoming fiscal year. A comprehensive review of service needs compared to departmental goals and objectives is analyzed by the Town Manager after meeting with Department Heads.

### **BALANCE PROPOSED BUDGET**

After the Town's program of service priorities have been established, a balance plan for funding must be formulated. Through careful assessment of funding requirements and financing elements, a proposed budget document is organized into a final format and submitted to the Town Council for legislative review.

## **LEGISLATIVE REVIEW**

The Town Council reviews the budget document thoroughly with the Town Manager and the Finance Director during a work session. The Town Council reviews departmental expenditures and goals at this time to ensure adherence with Town goals. A copy of the proposed budget document is filed with the Town Clerk as well as made available at the Town Library for public inspection.

## **BUDGET ADOPTION**

The adoption of the annual budget is the culmination of exhaustive reviews of budget proposals by Department Heads, Management and the Legislative Body. After a public hearing is held, the budget is formally adopted by the Town Council. Adoption of the budget establishes the legal authority to incur expenditures in the upcoming fiscal year.

## **AMENDMENTS TO THE BUDGET**

During the fiscal year, the budget may be amended to reflect changes to the original budget ordinance. Typically budget amendments are for the recognition of unbudgeted revenues, such as grants and donations.

Justification for the budget amendment is prepared by the department requesting the amendment. A budget amendment ordinance is then prepared by the Finance Director, and then voted upon by the Town Council. If approved, the original budget appropriation is then amended.

Town of

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Southern Pines

## **GENERAL FUND SUMMARY**

The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are Ad Valorem taxes, various other taxes, State grants, and sales and services. The following functional areas are included in the General Fund:

- General Government
- Public Safety
- Economic and Physical Development
- Transportation
- Cultural and Recreational

## **FUND BALANCE**

The amount of fund balance is considered to be one of the key indicators of the financial condition of the Town. To maintain the Town's credit rating and to meet seasonal cash flow shortfalls, economic downturns, or a local disaster, the budget shall provide for an anticipated fund balance for the General Fund.

Key purposes for maintaining fund balance include:

- Having a reserve for emergencies as in the case of ice and snow storms, hurricanes, tornados and other natural disasters;
- Providing a sufficient cash flow for the Town given the amount of revenues received on a monthly basis is not consistent and the tax rate cannot be changed during the fiscal year even though cash flow problems may develop;
- Weathering unforeseen shortfalls in revenues.

The Local Government Commission (LGC) recommends that North Carolina governments retain an amount of unappropriated fund balance at least equal to 8 percent of the appropriations of the General Fund. The Town's policy is to maintain an unrestricted, undesignated balance in the General Fund equal to 25% of the General Fund budget. Unrestricted, undesignated fund balance will generally not be used for operating expenses.

## **REVENUE DEFINITIONS**

Revenues are shown by sources and by funds. Accurate revenue estimates are dependent upon correct classifications because factors, which affect individual revenues, do not affect each source uniformly. Revenue projects can be made more accurately when revenues are segregated by source and controlled accordingly.

The major revenues by source are as follows:

**AD Valorem Taxes** – Collections of current and prior year taxes of real and personal property.

**Other Taxes & Licenses** – Collections of the one percent local options sales tax and one-half percent local option sales taxes (Article 39, 40, 42 and 44) which the State collects on retail sales and is distributed on a per capita and point of delivery basis. The hold harmless provision which is received from the State as a result of repealed reimbursements. The Short-term rental property tax is a tax that is levied on gross receipts derived from the short-term lease or rental of vehicles to the general public. The privilege license tax is a tax that is levied on individuals conducting various trades, occupations, professions and businesses within the Town. The ABC distribution is a portion of the net operating revenues derived from the operation of the local liquor stores within the Town. The cablevision franchise fee is a fee charged on receipts not subject to State sales tax such as advertising.

**Unrestricted Intergovernmental** – Beer and wine tax which is a State levied tax that is shared by the Town on wholesale sales of both beer and wine. The utility franchise tax is a Town shared tax on various utilities that is levied by the State. Video programming revenue is a revenue source in which sales tax is collected by the State on gross receipts from cable services. The State distributes the Town's share based upon prior cable franchise tax distributions.

**Restricted Intergovernmental** – The Powell Bill Allocation is one cent per gallon of the state gasoline tax that is distributed to municipalities to be earmarked for street construction and maintenance. State Aid Library is financial assistance to local library systems from the Aid to Public Libraries Fund.

**Permits and Fees** – Inspections and planning fees charged for new construction or buildings which undergo structural changes. Police Department fees are charges for fingerprinting and excess alarm activations. Also included in the Police fees are excise taxes that are collected by the State for possession of controlled substances which is earmarked for specific expenditures of the Police Department. Street Department fees are charges for utility street cut repairs. Public Works fees are charges for construction inspection fees and erosion control review fees.

**Sales and Services** – Library revenue generated through library cards and services. Recreational revenue generated through recreational activities and charges for rental of Town facilities. The rent category is predominately charges for use of Town facilities and land for communication equipment and fees for long-term rental of Town facilities. Disposal/recycling revenues are amounts charged on Town customer’s utility bills for garbage disposal that are paid by the Town to the County for landfill fees as well as the Town paid fee for recycling.

**Investment Earnings** – Interest that is earned on investment of the Town’s idle cash. Interest is allocated to each fund monthly based upon the balances in the funds.

**Other** – Surplus property sales revenue is generated through the sale of Town equipment and supplies that are no longer in service. Miscellaneous revenue is revenue that is not accounted for in any other category. County contribution fire is a supplemental revenue that is specially allocated by Moore County to the Southern Pines Fire/Rescue Department for rescue services within an identified rescue response area. Fire district revenue is a tax that is charged to property that is located outside of the Town limits, in the “Pines” fire district that is identified by the County Commissioners.

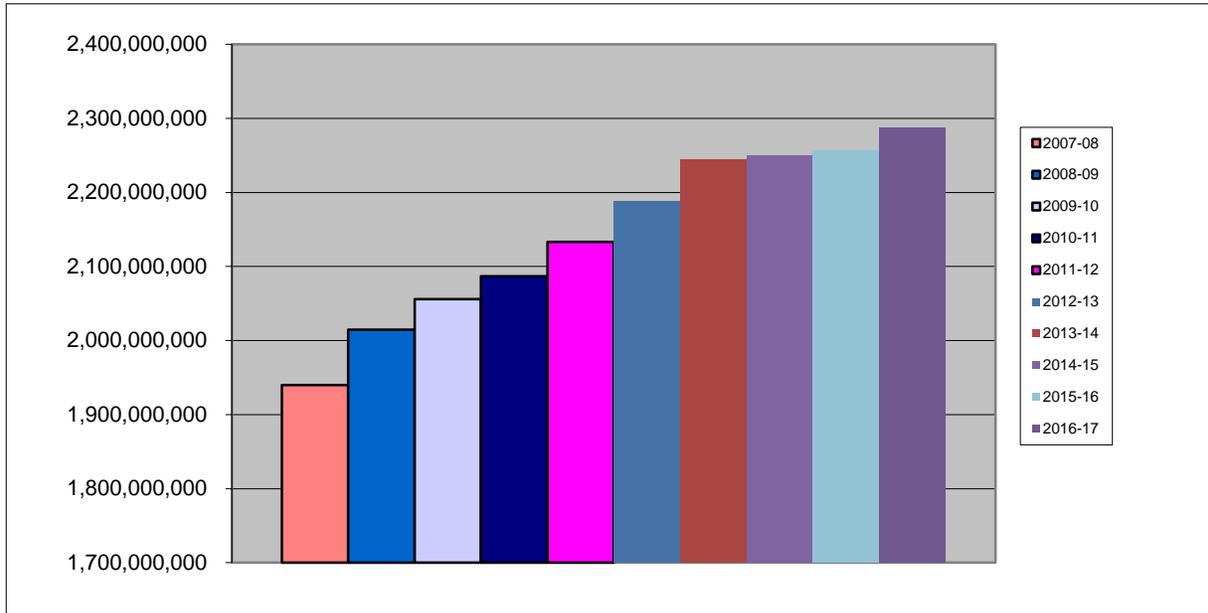
## TOWN OF SOUTHERN PINES

### PROPERTY TAX RATES Last Ten Fiscal Years

<u>Year Ended June 30</u>	<u>Town of Southern Pines</u>
2008	0.34
2009	0.35
2010	0.35
2011	0.35
2012	0.35
2013	0.35
2014	0.35
2015	0.37
2016	0.38
2017	0.38

Note: All rates are expressed in dollars of tax per \$100 of assessed valuation. The tax rate was adjusted during the fiscal year ended June 30, 2008 and fiscal year ending June 30, 2016 to reflect the revaluation of taxable property.

## PROPERTY TAX VALUATION TRENDS LAST TEN YEARS



<u>Tax Year</u>	<u>Fiscal Year</u>	<u>100% Valuation</u>	<u>Net Levy</u>	<u>Value of \$0.01</u>
2007	2007-08	1,939,862,594	6,624,019	193,986
2008	2008-09	2,014,777,740	7,050,041	201,478
2009	2009-10	2,056,002,596	7,211,587	205,600
2010	2010-11	2,086,855,543	7,311,009	208,686
2011	2011-12	2,133,158,047	7,465,959	213,316
2012	2012-13	2,187,703,624	7,663,758	218,770
2013	2013-14	2,245,009,632	7,833,116	224,501
2014	2014-15	2,250,264,704	8,321,882	225,026
2015	2015-16	2,256,224,243	8,573,652	225,622
2016	2016-17	2,287,163,000	8,691,219	228,716

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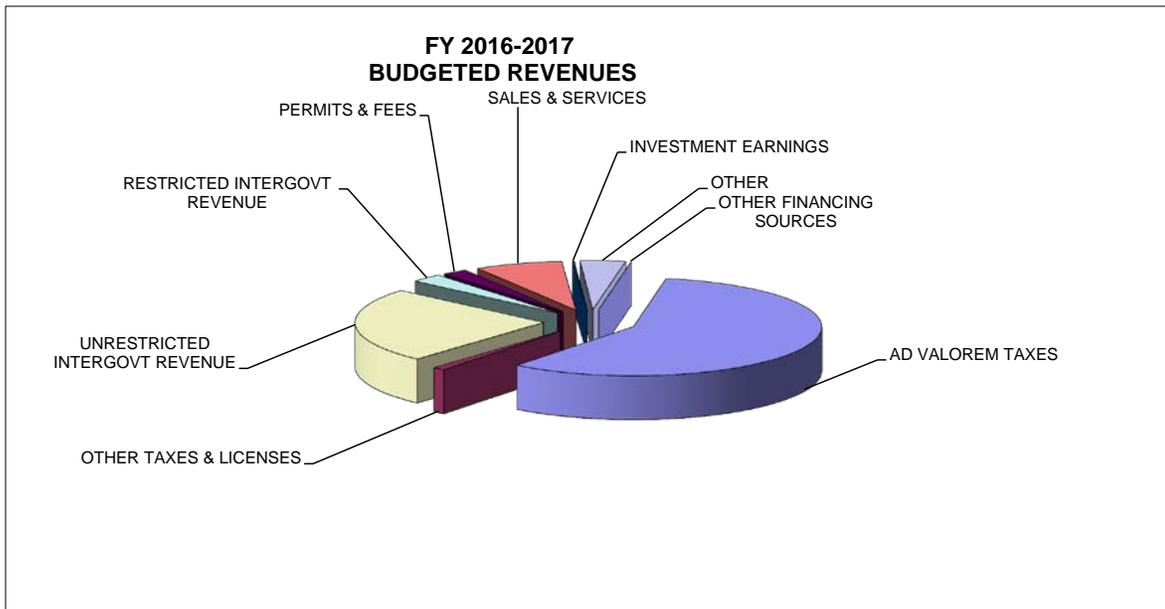
Southern Pines

TOWN OF SOUTHERN PINES  
GENERAL FUND  
BUDGET SUMMARY  
2016-2017

	ACTUAL 2014-2015	BUDGET 2015-2016 as of 03/31/16	EXPECTED REVENUES EXPENDITURES 2015-2016	BUDGET 2016-2017
Available Fund Balance - Beginning	\$ 5,168,432	\$ 5,552,329	\$ 5,552,329	\$ 6,681,665
Total Revenues & Reserve Increases	<u>16,197,326</u>	<u>15,972,106</u>	<u>16,864,604</u>	<u>14,896,839</u>
Total Funds Available	21,365,758	21,524,435	22,416,933	21,578,504
Total Expenditures	14,905,129	15,810,021	15,535,268	16,460,856
Transfers Out to Capital Projects	<u>908,300</u>	<u>200,000</u>	<u>200,000</u>	<u>572,500</u>
Available Fund Balance - Ending	<u>\$ 5,552,329</u>	<u>\$ 5,514,414</u>	<u>\$ 6,681,665</u>	4,545,148
Less 3 Months Expenditures				4,115,214
Available Fund Balance - FYE 06/30/15				<u>\$ 429,934</u>

TOWN OF SOUTHERN PINES  
GENERAL FUND  
CONSOLIDATED REVENUE SUMMARY  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016	EXPECTED 2015-2016	BUDGET 2016-2017	% of Revenue
AD VALOREM TAXES	\$ 7,691,550	\$ 7,887,032	\$ 8,428,787	\$ 8,544,610	\$ 8,619,534	\$ 8,608,500	57.79%
OTHER TAXES & LICENSES	248,555	218,351	230,577	147,500	169,662	159,800	1.07%
UNRESTRICTED INTERGOVT REVENUE	3,593,381	3,654,511	4,228,255	3,490,500	4,108,300	3,681,100	24.71%
RESTRICTED INTERGOVT REVENUE	413,121	412,577	417,431	403,000	412,190	407,200	2.73%
PERMITS & FEES	413,161	373,259	471,035	311,000	376,600	325,500	2.19%
SALES & SERVICES	1,089,956	1,039,736	1,090,953	1,077,200	1,137,560	1,121,200	7.53%
INVESTMENT EARNINGS	21,373	16,445	15,664	16,500	17,200	17,000	0.11%
OTHER	632,024	594,149	630,380	606,863	648,625	576,539	3.87%
OTHER FINANCING SOURCES	-	-	703,500	-	-	-	0.00%
	<u>\$ 14,103,121</u>	<u>\$ 14,196,060</u>	<u>\$ 16,216,582</u>	<u>\$ 14,597,173</u>	<u>\$ 15,489,671</u>	<u>\$ 14,896,839</u>	



Town of Southern Pines  
General Fund  
Schedule of Revenues  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016 as of 07/01/15	BUDGET 2015-2016 as of 03/31/16	EXPECTED REVENUES 2015-2016	BUDGET 2016-2017
<b>AD VALOREM TAXES:</b>							
Current	\$ 7,620,110	\$ 7,833,116	\$ 8,380,021	\$ 8,496,610	\$ 8,496,610	\$ 8,571,534	\$ 8,560,500
Delinquent	39,971	28,422	26,521	30,000	30,000	30,000	30,000
Penalties & Interest	31,469	25,494	22,245	18,000	18,000	18,000	18,000
<b>TOTAL AD VALOREM TAXES</b>	<b>7,691,550</b>	<b>7,887,032</b>	<b>8,428,787</b>	<b>8,544,610</b>	<b>8,544,610</b>	<b>8,619,534</b>	<b>8,608,500</b>
<b>OTHER TAXES &amp; LICENSES:</b>							
Short-Term Rental Property Tax	29,194	27,889	33,651	30,000	30,000	39,382	32,000
Solid Waste Disposal Tax	7,844	7,069	8,273	7,500	7,500	8,100	7,800
Privilege License	46,487	14,488	28,150	0	0	180	0
Alcoholic Beverage Ctrl	126,165	130,144	120,790	110,000	110,000	122,000	120,000
Cablevision	38,865	38,761	39,713	0	0	0	0
<b>TOTAL OTHER TAXES</b>	<b>248,555</b>	<b>218,351</b>	<b>230,577</b>	<b>147,500</b>	<b>147,500</b>	<b>169,662</b>	<b>159,800</b>
<b>UNRESTRICTED INTERGOVT REVENUE:</b>							
Article 39 Sales Tax - 1%	1,080,579	1,070,217	1,226,323	1,050,500	1,050,500	1,200,000	1,089,500
Article 40 Local Sales Tax - 1/2%	534,397	559,331	623,235	525,500	525,500	610,000	557,500
Article 42 Local Sales Tax - 1/2%	526,886	524,695	607,977	517,000	517,000	590,000	550,500
Article 44 1/2%-Hold Harmless	468,332	502,389	555,084	470,500	470,500	539,000	470,600
Hold Harmless Provision	59,969	31,284	0	0	0	0	0
Beer and Wine Tax	50,476	55,059	62,426	53,000	53,000	55,500	55,000
Video Programming	167,215	162,917	164,370	159,500	159,500	156,800	159,500
Utilities Franchise/Sales	705,527	748,619	988,840	714,500	714,500	957,000	798,500
<b>TOTAL UNRESTRICTED INTERGOVERNMENTAL</b>	<b>3,593,381</b>	<b>3,654,511</b>	<b>4,228,255</b>	<b>3,490,500</b>	<b>3,490,500</b>	<b>4,108,300</b>	<b>3,681,100</b>
<b>RESTRICTED INTERGOVT REVENUE:</b>							
Powell Bill Allocation	384,761	390,633	400,905	395,000	395,000	404,887	400,000
State Aid Library	6,728	6,896	6,395	7,000	7,000	6,382	6,200
Library Grants	0	3,465	4,510	0	0	0	0
Recreation Grants	1,350	1,219	715	1,000	1,000	921	1,000
Planning Grants	0	0	0	0	0	0	0
On-Behalf of Pymts. - Fire	6,642	6,797	0	0	0	0	0
Fire Grants	0	0	1,750	0	0	0	0
Police Grants	13,640	3,567	3,156	0	0	0	0
<b>TOTAL RESTRICTED INTERGOVERNMENTAL</b>	<b>413,121</b>	<b>412,577</b>	<b>417,431</b>	<b>403,000</b>	<b>403,000</b>	<b>412,190</b>	<b>407,200</b>
<b>PERMITS AND FEES:</b>							
Inspections	342,927	300,446	368,621	250,000	250,000	272,000	250,000
Planning	4,619	17,356	21,986	14,000	14,000	19,000	15,000
Homeowner Recovery Fee	1,890	1,700	1,960	1,000	1,000	1,800	1,000
Street Department	27,628	31,815	36,146	25,000	25,000	33,000	28,000
Fire	400	300	100	0	0	200	0
Public Works	9,034	5,530	21,567	6,000	6,000	31,600	15,000
Police Department	26,663	16,112	20,655	15,000	15,000	19,000	16,500
<b>TOTAL PERMITS AND FEES</b>	<b>413,161</b>	<b>373,259</b>	<b>471,035</b>	<b>311,000</b>	<b>311,000</b>	<b>376,600</b>	<b>325,500</b>

Town of

Chartered 1887

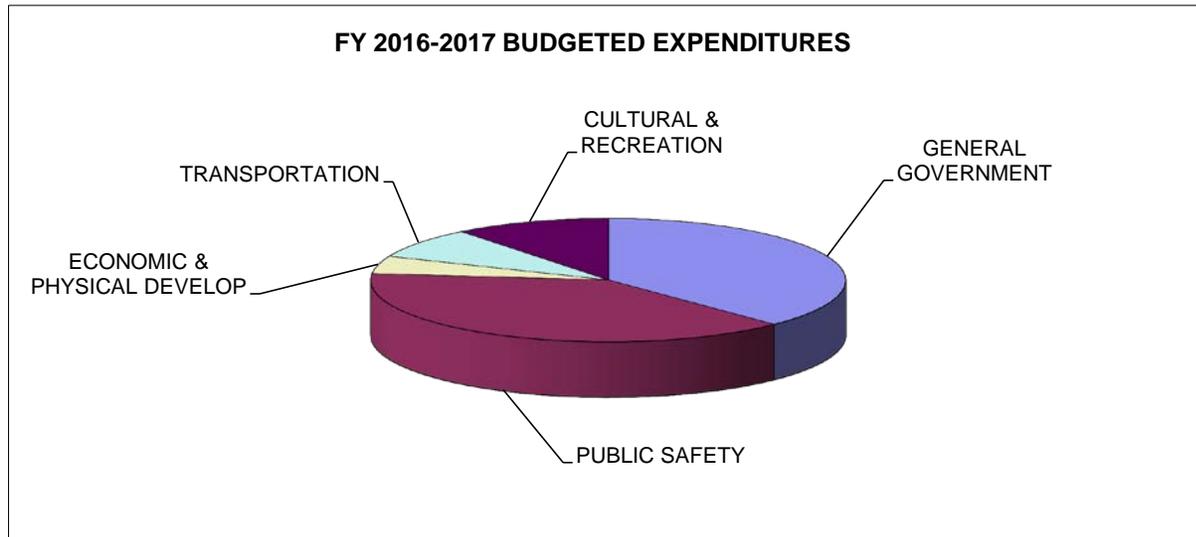
Southern Pines

Town of Southern Pines  
General Fund  
Schedule of Revenues  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016 as of 07/01/15	BUDGET 2015-2016 as of 03/31/16	EXPECTED REVENUES 2015-2016	BUDGET 2016-2017
<b>SALES AND SERVICES:</b>							
Library	39,972	40,633	41,971	40,000	40,000	41,500	<b>41,000</b>
Recreation Fees	185,031	199,375	211,742	195,000	195,000	196,100	<b>180,000</b>
Police Extra Duty	0	0	0	0	0	54,160	<b>54,500</b>
Rents	266,850	284,735	286,867	272,000	272,000	272,000	<b>272,000</b>
Facility Rental - Recreation	29,075	28,823	30,000	28,500	28,500	25,500	<b>27,000</b>
Court Facilities Fee	3,723	2,990	1,402	1,000	1,000	1,800	<b>1,200</b>
Reservoir Park	5,500	5,500	5,500	5,500	5,500	5,500	<b>5,500</b>
Disposal Fee/Recycling Fee	559,805	477,680	513,471	535,200	535,200	541,000	<b>540,000</b>
<b>TOTAL SALES AND SERVICES</b>	<b>1,089,956</b>	<b>1,039,736</b>	<b>1,090,953</b>	<b>1,077,200</b>	<b>1,077,200</b>	<b>1,137,560</b>	<b>1,121,200</b>
<b>INVESTMENT EARNINGS:</b>	<b>21,373</b>	<b>16,445</b>	<b>15,664</b>	<b>16,500</b>	<b>16,500</b>	<b>17,200</b>	<b>17,000</b>
<b>OTHER:</b>							
Surplus Property Sales	51,714	17,335	47,607	40,000	54,209	55,000	<b>30,000</b>
Miscellaneous Revenue	39,867	43,470	36,878	25,000	26,154	32,100	<b>30,100</b>
Demolition Liens	10,630	3,511	3,627	0	0	2,740	<b>0</b>
Fire Donations	25	45	15,100	0	500	500	<b>0</b>
Court Costs	7,338	3,876	1,466	1,000	1,000	2,000	<b>1,500</b>
Cemetery	750	1,125	1,250	0	0	2,125	<b>1,000</b>
County Contribution - Fire/Rescue	47,000	47,000	47,000	47,000	47,000	47,000	<b>47,000</b>
Fire District Revenue	470,923	475,392	475,277	475,000	475,000	479,640	<b>463,939</b>
Donations	3,777	2,395	2,175	3,000	3,000	27,520	<b>3,000</b>
<b>TOTAL OTHER REVENUE</b>	<b>632,024</b>	<b>594,149</b>	<b>630,380</b>	<b>591,000</b>	<b>606,863</b>	<b>648,625</b>	<b>576,539</b>
<b>OTHER FINANCING SOURCES</b>							
Financing Proceeds	0	0	703,500	0	0	0	<b>0</b>
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>0</b>	<b>0</b>	<b>703,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>14,103,121</b>	<b>14,196,060</b>	<b>16,216,582</b>	<b>14,581,310</b>	<b>14,597,173</b>	<b>15,489,671</b>	<b>14,896,839</b>
<b>FUND BALANCE [(ADD TO)/USE OF]:</b>	<b>122,494</b>	<b>211,713</b>	<b>(403,153)</b>	<b>1,374,933</b>	<b>1,412,848</b>	<b>245,597</b>	<b>2,136,517</b>
<b>REVENUES AFTER ADDITIONS/ REDUCTIONS FROM FUND BALANCE</b>	<b>\$ 14,225,615</b>	<b>\$ 14,407,773</b>	<b>\$ 15,813,429</b>	<b>\$ 15,956,243</b>	<b>\$ 16,010,021</b>	<b>\$ 15,735,268</b>	<b>\$ 17,033,356</b>

TOWN OF SOUTHERN PINES  
GENERAL FUND  
CONSOLIDATED EXPENDITURE SUMMARY  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016	EXPECTED EXPENDITURES 2015-2016	BUDGET 2016-2017
GENERAL GOVERNMENT	\$ 5,328,800	\$ 5,358,349	\$ 5,342,386	\$ 6,107,526	\$ 5,986,162	\$ 6,284,539
PUBLIC SAFETY	5,104,501	5,413,142	6,256,950	6,266,828	6,163,419	6,484,214
ECONOMIC & PHYSICAL DEVELOP	692,954	695,612	663,143	705,111	703,039	765,678
TRANSPORTATION	1,244,614	979,092	1,403,694	1,187,860	1,146,072	1,349,585
CULTURAL & RECREATION	1,568,439	1,413,546	1,476,523	1,640,256	1,634,136	1,769,281
<b>SUB-TOTAL</b>	<b>13,939,308</b>	<b>13,859,741</b>	<b>15,142,696</b>	<b>15,907,581</b>	<b>15,632,828</b>	<b>16,653,297</b>
NON-DEPARTMENTAL & TRANSFERS	286,307	548,032	670,733	102,440	102,440	380,059
<b>TOTAL</b>	<b>\$ 14,225,615</b>	<b>\$ 14,407,773</b>	<b>\$ 15,813,429</b>	<b>\$ 16,010,021</b>	<b>\$ 15,735,268</b>	<b>\$ 17,033,356</b>



Function	Departments
General Government	Legislation, Administration, Information Technology, Financial Services, Public Works/Sanitation, Fleet Maintenance, Building & Grounds
Public Safety	Police-Patrol, Police-Communications, Police-Investigations, Fire
Economic & Physical Development	Planning & Inspections
Transportation	Street
Cultural & Recreation	Library, Recreation

TOWN OF SOUTHERN PINES  
GENERAL FUND  
EXPENDITURE BY FUNCTION AND TRANSFERS  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016 as of 07/01/15	BUDGET 2015-2016 as of 03/31/16	EXPECTED EXPENDITURES 2015-2016	BUDGET 2016-2017
Legislative	\$ 147,540	\$ 149,897	\$ 151,481	\$ 181,906	\$ 181,906	\$ 176,019	\$ 169,986
General Administration	1,073,222	1,099,907	541,269	613,370	613,370	580,547	617,655
Information Technology	548,711	633,163	590,443	758,692	758,692	750,528	851,108
Financial Services	0	0	559,284	606,697	606,697	594,246	616,148
Police Administration and Patrol	2,277,413	2,479,879	2,736,531	2,963,981	2,985,533	2,922,057	3,108,480
Police Communications	348,773	348,031	369,608	431,695	431,695	418,243	448,935
Investigations	547,927	634,461	738,262	827,049	827,049	801,661	829,331
Fire/Rescue	1,930,388	1,950,771	2,412,549	2,022,051	2,022,551	2,021,458	2,097,468
Planning and Inspections	692,954	695,612	663,143	678,911	705,111	703,039	765,678
Street Maintenance	1,244,614	979,092	1,403,694	1,187,860	1,187,860	1,146,072	1,349,585
Public Works/Sanitation	1,985,869	1,696,781	1,761,370	1,912,890	1,912,890	1,914,258	1,918,542
Fleet Maintenance	276,776	282,617	303,977	345,464	345,464	342,873	313,864
Recreation	788,364	623,344	660,060	759,447	762,973	749,957	863,731
Library	780,075	790,202	816,463	877,283	877,283	884,179	905,550
Building and Grounds	1,264,682	1,450,984	1,403,062	1,643,507	1,643,507	1,582,691	1,759,236
Special Appropriations:							
Sponsorships	3,500	7,000	5,500	5,000	7,000	7,000	0
Economic Development-Dues	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Economic Incentive	0	12,000	0	12,000	12,000	12,000	12,000
Arts Council Sponsorship	2,500	0	0	0	0	0	0
Shaw House	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Special Appropriations	32,000	45,000	31,500	43,000	45,000	45,000	38,000
Non-Departmental:							
W/S Indirect Costs	(865,246)	(974,858)	(1,016,869)	(903,277)	(903,277)	(903,277)	(981,995)
Installment Purchase St. Sweeper	0	0	38,820	77,640	77,640	77,640	77,640
Installment Purchase Police Stat	615,170	599,007	582,844	566,681	566,681	566,681	550,518
Installment Purchase Fire Vehicle	153,883	153,883	157,638	161,396	161,396	161,396	161,396
Total Non-Departmental	(96,193)	(221,968)	(237,567)	(97,560)	(97,560)	(97,560)	(192,441)
Total Expenditures	13,843,115	13,637,773	14,905,129	15,756,243	15,810,021	15,535,268	16,460,856
Transfers:							
Transfer to Cap Proj-Fire Sub-Stat	0	0	433,300	0	0	0	0
Transfer to Cap Proj-Unpaved St	0	0	150,000	0	0	0	92,500
Transfer to Cap Proj-Storm Water	0	0	50,000	0	0	0	100,000
Transfer to Cap Proj-Communications	182,500	0	0	0	0	0	0
Transfer to Cap Proj-Pool Park	50,000	300,000	0	0	0	0	0
Transfer to Cap-Bike Transportation	0	5,000	75,000	0	0	0	0
Transfer to Cap-Downtown Park	0	315,000	50,000	50,000	50,000	50,000	150,000
Transfer to Cap-Recreation Improv	0	0	0	0	0	0	80,000
Transfer to Cap Proj-Sidewalk	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total Transfers	382,500	770,000	908,300	200,000	200,000	200,000	572,500
Total Expenditures/Transfers	\$ 14,225,615	\$ 14,407,773	\$ 15,813,429	\$ 15,956,243	\$ 16,010,021	\$ 15,735,268	\$ 17,033,356

## EXPENDITURE SUMMARY

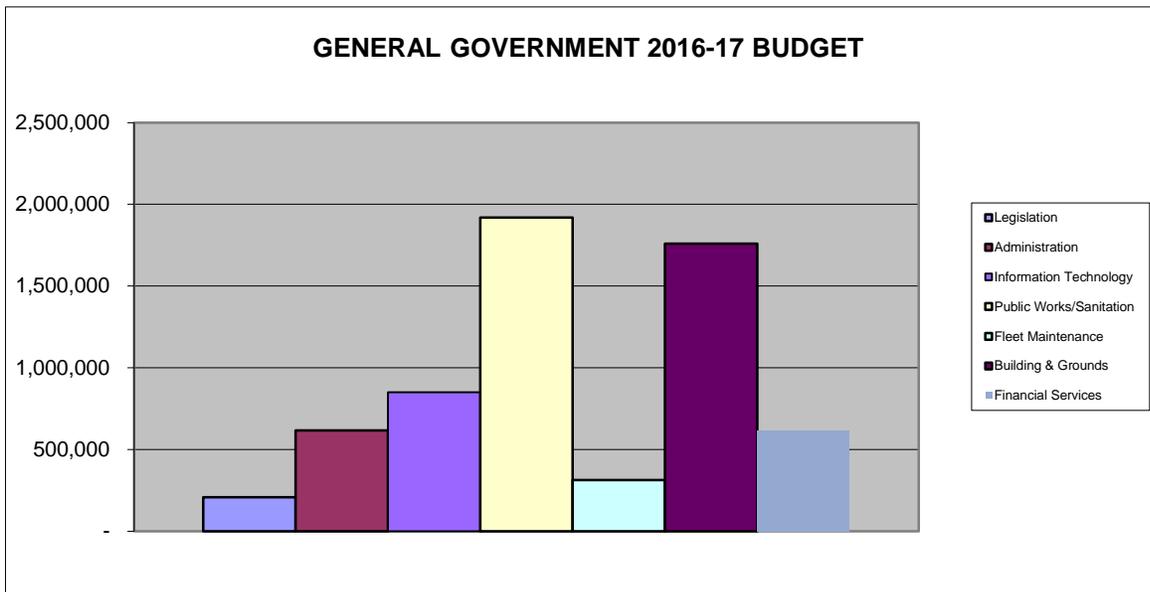
Fund: General

Function: General Government

General Fund Departments/Functions:

Legislation, Administration, Information Technology, Public Works/Sanitation, Fleet Maintenance, Building & Grounds

Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2015-16
Salaries & Benefits	\$ 2,479,689	\$ 2,610,008	\$ 2,564,197	\$ 2,741,910
Operating	2,820,952	3,299,018	3,223,126	3,350,663
Capital Outlay	41,745	198,500	198,839	191,966
<b>Total</b>	<b>\$ 5,342,386</b>	<b>\$ 6,107,526</b>	<b>\$ 5,986,162</b>	<b>\$ 6,284,539</b>



**EXPENDITURE SUMMARY**

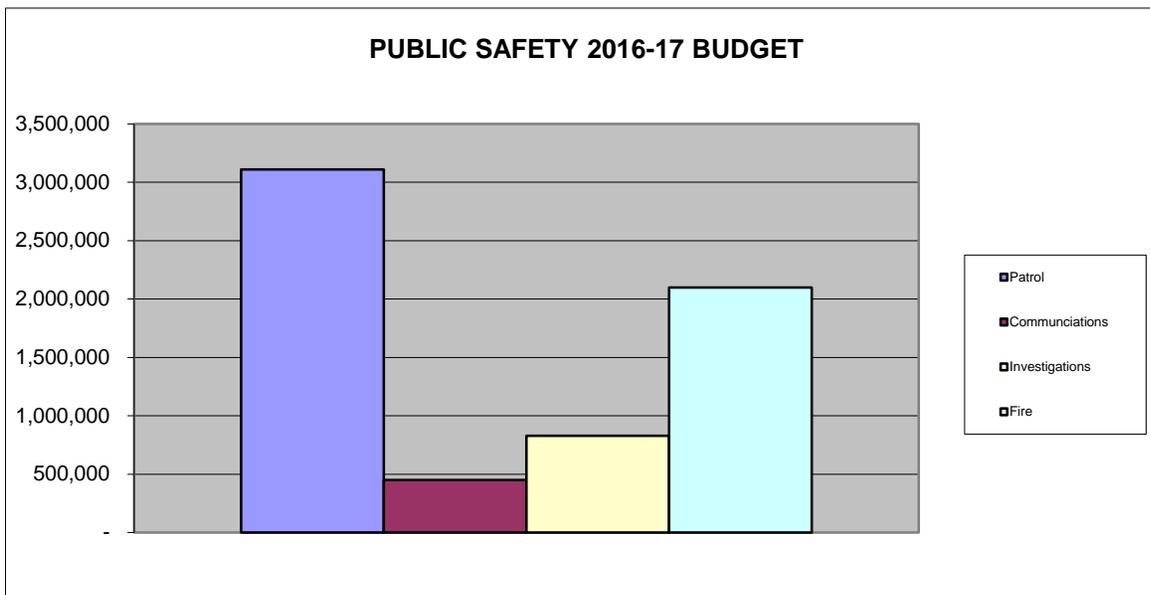
Fund: General

Function: Public Safety

General Fund Departments/Functions:

Police Patrol, Police Communications, Police Investigations, Fire

Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2015-16
Salaries & Benefits	\$ 4,571,175	\$ 4,854,216	\$ 4,848,467	\$ 5,212,696
Operating	891,315	1,175,422	1,069,365	1,083,418
Capital Outlay	794,460	237,190	245,587	188,100
<b>Total</b>	<b>\$ 6,256,950</b>	<b>\$ 6,266,828</b>	<b>\$ 6,163,419</b>	<b>\$ 6,484,214</b>



**EXPENDITURE SUMMARY**

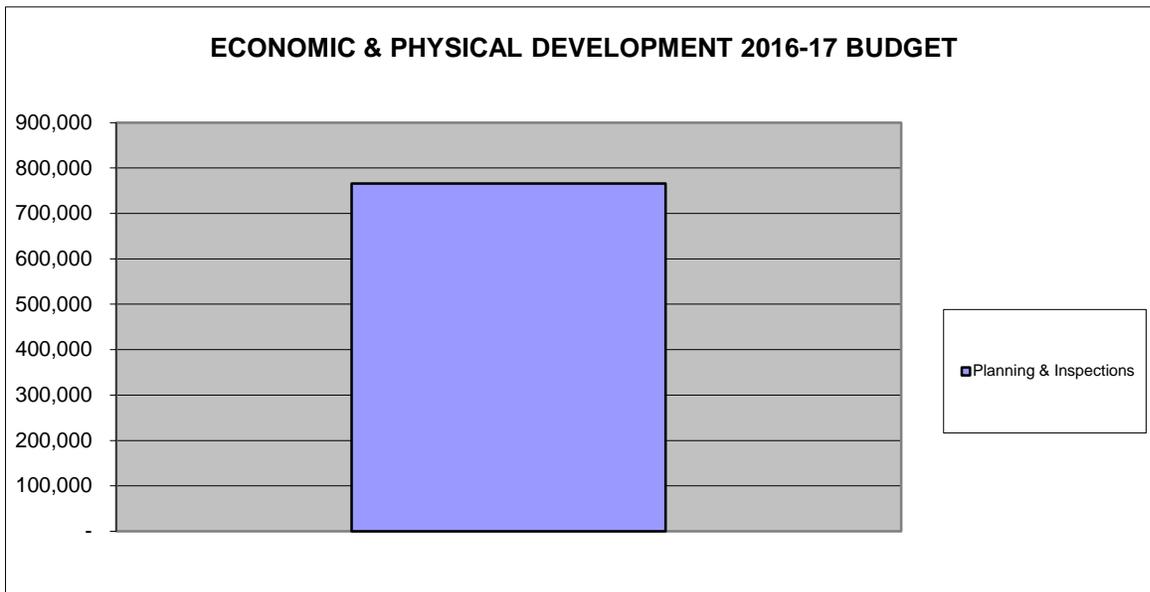
Fund: General

Function: Economic & Physical  
Development

General Fund Departments/Functions:

Planning & Inspections

Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2015-16
Salaries & Benefits	\$ 596,387	\$ 608,824	\$ 615,075	\$ 637,677
Operating	66,756	96,287	87,964	98,001
Capital Outlay	-	-	-	30,000
<b>Total</b>	<b>\$ 663,143</b>	<b>\$ 705,111</b>	<b>\$ 703,039</b>	<b>\$ 765,678</b>



**EXPENDITURE SUMMARY**

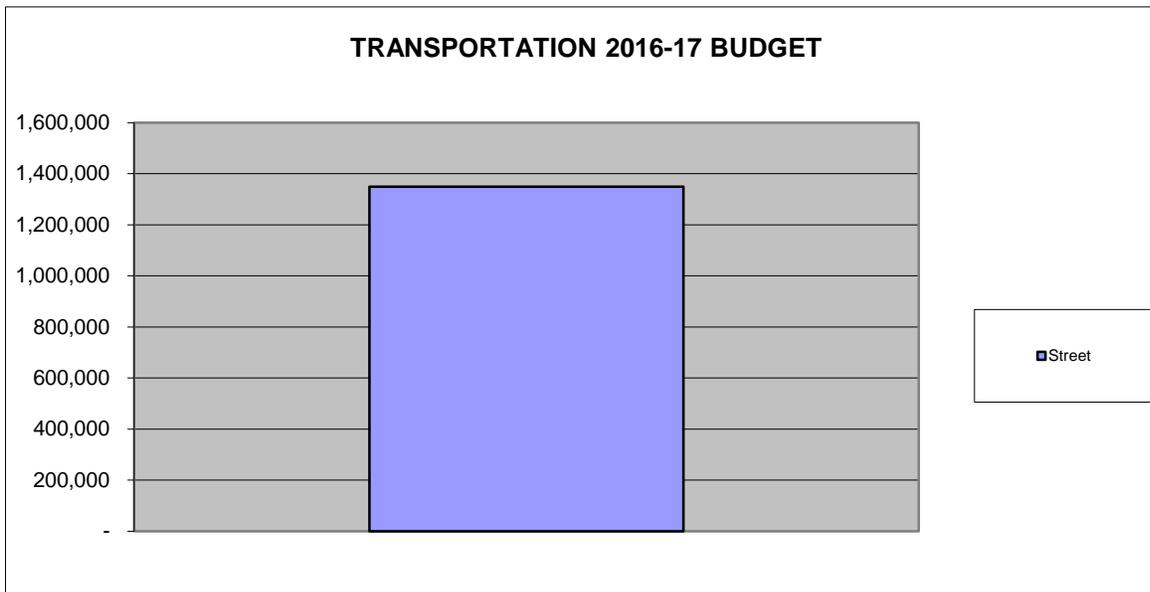
Fund: General

Function: Transportation

General Fund Departments/Functions:

Transportation

Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2015-16
Salaries & Benefits	\$ 441,794	\$ 469,045	\$ 467,693	\$ 491,964
Operating	672,210	453,815	418,379	427,621
Capital Outlay	289,690	265,000	260,000	430,000
<b>Total</b>	<b>\$ 1,403,694</b>	<b>\$ 1,187,860</b>	<b>\$ 1,146,072</b>	<b>\$ 1,349,585</b>



EXPENDITURE SUMMARY

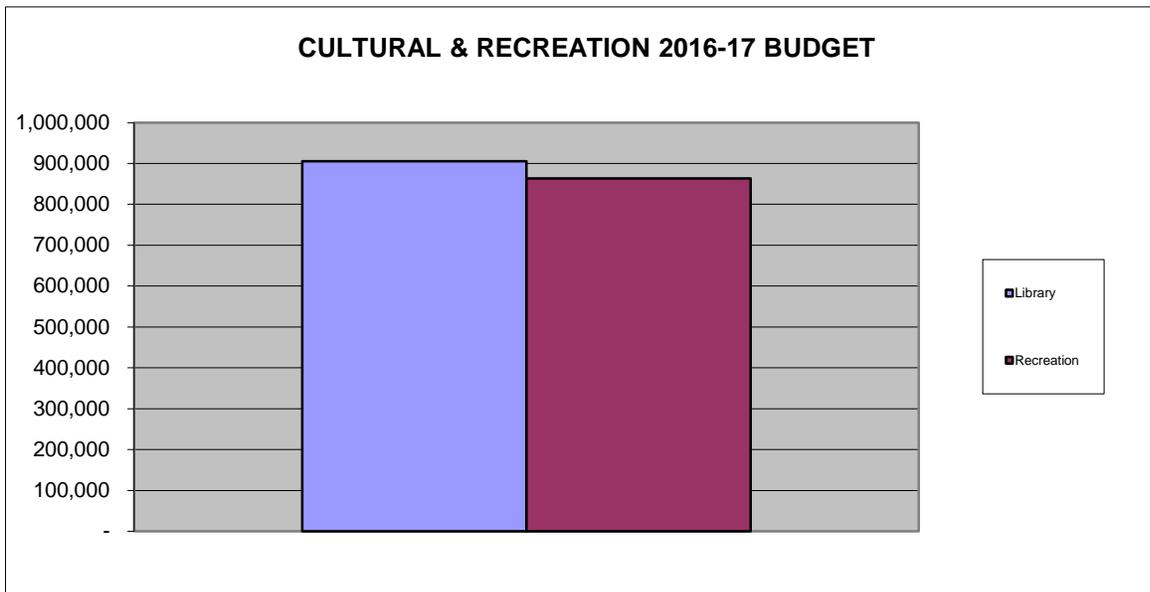
Fund: General

Function Cultural & Recreation

General Fund Departments/Functions:

Library, Recreation

Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2015-16
Salaries & Benefits	\$ 1,008,597	\$ 1,085,150	\$ 1,075,168	\$ 1,122,651
Operating	421,713	505,106	512,715	563,630
Capital Outlay	46,213	50,000	46,253	83,000
Total	\$ 1,476,523	\$ 1,640,256	\$ 1,634,136	\$ 1,769,281



## LEGISLATIVE

**Narrative:** The Legislative Department is the policy making body of the Town. It is comprised of a Mayor and four Councilmembers. The Southern Pines Town Council considers and adopts ordinances to provide for the health, safety and overall quality of life for the citizens of Southern Pines and decides the service levels provided by the Town for its citizens.

The Legislative Department budget is in place to capture expenditures required for the support of the Town Council to include: wages, office supplies, equipment, travel, training and education, dues and subscriptions as well as expenditures required for the creation, filing and organization of the official records of all Town Council business and meetings.

Additional expenditures in this department include cost of the Town's legal counsel and any special appropriations made by Council in support of local activities and organizations.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Agenda Items Considered:	126	121	124
- Consent	51	47	49
- Miscellaneous	1	3	2
- Architectural Reviews	15	12	14
- Workshop Items	59	59	59

LEGISLATIVE

Fund: General

Function: General Government

Goal: To provide overall guidance for municipal operations.

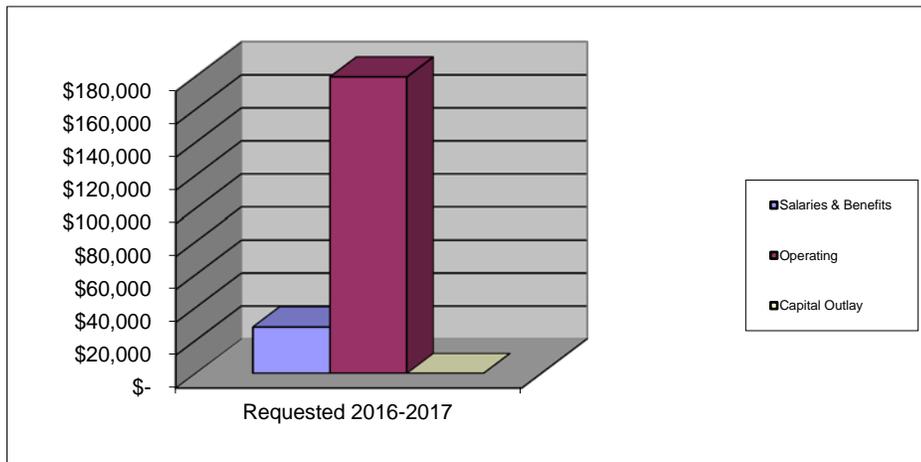
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 28,271	\$ 28,271	\$ 28,271	\$ 28,271
Operating	154,710	198,635	192,748	179,715
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$ 182,981</b>	<b>\$ 226,906</b>	<b>\$ 221,019</b>	<b>\$ 207,986</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 182,981	\$ 226,906	\$ 221,019	\$ 207,986

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	-	-	-	-

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Legislative	Function: General Government			Fund: 10	Department: 410	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
104100200	SALARIES & WAGES	\$ 26,262	\$ 26,262	\$ 26,262	\$ -	\$ 26,262	0.0%
104100500	FICA EXPENSE	2,009	2,009	2,009	-	2,009	0.0%
	EMPLOYEE BENEFITS	28,271	28,271	28,271	-	28,271	
104101400	TRAINING & TRAVEL	4,950	3,850	4,950	-	4,950	0.0%
104103300	DEPARTMENTAL SUPPLIES	33,000	23,900	34,000	-	34,000	3.0%
104104500	CONTRACTUAL SERVICES	23,650	29,325	10,650	-	10,650	-55.0%
104104510	INS-PROPERTY & GENERAL	9,520	7,715	8,105	-	8,105	-14.9%
104104600	PROFESSIONAL SERVICES	67,000	66,000	67,000	-	67,000	0.0%
104105300	DUES & SUBSCRIPTIONS	15,515	16,958	17,010	-	17,010	9.6%
104106300	SPECIAL APPROPRIATIONS	45,000	45,000	38,000	-	38,000	-15.6%
	OPERATING EXPENDITURES	198,635	192,748	179,715	-	179,715	
104107400	CAPITAL OUTLAY	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 226,906</u>	<u>\$ 221,019</u>	<u>\$ 207,986</u>	<u>\$ -</u>	<u>\$ 207,986</u>	

Town of

Chartered 1887

Southern Pines

## ADMINISTRATION

**Narrative:** The Administration Department provides funding for the offices of the Town Manager and the Director of Administrative Services.

The Town Manager serves as the chief administrative officer of the Town. The Town Manager is responsible and accountable to the Mayor and the Town Council for the general management of all Town operations. The Governing Board's policy guidelines are directed through this office to the various departments within the Town. The Town Manager is responsible for reporting and recommending to the Governing Body on all matters of interest in the Town. The Town Manager assumes responsibility for submission of a proposed annual operating budget.

Administrative Services is responsible for the divisions of Human Resources, Purchasing, Risk Management, Public Relations and management of the office of the Municipal Clerk. Within this purview lies responsibility for all employee performance management, compensation and benefit program strategies and policies, adherence to all federal and state laws for payroll calculation, compliance with and required reporting on mandated employee related laws, statutes and regulations, a safety and wellness program, a decentralized purchasing department including the generation, review and approval of all purchase orders as well as compliance with NC purchasing, bidding and procurement statutes, risk management for the Town to include liability, property, vehicle and workers' compensation insurance coverages, and all responsibilities of the office of a North Carolina Municipal Clerk to include preparation for all Town Council meetings and maintaining all legal documents and permanent records of the Town.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Applications Received	321	360	385
Full Time Employees Hired	30	25	28
Part Time Employees Hired	29	25	25
Recordable Employee Injuries/Illnesses	8	8	7
Total GL/Property/Vehicle Claims Filed	10	13	11
Purchase Orders Processed	1222	1500	1600
Surplus Items Discarded or Auctioned	78	100	100

ADMINISTRATION

Fund: General

Function: General Government

To provide top level support to the Town Council and Town Manager, and serve as a support and liaison to the eight departments of the Town.

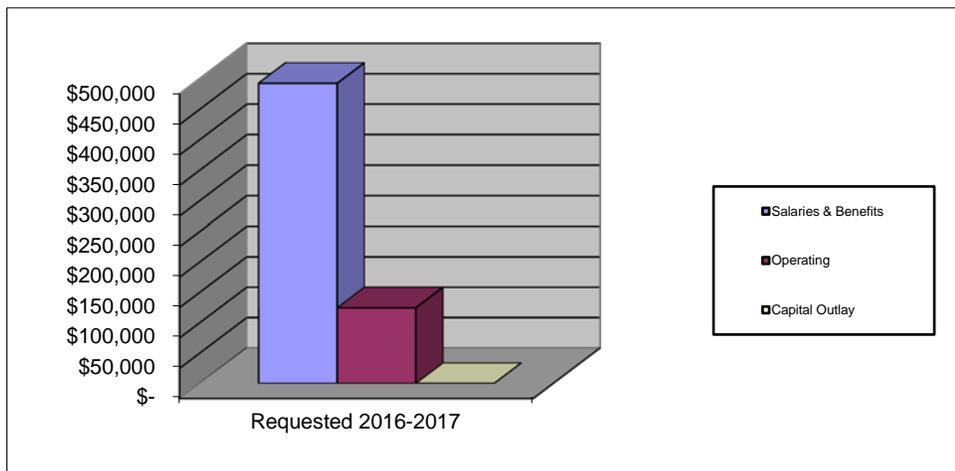
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 448,414	\$ 483,397	\$ 476,319	\$ 492,847
Operating	92,855	129,973	104,228	124,808
Capital Outlay	-	-	-	-
Total	\$ 541,269	\$ 613,370	\$ 580,547	\$ 617,655

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 541,269	\$ 613,370	\$ 580,547	\$ 617,655

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	11.0	6.0	6.0	6.0
Budgeted Employees-Part Time	-	-	-	-

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Administration	Function: General Government			Fund: 10	Department: 420	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
104200200	SALARIES & WAGES	\$ 368,599	\$ 364,223	\$ 372,388	\$ -	\$ 372,388	1.0%
104200400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
104200500	FICA EXPENSE	28,198	27,863	28,488	-	28,488	1.0%
104200600	GROUP INSURANCE EXPENSE	34,416	32,619	36,748	-	36,748	6.8%
104200700	RETIREMENT EXPENSE	24,586	24,418	27,297	-	27,297	11.0%
104200800	DEFERRED COMPENSATION	27,598	27,196	27,926	-	27,926	1.2%
	EMPLOYEE BENEFITS	483,397	476,319	492,847	-	492,847	
104201100	POSTAGE	450	300	300	-	300	-33.3%
104201200	PRINTING	1,125	675	3,825	-	3,825	240.0%
104201300	TELEPHONE	2,238	2,250	2,250	-	2,250	0.5%
104201400	TRAINING & TRAVEL	22,975	14,500	20,750	-	20,750	-9.7%
104201401	TUITION REIMBURSEMENT	7,000	7,000	7,000	-	7,000	0.0%
104201800	UTILITIES	4,050	3,800	3,900	-	3,900	-3.7%
104202600	ADVERTISING-HR	10,000	7,000	7,000	-	7,000	-30.0%
104202610	ADVERTISING-LEGAL	12,000	13,500	12,000	-	12,000	0.0%
104203100	AUTO OPERATING	6,000	6,000	6,000	-	6,000	0.0%
104203300	DEPARTMENTAL SUPPLIES	15,950	13,900	14,950	-	14,950	-6.3%
104204500	CONTRACTUAL SERVICES	15,450	12,680	13,895	-	13,895	-10.1%
104204510	INS-PROPERTY & GENERAL	4,280	3,590	3,816	-	3,816	-10.8%
104204600	PROFESSIONAL SERVICES	2,000	-	2,000	-	2,000	0.0%
104204800	COMMITTEE EXPENDITURES	3,940	2,800	3,800	-	3,800	-3.6%
104204900	EAP EXPENDITURES	4,500	4,500	4,500	-	4,500	0.0%
104205000	WELLNESS INITIATIVES	12,000	5,000	12,000	-	12,000	0.0%
104205300	DUES & SUBSCRIPTIONS	6,015	6,733	6,822	-	6,822	13.4%
	OPERATING EXPENDITURES	129,973	104,228	124,808	-	124,808	
104207401	CAPITAL-SOFTWARE/COMP EQ	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 613,370</u>	<u>\$ 580,547</u>	<u>\$ 617,655</u>	<u>\$ -</u>	<u>\$ 617,655</u>	

Town of

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Southern Pines

## INFORMATION TECHNOLOGY

**Narrative:** The Information Technology department provides information technology support as an internal service to Town departments and coordinates the delivery of Geographic Information Systems services for the Town.

Users have reliable hardware, software and network services and support; services and expectations are clearly identified for all departments and management; users in all departments have appropriate access to town-wide coordinated Geographic Information Systems (GIS) data and services; and citizens and other interested parties have web access to Town information and services.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Web visitors <a href="http://www.southernpines.net">www.southernpines.net</a> (town)	417,667	395,690	400,000
IT/GIS work orders submitted	1,509	1,710	1,900
IT/GIS work orders completed	1,352	1,645	1,900

## INFORMATION TECHNOLOGY

Fund: General

Function: General Government

Information Technology Goal: To provide technology support to internal Town departments and the delivery of geographic Information Systems for the Town.

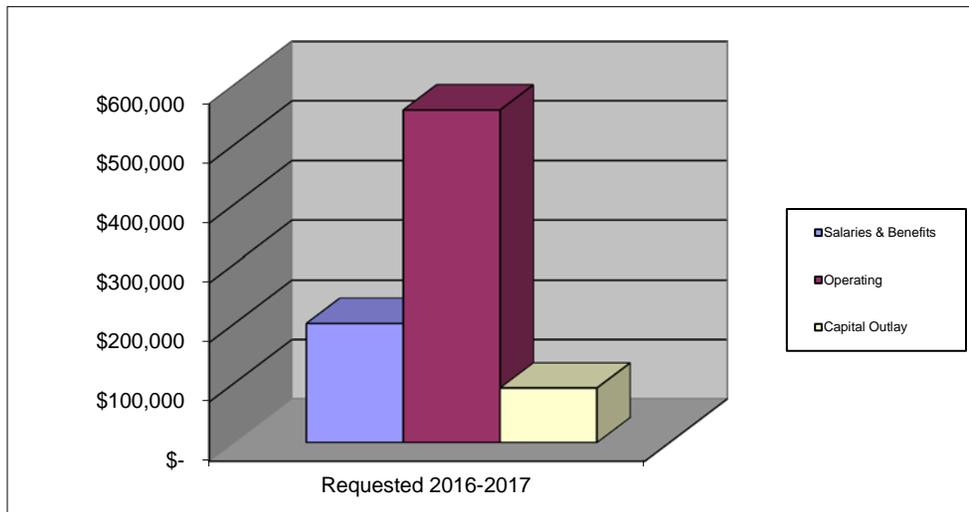
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 142,816	\$ 143,952	\$ 144,376	\$ 200,827
Operating	447,627	525,240	513,772	558,315
Capital Outlay	-	89,500	92,380	91,966
<b>Total</b>	<b>\$ 590,443</b>	<b>\$ 758,692</b>	<b>\$ 750,528</b>	<b>\$ 851,108</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 590,443	\$ 758,692	\$ 750,528	\$ 851,108
<b>Total</b>	<b>\$ 590,443</b>	<b>\$ 758,692</b>	<b>\$ 750,528</b>	<b>\$ 851,108</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees-Full Time	2	2	2	3

### 2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

IT Help Desk Technician Position	\$	56,905
Copier System Replacement		91,966



2016-2017 ANNUAL BUDGET DETAILED ACTIVITY SPENDING REQUEST							
Fiscal Year 2016-2017	Department: Information Technology	Function: General Government			Fund: 10	Department: 430	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
104300200	SALARIES & WAGES	\$ 111,028	\$ 111,864	\$ 114,470	\$ 37,600	\$ 152,070	37.0%
104300400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
104300500	FICA EXPENSE	8,494	8,400	8,757	2,875	11,632	36.9%
104300600	GROUP INSURANCE EXPENSE	11,472	11,481	12,250	6,125	18,375	60.2%
104300700	RETIREMENT EXPENSE	7,406	7,348	8,391	2,755	11,146	50.5%
104300800	DEFERRED COMPENSATION	5,552	5,283	5,724	1,880	7,604	37.0%
	EMPLOYEE BENEFITS	143,952	144,376	149,592	51,235	200,827	
104301100	POSTAGE	200	50	100	-	100	-50.0%
104301300	TELEPHONE	40,400	37,100	29,400	600	30,000	-25.7%
104301400	TRAINING & TRAVEL	10,000	9,000	12,600	2,310	14,910	49.1%
104301600	EQUIPMENT MAINTENANCE	1,000	300	11,800	-	11,800	1080.0%
104302200	LEASED EQUIPMENT	37,400	36,000	18,400	-	18,400	0.0%
104303300	DEPARTMENTAL SUPPLIES	105,200	104,220	110,000	2,298	112,298	6.7%
104304500	CONTRACTUAL SERVICES	329,540	326,022	369,200	462	369,662	12.2%
104304510	INS-PROPERTY & GENERAL	1,300	980	1,045	-	1,045	-19.6%
104305300	DUES & SUBSCRIPTIONS	200	100	100	-	100	-50.0%
	OPERATING EXPENDITURES	525,240	513,772	552,645	5,670	558,315	
104307401	CAPITAL-SOFTWARE/COMP EQ	41,000	92,380	91,966	-	91,966	0.0%
104307403	CAPITAL-OTHER EQUIPMENT	48,500	-	-	-	-	0.0%
	CAPITAL OUTLAY	89,500	92,380	91,966	-	91,966	
	TOTAL EXPENDITURES	\$ 758,692	\$ 750,528	\$ 794,203	\$ 56,905	\$ 851,108	

**DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL**

Department:	Information Technology	Function:	General Government
Project Title	IT Help Desk Technician Position	Fund:	General

Project Description:

This position will meet the increased demand for IT support services that have resulted from an increased number of town staff, devices, software applications, network complexity and security demands.

Costs	2016-2017
Salaries & Benefits	\$51,235
Operating Cost	5,670
Total	\$56,905

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Information Technology	Function:	General Government
Project Title	Copier System Replacement	Fund:	General

### Project Description:

This project replaces the Town Departmental Copier System.

Costs:	2016-2017
Capital – Other Equipment	\$91,966
Total:	\$91,966

Town of

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Southern Pines

## FINANCIAL SERVICES

**Narrative:** The Financial Services Department provides funding for the office of the Finance Division.

The Finance Division is responsible for managing all of the fiscal affairs of the Town and supports all Town departments through accounting and financial reporting and the budgetary process. The Finance Division includes such activities as accounting services, investments, grant management and reporting, financial analysis, budget preparation and preparation of amendments to the budget.

The division is also responsible for payment of all Town bills, processing of payroll, completion and filing of monthly, quarterly and yearly state and federal reports, maintenance of capital asset files and other related functions. Issuance and administration of long-term debt is a function of the division. Finance also administers the Town's cash management program and invests available funds accordingly. Preparation and distribution of the audited Comprehensive Annual Financial Report, which reflects the financial position of the Town at year-end, is the responsibility of the division.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Direct Deposit Stubs Issued	5,156	5,208	5,286
Payroll Checks Issued	129	140	155
Vendor Checks Issued	3,372	3,541	3,718
Invoices Processed	6,675	6,808	6,945
Reconciliations Performed	4,456	4,493	4,518
Financial Reports	1,031	1,045	1,055

## FINANCIAL SERVICES

Fund: General

Function: General Government

Finance Division Goal: To support Town Citizens, Council and departments through accurate and timely financial reports, administration of the annual budget, financial management, and cash management.

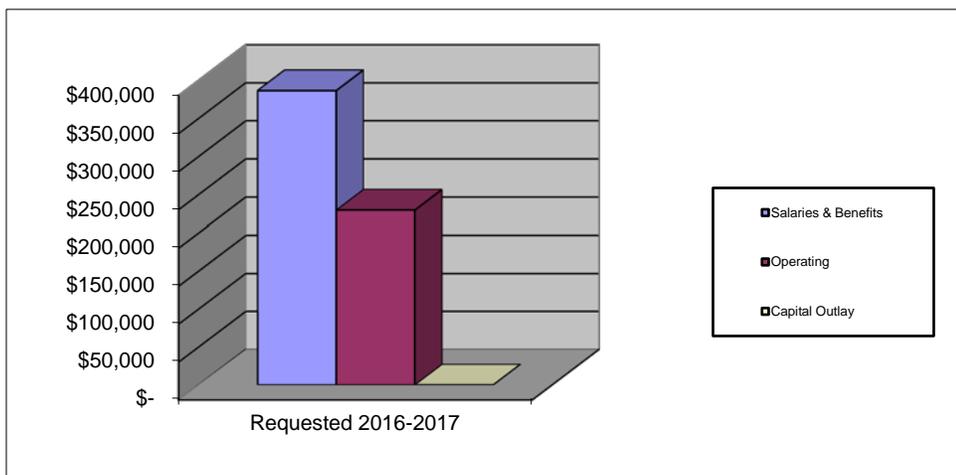
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 346,386	\$ 372,472	\$ 368,753	\$ 386,558
Operating	212,898	234,225	225,493	229,590
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$ 559,284</b>	<b>\$ 606,697</b>	<b>\$ 594,246</b>	<b>\$ 616,148</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 559,284	\$ 606,697	\$ 594,246	\$ 616,148

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	-	5.0	5.0	5.0
Budgeted Employees-Part Time	-	-	-	-

### 2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Financial Services	Function: General Government			Fund: 10	Department: 440	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
104400200	SALARIES & WAGES	\$ 288,125	\$ 286,702	\$ 296,660	\$ -	\$ 296,660	3.0%
104400400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
104400500	FICA EXPENSE	22,042	21,524	22,695	-	22,695	3.0%
104400600	GROUP INSURANCE EXPENSE	28,680	27,261	30,624	-	30,624	6.8%
104400700	RETIREMENT EXPENSE	19,218	19,196	21,746	-	21,746	13.2%
104400800	DEFERRED COMPENSATION	14,407	14,070	14,833	-	14,833	3.0%
	EMPLOYEE BENEFITS	372,472	368,753	386,558	-	386,558	
104401100	POSTAGE	5,625	3,650	4,450	-	4,450	-20.9%
104401200	PRINTING	7,250	2,775	6,850	-	6,850	-5.5%
104401300	TELEPHONE	1,720	1,680	1,820	-	1,820	5.8%
104401400	TRAINING & TRAVEL	10,000	6,000	10,000	-	10,000	0.0%
104401600	EQUIPMENT MAINTENANCE	3,350	2,965	3,515	-	3,515	4.9%
104401800	UTILITIES	6,500	4,700	6,600	-	6,600	1.5%
104402200	LEASED EQUIPMENT	3,900	3,600	3,900	-	3,900	0.0%
104403300	DEPARTMENTAL SUPPLIES	21,750	14,100	13,000	-	13,000	-40.2%
104404400	BANK SERVICE CHARGE	7,000	8,400	8,500	-	8,500	21.4%
104404500	CONTRACTUAL SERVICES	6,500	10,415	6,500	-	6,500	0.0%
104404505	COUNTY COLLECTION FEE	128,000	129,000	132,000	-	132,000	3.1%
104404510	INS-PROPERTY & GENERAL	3,880	3,301	3,505	-	3,505	-9.7%
104404600	PROFESSIONAL SERVICES	25,350	31,828	25,350	-	25,350	0.0%
104404920	BAD DEBT EXPENSE	2,250	2,000	2,500	-	2,500	11.1%
104405300	DUES & SUBSCRIPTIONS	1,150	1,079	1,100	-	1,100	-4.3%
	OPERATING EXPENDITURES	234,225	225,493	229,590	-	229,590	
104407401	CAPITAL-SOFTWARE/COMP EQ	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 606,697</u>	<u>\$ 594,246</u>	<u>\$ 616,148</u>	<u>\$ -</u>	<u>\$ 616,148</u>	

Town of

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Southern Pines

## POLICE - PATROL

**Narrative:** The Police Department is responsible for the protection of life and property of the citizens of Southern Pines and their guests. This is accomplished by patrolling the Town in marked and unmarked patrol cars, investigating violations, enforcing the law and working together with the citizens to minimize problems that lead to crime. The Patrol Division responds to police and non-police related calls for service at the request of citizens, or upon observation of the officer and directs follow-up investigations as circumstances require. Patrol officers also conduct some follow-up investigations on reported crimes and work with the community and other Town of Southern Pines departments to bring resolution to issues of concern. Patrol officers work with the community in a problem-solving mode to address public safety and quality of life issues. Working with other Town departments, officers are often the conduit for information or assistance.

The Patrol Division and its associated patrolling activity are considered to be a primary law enforcement function, but the activity of this division embraces much more than the act of patrolling. Officers may be engaged in a variety of activities which can range from traditional response to requests for service, to alternate strategies for the delivery of police services which is often the case keeping with trusted community policing philosophies embraced by the department.

The Division is comprised of twenty-six (26) full time sworn law enforcement officers assigned to four (4) Patrol Teams, two (2) sworn part time law enforcement officers, as well as one Community Services/Accreditation Manager along with department Administration.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Calls for Service/Officer Initiated Activity	30353	31000	31500
Traffic Accident Investigations	978	950	980
Preliminary Reports Completed	1226	1100	1050
Arrests	686	700	700
Victims Contacted through Contact Program	279	280	280
Traffic Stops	1915	2000	2000
Traffic Citations	1468	1600	1650
Traffic Warnings (Written)	497	500	550
Warrants/Subpoenas/Other Criminal Process	908	900	900
Community Policing Activities/Presentations	336	340	350

POLICE-ADMINISTRATION/PATROL

Fund: General

Function: Public Safety

Patrol Division Goal: To provide protection of life and property to the citizens of Southern Pines and their guests.

Administration Division Goal: To ensure the collection and flow of documentation relating to police activities.

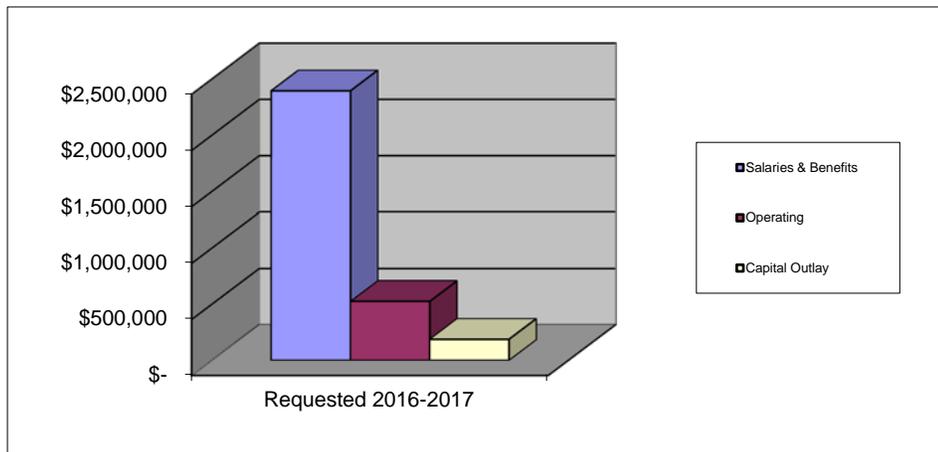
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 2,049,192	\$ 2,191,196	\$ 2,197,787	\$ 2,395,320
Operating	449,991	611,137	527,070	525,060
Capital Outlay	237,348	183,200	197,200	188,100
<b>Total</b>	<b>\$ 2,736,531</b>	<b>\$ 2,985,533</b>	<b>\$ 2,922,057</b>	<b>\$ 3,108,480</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Fees	\$ 20,655	\$ 15,000	\$ 19,000	\$ 16,500
Grants	3,156	-	-	-
General Revenues	2,712,720	2,970,533	2,903,057	3,091,980
<b>Total</b>	<b>\$ 2,736,531</b>	<b>\$ 2,985,533</b>	<b>\$ 2,922,057</b>	<b>\$ 3,108,480</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	31.0	31.0	31.0	31.0
Budgeted Employees-Part Time	2.0	2.0	2.0	2.0

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

Vehicle Replacements (4) \$ 188,100



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Police-Administration/Patrol	Function: Public Safety			Fund: 10	Department: 511	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105110200	SALARIES & WAGES	\$ 1,542,021	\$ 1,539,746	\$ 1,635,663	\$ -	\$ 1,635,663	6.1%
105110300	OVERTIME	130,000	100,000	130,000	-	130,000	0.0%
105110130	SEPARATION ALLOWANCE	15,542	16,849	32,533	-	32,533	109.3%
105110150	PD EXTRA DUTY FEE	-	39,673	40,000	-	40,000	0.0%
105110400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105110500	FICA EXPENSE	127,910	128,476	138,134	-	138,134	8.0%
105110600	GROUP INSURANCE EXPENSE	177,816	176,014	189,865	-	189,865	6.8%
105110700	RETIREMENT EXPENSE	116,464	117,340	141,000	-	141,000	21.1%
105110800	401K EMPLOYER SHARE	81,443	79,689	88,125	-	88,125	8.2%
	EMPLOYEE BENEFITS	2,191,196	2,197,787	2,395,320	-	2,395,320	
105111100	POSTAGE	2,000	1,200	2,000	-	2,000	0.0%
105111400	TRAINING & TRAVEL	22,000	20,000	22,000	-	22,000	0.0%
105111600	EQUIPMENT MAINTENANCE	7,000	5,000	5,000	-	5,000	-28.6%
105111700	AUTO REPAIR	27,000	15,000	25,000	-	25,000	-7.4%
105111800	UTILITIES	65,000	65,000	67,000	-	67,000	3.1%
105113100	AUTO OPERATING	90,000	58,000	70,000	-	70,000	-22.2%
105113300	DEPARTMENTAL SUPPLIES	135,427	120,000	121,150	-	121,150	-10.5%
105113500	LAUNDRY & CLEANING	11,800	11,000	11,800	-	11,800	0.0%
105113600	UNIFORMS	70,000	70,000	31,000	-	31,000	-55.7%
105114500	CONTRACTUAL SERVICES	73,000	62,000	65,000	-	65,000	-11.0%
105114510	INS-PROPERTY & GENERAL	89,920	80,770	86,120	-	86,120	-4.2%
105114600	PROFESSIONAL SERVICES	11,500	11,000	12,500	-	12,500	8.7%
105114800	GRANT EXPENDITURES	3,290	6,000	3,290	-	3,290	0.0%
105115300	DUES & SUBSCRIPTIONS	3,200	2,100	3,200	-	3,200	0.0%
	OPERATING EXPENDITURES	611,137	527,070	525,060	-	525,060	
105117402	CAPITAL MOTOR VEHICLE	183,200	183,200	188,100	-	188,100	2.7%
105117403	CAPITAL OTHER EQUIPMENT	-	14,000	-	-	-	0.0%
	CAPITAL OUTLAY	183,200	197,200	188,100	-	188,100	
	TOTAL EXPENDITURES	<u>\$ 2,985,533</u>	<u>\$ 2,922,057</u>	<u>\$ 3,108,480</u>	<u>\$ -</u>	<u>\$ 3,108,480</u>	

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Police-Administration/Patrol	Function:	Public Safety
Project Title	Vehicle Replacements (4)	Fund:	General

### Project Description:

Funding is requested to replace four (4) aging patrol vehicles in accordance with the Town of Southern Pines Vehicle Replacement Schedule. This request will also provide resources to equip these vehicles for immediate patrol service. The result will be increased safety for the officers and public, as well as reduced vehicle maintenance costs and down-time. In addition, these new vehicles we allow for the installation and carrying of needed equipment to effectively perform the required duties.

Costs associated with the replacement of these vehicles include new mounted equipment including but not limited to: K-9 kennels, camera systems, striping and mounted equipment.

Costs:	2016-2017
Capital – Motor Vehicles	\$188,100
Total:	\$188,100

## POLICE - COMMUNICATIONS

**Narrative:** The mission of the Communications Division is to monitor, receive and dispatch emergency and routine police calls for service as quickly and efficiently as possible to all areas with the Town of Southern Pines. In addition, the Communications Division processes misdirected telephone calls intended for law enforcement or public service agencies/departments and promptly relays this information to the agency/department having jurisdiction. The speed and accuracy information flows through the Communications Division are measures of the agency's capability to respond to the needs of the community. The Communications Division also interfaces with state and national law enforcement agencies and communications systems as well as the Moore County 911 system and the Southern Pines Fire Department. These services assure our citizens of quality emergency attention and guarantees that units in the field receive needed information and assistance necessary to respond to those requests. The Communications Center also serves as crucial support to the police officer in the field, providing timely, accurate information necessary to help the officer do a thorough, safe professional job. In addition, the Communications Center documents all activities and works closely with Administration Division to guarantee that proper documentation is collected and entered into the computerized records management system.

The Division is comprised of five (5) Telecommunicators (full-time), two (2) Telecommunicators (part-time) and one (1) Communications Supervisor. All employees assigned to the Communications Division receive extensive training and certifications in all aspects of their duties and responsibilities.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Calls for Service/Officer Initiated Activities	30353	30500	30700
Phone Calls Taken by Telecommunicators	49489	49600	49800
Walk-in/Other Requests	3237	3500	3700

POLICE-COMMUNICATIONS

Fund: General

Function: Public Safety

Communications Division Goal: To monitor, receive and dispatch emergency and routine police calls for service.

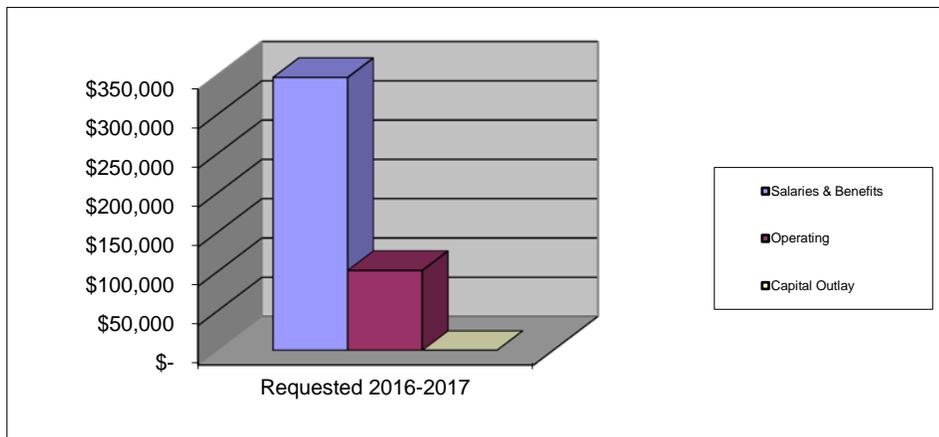
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 300,068	\$ 331,268	\$ 321,741	\$ 347,244
Operating	69,540	100,427	96,502	101,691
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$ 369,608</b>	<b>\$ 431,695</b>	<b>\$ 418,243</b>	<b>\$ 448,935</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 369,608	\$ 431,695	\$ 418,243	\$ 448,935

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees - Full Time	6	6	6	6
Budgeted Employees - Part Time	2	2	2	2

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Police-Communications	Function: Public Safety	Fund: 10	Department: 514			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105140200	SALARIES & WAGES	\$ 233,057	\$ 226,663	\$ 241,124	\$ -	\$ 241,124	3.5%
105140300	OVERTIME	17,000	17,000	19,000	-	19,000	11.8%
105140400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105140500	FICA EXPENSE	19,130	18,641	19,900	-	19,900	4.0%
105140600	GROUP INSURANCE EXPENSE	34,416	34,393	36,748	-	36,748	6.8%
105140700	RETIREMENT EXPENSE	15,812	14,574	18,115	-	18,115	14.6%
105140800	DEFERRED COMPENSATION	11,853	10,470	12,357	-	12,357	4.3%
	EMPLOYEE BENEFITS	331,268	321,741	347,244	-	347,244	
105141300	TELEPHONE	25,000	25,000	26,000	-	26,000	4.0%
105141400	TRAINING & TRAVEL	3,000	2,500	3,000	-	3,000	0.0%
105141600	EQUIPMENT MAINTENANCE	36,000	35,000	36,000	-	36,000	0.0%
105142100	RENT	7,000	6,300	7,000	-	7,000	0.0%
105143300	DEPARTMENTAL SUPPLIES	10,622	9,600	10,600	-	10,600	-0.2%
105143600	UNIFORMS	2,750	3,000	3,750	-	3,750	36.4%
105144500	CONTRACTUAL SERVICES	11,000	11,000	11,000	-	11,000	0.0%
105144510	INS-PROPERTY & GENERAL	4,455	3,502	3,741	-	3,741	-16.0%
105145300	DUES & SUBSCRIPTIONS	600	600	600	-	600	0.0%
	OPERATING EXPENDITURES	100,427	96,502	101,691	-	101,691	
105147403	CAPITAL-OTHER EQUIPMENT	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 431,695</u>	<u>\$ 418,243</u>	<u>\$ 448,935</u>	<u>\$ -</u>	<u>\$ 448,935</u>	

Town of

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*S*outhern *S*ines

## POLICE - INVESTIGATIONS

**Narrative:** The Investigation Division of the Southern Pines Police Department is responsible for the in depth investigation of criminal activity occurring in the community. These investigations include the interviewing of complainants, witnesses and suspects. The Division also has responsibility for the gathering and documenting of physical crime scene evidence and processing of all evidence and property collected. This documentation is then compiled into a criminal case file for proper disposition. The Investigation Division is also responsible for maintaining the property and evidence facility and submitting all evidence for analysis.

Additional responsibilities of the Investigation Division includes conducting follow-up investigations of cases involving juvenile offenders, processing youth arrests, preparing and presenting court cases in which a juvenile is involved and diverting juvenile offenders from the juvenile justice system when appropriate.

The Investigation Division collaborates closely with federal, state and local law enforcement agencies to address illegal drug activity in Southern Pines and surrounding communities with one officer assigned full time to a Moore County Drug Task Force. In addition, specialty assignments and training include participating in the North Carolina Internet Crimes Against Children (ICAC) Task Force and administering Voice Stress Analysis (VSA) examinations.

Through organized investigative case management, the Division strives to ensure all criminal investigations are given appropriate follow-up. Investigators in this division remain proactive using proven community based policing philosophies and practices to prevent, minimize or eliminate crime.

The Division is comprised of six (6) Investigators, one (1) Investigator-Sergeant, one (1) Investigator-Lieutenant, one (1) Property/Crime Scene Technician and one (1) part time Crime Scene Technician.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Crimes Reported	1226	1100	1050
Crimes Reviewed by Investigations	1226	1100	1050
Cases Assigned*	349	300	285
Property/Evidence Processed	863	900	875

\* NOTE: Case number reflects multiple crimes being investigated simultaneously and does not include cases assigned to the county narcotics task force.

POLICE-INVESTIGATIONS

Fund: General

Function: Public Safety

Investigations Division Goal: To investigate reported and non-reported criminal activity in the community.

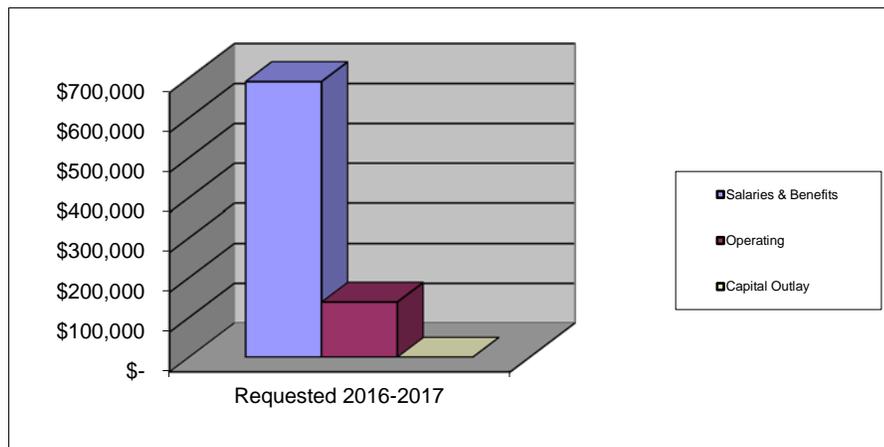
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 575,457	\$ 646,904	\$ 644,354	\$ 690,741
Operating	95,693	126,155	108,920	138,590
Capital Outlay	67,112	53,990	48,387	-
<b>Total</b>	<b>\$ 738,262</b>	<b>\$ 827,049</b>	<b>\$ 801,661</b>	<b>\$ 829,331</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 738,262	\$ 827,049	\$ 801,661	\$ 829,331

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	9	9	9	9
Budgeted Employees - Part Time	1	1	1	1

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Police-Investigations	Function: Public Safety			Fund: 10	Department: 515	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105150200	SALARIES & WAGES	\$ 456,363	\$ 447,590	\$ 475,561	\$ -	\$ 475,561	4.2%
105150300	OVERTIME	30,000	30,000	35,000	-	35,000	16.7%
105150130	SEPARATION ALLOWANCE	14,343	14,343	14,343	-	14,343	0.0%
105150150	PD EXTRA DUTY FEE	-	6,000	6,000	-	6,000	0.0%
105150400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105150500	FICA EXPENSE	37,207	36,995	39,517	-	39,517	6.2%
105150600	GROUP INSURANCE EXPENSE	51,624	51,664	55,122	-	55,122	6.8%
105150700	RETIREMENT EXPENSE	33,724	33,937	40,046	-	40,046	18.7%
105150800	401K EMPLOYER SHARE	23,643	23,825	25,152	-	25,152	6.4%
	EMPLOYEE BENEFITS	646,904	644,354	690,741	-	690,741	
105151100	POSTAGE	750	250	750	-	750	0.0%
105151400	TRAINING & TRAVEL	13,800	13,000	18,000	-	18,000	30.4%
105151700	AUTO REPAIR	5,000	3,500	5,000	-	5,000	0.0%
105152200	LEASED EQUIPMENT	-	-	-	-	-	0.0%
105153100	AUTO OPERATING	20,000	13,000	19,000	-	19,000	-5.0%
105153300	DEPARTMENTAL SUPPLIES	26,800	22,800	19,000	-	19,000	-29.1%
105153600	UNIFORMS	15,000	13,000	15,000	-	15,000	0.0%
105153900	SPECIAL OPERATIONS	10,000	7,000	10,000	-	10,000	0.0%
105154500	CONTRACTUAL SERVICES	15,600	17,200	30,500	-	30,500	95.5%
105154510	INS-PROPERTY & GENERAL	18,205	18,970	20,340	-	20,340	11.7%
105155300	DUES & SUBSCRIPTIONS	1,000	200	1,000	-	1,000	0.0%
	OPERATING EXPENDITURES	126,155	108,920	138,590	-	138,590	
105157402	CAPITAL-MOTOR VEHICLE	38,000	33,000	-	-	-	0.0%
105157403	CAPITAL-OTHER EQUIPMENT	15,990	15,387	-	-	-	0.0%
	CAPITAL OUTLAY	53,990	48,387	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 827,049</u>	<u>\$ 801,661</u>	<u>\$ 829,331</u>	<u>\$ -</u>	<u>\$ 829,331</u>	

Town of

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Southern Pines

## FIRE

**Narrative:** Since our beginning in 1898, Southern Pines Fire & Rescue has continuously adapted and changed to meet the current needs of our community and the environment. We have been given the responsibility of providing quality protection of life, property, and the environment of our community through effective fire suppression, environmental mitigation, fire prevention, and the demand for medical response and quality patient care, while maintaining a high level of employee safety and professionalism. Our services are provided by a staff *Committed to Excellence and Delivered with Pride*. Southern Pines Fire & Rescue will continue to do its best at providing service and solutions to ever changing community needs.

Daily responsibilities consist of a focus on fire prevention and suppression, fire & life safety inspections related to code enforcement, public fire education, smoke detector installation, fire/arson investigation, disaster preparedness and response, emergency medical services / ambulance assistance to Moore County EMS, car seat inspections, and assisting other Town agencies in their on-going programs (CPR & first aid classes, fire extinguisher training, confined space entry / air monitoring, and assisting the Police department with traffic control & scene lighting, etc.) as needed.

In addition, we maintain over 1,200 fire hydrants annually, maintain pre-plan files of our Town's businesses, maintain and update computer records, training for fire personnel both career and volunteer, maintaining equipment, the station facility, and fire apparatus.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Structure Fires (SP response area)	29	35	30
Structure Fires (Mutual aid districts)	24	25	28
Vehicle Fires	9	10	12
Woods / Brush Fires / Control Burns	61	60	65
Smoke Investigations	38	32	35
Mutual Aid - Other Districts	169	175	125
False Alarms / Alarm Malfunctions / Other Alarms	270	280	300
Auto Accidents / Public Service Calls	503	515	510
Emergency Medical / Ambulance Assist	<u>543</u>	<u>560</u>	<u>575</u>
Total Incident Responses	1572	1660	1700
Fire Inspections	2030	2100	2150
Fire Investigations	51	60	65
Fire & Life Safety Public Education Classes	73	80	85

FIRE

Fund: General

Function: Public Safety

Fire Division Goal: To provide quality protection of life, property, and the environment of our community.

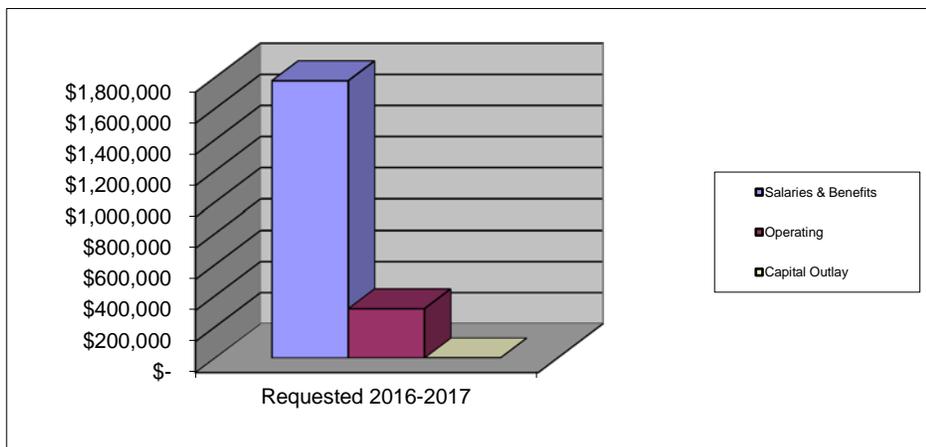
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 1,646,458	\$ 1,684,848	\$ 1,684,585	\$ 1,779,391
Operating	276,091	337,703	336,873	318,077
Capital Outlay	490,000	-	-	-
<b>Total</b>	<b>\$ 2,412,549</b>	<b>\$ 2,022,551</b>	<b>\$ 2,021,458</b>	<b>\$ 2,097,468</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Fire District	\$ 475,277	\$ 475,000	\$ 479,640	\$ 463,939
County Contribution	47,000	47,000	47,000	47,000
Fire Grants	-	-	-	-
On-Behalf Of	-	-	-	-
Donations	15,100	500	500	-
General Revenues	1,875,172	1,500,051	1,494,318	1,586,529
<b>Total</b>	<b>\$ 2,412,549</b>	<b>\$ 2,022,551</b>	<b>\$ 2,021,458</b>	<b>\$ 2,097,468</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees-Full Time	27.0	27.0	27.0	27.0
Budgeted Employees-Part Time	17.0	17.0	17.0	17.0

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Fire	Function: Public Safety		Fund: 10	Department: 530		
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105300200	SALARIES & WAGES	\$ 1,280,559	\$ 1,288,150	\$ 1,344,700	\$ -	\$ 1,344,700	5.0%
105300300	OVERTIME	10,000	5,000	10,000	-	10,000	0.0%
105300400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105300500	FICA EXPENSE	98,728	98,926	103,635	-	103,635	5.0%
105300600	GROUP INSURANCE EXPENSE	154,872	153,363	165,366	-	165,366	6.8%
105300700	RETIREMENT EXPENSE	80,411	81,560	92,555	-	92,555	15.1%
105300800	DEFERRED COMPENSATION	60,278	57,586	63,135	-	63,135	4.7%
	EMPLOYEE BENEFITS	1,684,848	1,684,585	1,779,391	-	1,779,391	
105301100	POSTAGE	650	550	550	-	550	-15.4%
105301200	PRINTING	250	250	250	-	250	0.0%
105301300	TELEPHONE	11,500	10,500	10,500	-	10,500	-8.7%
105301400	TRAINING & TRAVEL-OPERATE	25,000	24,500	25,000	-	25,000	0.0%
105301401	TRAINING & TRAVEL-INSPECT	5,000	4,750	5,000	-	5,000	0.0%
105301600	EQUIPMENT MAINTENANCE	15,000	18,000	18,000	-	18,000	20.0%
105301700	AUTO REPAIR	20,000	24,000	24,000	-	24,000	20.0%
105301800	UTILITIES	17,000	15,000	15,000	-	15,000	-11.8%
105303100	AUTO OPERATING	35,000	30,000	31,000	-	31,000	-11.4%
105303300	DEPARTMENTAL SUPPLIES	87,928	97,928	70,642	-	70,642	-19.7%
105303500	LAUNDRY & CLEANING	750	600	600	-	600	-20.0%
105303600	UNIFORMS	20,000	19,000	20,000	-	20,000	0.0%
105304500	CONTRACTUAL SERVICES	29,000	28,170	30,050	-	30,050	3.6%
105304510	INS-PROPERTY & GENERAL	59,125	52,125	55,985	-	55,985	-5.3%
105305300	DUES & SUBSCRIPTIONS	5,500	5,500	5,500	-	5,500	0.0%
105305400	INSURANCE & BONDS	6,000	6,000	6,000	-	6,000	0.0%
	OPERATING EXPENDITURES	337,703	336,873	318,077	-	318,077	
105307402	CAPITAL-MOTOR VEHICLE	-	-	-	-	-	0.0%
105307403	CAPITAL-OTHER EQUIPMENT	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 2,022,551</u>	<u>\$ 2,021,458</u>	<u>\$ 2,097,468</u>	<u>\$ -</u>	<u>\$ 2,097,468</u>	

Town of

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Southern Pines

## PLANNING

**Narrative:** The Planning Division provides overall coordination of the Town’s physical and community development activities. Functions are processing zoning cases, subdivision review, staff support to Planning Board, Board of Adjustment, Historic District Committee, preparation of special studies, liaison with developers and contact with the state and federal funding agencies. The Planning Division is the lead division regarding the preparation of land use and other plans. All zoning and subdivision cases are processed and presented to the Planning Board and Town Council by Planning. The division processes all board of Adjustment cases, assists with annexations, reviews landscape plans, ensure public compliance with the Unified Development Ordinance, and serves as an information center for development activities.

The Inspections Division provides enforcement of the North Carolina Building Code, Minimum Housing Code and various other code enforcements in the Town’s Code of Ordinances.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Zoning-Conditional Use / Rezoning /BOA / HDC / Ordinance Amendment	38	33	34
Subdivision (Final Plst and Minor)	20	25	25
Architectural Review	17	15	15
Building Inspections Performed	2048	2109	2172
Electrical Inspections Performed	1775	1828	1882
Mechanical Inspections Performed	1375	1416	1458
Other Inspections Performed	210	216	222
Plumbing Inspections Performed	1413	1455	1498
Insulation Inspections Performed	742	764	786
Sign Permits Issued	61	70	70
All Nuisance & Zoning	306	350	350
Building Permits Issued (Commercial/Residential)	393	405	417
Electrical Permits Issued	90	93	96
Plumbing Permits Issued	148	152	157
Mechanical Permits Issued	460	474	488
Other Permits Issued	148	152	157

PLANNING/INSPECTIONS

Fund: General

Function: Economic & Physical  
Development

Planning Division Goal: To provide overall coordination of the Town's physical and community development activities.

Inspections Division Goal: To provide enforcement of applicable codes.

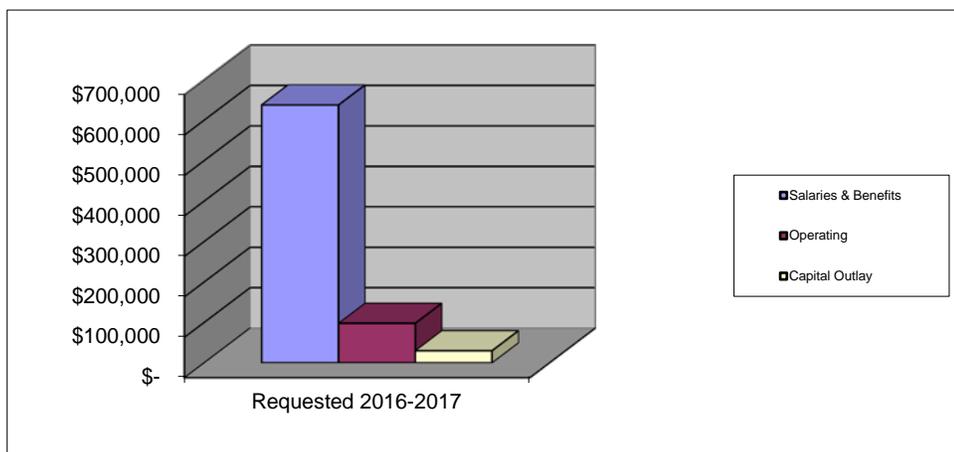
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 596,387	\$ 608,824	\$ 615,075	\$ 637,677
Operating	66,756	96,287	87,964	98,001
Capital Outlay	-	-	-	30,000
<b>Total</b>	<b>\$ 663,143</b>	<b>\$ 705,111</b>	<b>\$ 703,039</b>	<b>\$ 765,678</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Fees	\$ 390,247	\$ 264,000	\$ 291,000	\$ 265,000
Homeowner Recovery	1,960	1,000	1,800	1,000
General Revenues	270,936	440,111	410,239	499,678
<b>Total</b>	<b>\$ 663,143</b>	<b>\$ 705,111</b>	<b>\$ 703,039</b>	<b>\$ 765,678</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	8	8	8	8

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

SUV Replacement \$ 30,000



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Planning	Function: Economic & Physical Development			Fund: 10	Department: 540	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105400200	SALARIES & WAGES	\$ 471,785	\$ 477,125	\$ 490,646	\$ -	\$ 490,646	4.0%
105400400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105400500	FICA EXPENSE	36,092	36,500	37,535	-	37,535	4.0%
105400600	GROUP INSURANCE EXPENSE	45,888	45,864	48,998	-	48,998	6.8%
105400700	RETIREMENT EXPENSE	31,469	31,932	35,965	-	35,965	14.3%
105400800	DEFERRED COMPENSATION	23,590	23,654	24,533	-	24,533	4.0%
	EMPLOYEE BENEFITS	608,824	615,075	637,677	-	637,677	
105401100	POSTAGE	750	300	500	-	500	-33.3%
105401200	PRINTING	500	-	500	-	500	0.0%
105401300	TELEPHONE	4,500	4,500	4,500	-	4,500	0.0%
105401400	TRAINING & TRAVEL	3,500	2,000	3,500	-	3,500	0.0%
105401600	EQUIPMENT MAINTENANCE	150	-	150	-	150	0.0%
105401700	AUTO REPAIR	2,500	500	2,500	-	2,500	0.0%
105401800	UTILITIES	5,000	4,700	5,000	-	5,000	0.0%
105403100	AUTO OPERATING	5,800	3,800	5,300	-	5,300	-8.6%
105403300	DEPARTMENTAL SUPPLIES	5,800	5,600	9,115	-	9,115	57.2%
105404500	CONTRACTUAL SERVICES	30,622	30,622	30,622	-	30,622	0.0%
105404510	INS-PROPERTY & GENERAL	6,415	7,758	8,241	-	8,241	28.5%
105404600	PROFESSIONAL SERVICES	25,350	23,284	22,923	-	22,923	-9.6%
105404700	CARD PROCESSING FEE	1,500	1,500	1,500	-	1,500	0.0%
105405300	DUES & SUBSCRIPTIONS	2,000	1,500	1,750	-	1,750	-12.5%
105406000	HOMEOWNER RECOVERY FD	1,900	1,900	1,900	-	1,900	0.0%
	OPERATING EXPENDITURES	96,287	87,964	98,001	-	98,001	
105407402	CAPITAL-MOTOR VEHICLE	-	-	30,000	-	30,000	0.0%
	CAPITAL OUTLAY	-	-	30,000	-	30,000	
	TOTAL EXPENDITURES	<u>\$ 705,111</u>	<u>\$ 703,039</u>	<u>\$ 765,678</u>	<u>\$ -</u>	<u>\$ 765,678</u>	

**DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL**

Department:	Planning and Inspections	Function:	Economic & Physical Development
Project Title:	SUV Replacement	Fund:	General

Project Description:

Replacement of 4-door SUV for Code Enforcement and Planning.

This vehicle will replace two existing Ford Explorers that are currently 17+ years old.

Costs	\$30,000	2016-2017
Capital – Motor Vehicle		\$30,000
Total		\$30,000

## STREETS

**Narrative:** The objective of the Street Division is to keep all public transportation routes open and in a safe traveling condition. The Street Division maintains 165.19 Lane Miles of paved streets and 1.24 miles of dirt roads. Maintenance of street and certain off-street drainage facilities is also an important activity. Tasks include the following: pothole and utility cut patching; installation of storm drainage pipe and other improvements; making, installing and repairing traffic and street name signs; concrete sidewalk repair and installation; street sweeping; snow and ice removal; cracksealing; resurfacing; and repairing streets.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Tons of Asphalt Placed (Town Forces)	625	540	500
Sq. Yards of Sidewalk Placed (Town Forces)	308	500	200
Sq. Yards of Sidewalk Placed (Contractor)	915	756	989
Linear Feet – Storm Drainage Pipe Installed	204	150	100
Traffic Signs Installed	223	190	200
Miles of Paved Streets Maintained	165.19	165.19	166.91
Miles of Streets Resurfaced	1.71	1.67	1.58
Miles of Streets Swept	3,324	4,500	4,500

FY 15-16 Accomplishments:

Streets replaced a pickup truck for the Supervisor. Progress towards phasing out dirt roads by paving one each year was continued with the completion of Ridgeview Rd. We also completed the tie in of Eastman Rd to Sundew Ct in the Arboretum. We completed phase three of the five year decorative street sign plan. We implemented a new work order system for tracking work with mobile 311. We completed a new concrete pad for the garage at the Public Works compound, to improve the safety with their new lifts. We also replaced 350’ of the O’Neal greenway trail with a sidewalk trail to alleviate ongoing erosion issues at that location.

FY 16-17 Projects:

In the upcoming year we want to purchase a new backhoe. We want to obtain funding to complete the village in the woods pipe rehab project. We propose the purchase of a new asphalt recycler to eliminate disposal of old asphalt via its reuse. We hope to phase out another dirt road with pavement at Riding Ln. We also believe that if funding is given as requested, we may be able to combine the final two phases of the decorative street sign project and complete next year, due to Streets saving by installing in-house last year and moving forward netting the Town a savings of almost \$10,000.

STREET

Fund: General

Function: Transportation

Street Division Goal: To keep all public transportation routes open and in a safe traveling condition.

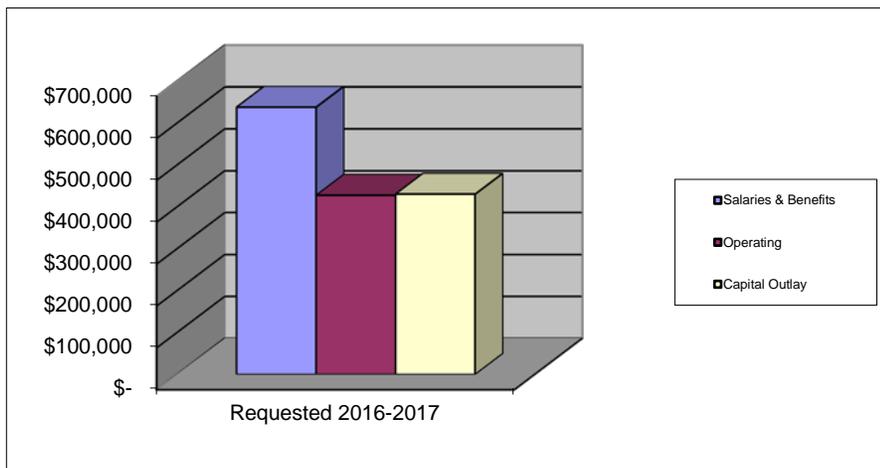
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 441,794	\$ 469,045	\$ 467,693	\$ 491,964
Operating	672,210	453,815	418,379	427,621
Capital Outlay	289,690	265,000	260,000	430,000
<b>Total</b>	<b>\$ 1,403,694</b>	<b>\$ 1,187,860</b>	<b>\$ 1,146,072</b>	<b>\$ 1,349,585</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Powell Bill	\$ 400,905	\$ 395,000	\$ 404,887	\$ 400,000
Street Revenue	36,146	25,000	33,000	28,000
General Revenues	966,643	767,860	708,185	921,585
<b>Total</b>	<b>\$ 1,403,694</b>	<b>\$ 1,187,860</b>	<b>\$ 1,146,072</b>	<b>\$ 1,349,585</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	10	10	10	10

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

Asphalt Recycler	\$ 85,000
Backhoe Replacement	95,000
Paving	250,000



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Street	Function: Transportation	Fund: 10	Department: 560			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105600200	SALARIES & WAGES	\$ 336,524	\$ 342,204	\$ 350,490	\$ -	\$ 350,490	4.2%
105600300	OVERTIME	8,500	4,500	8,500	-	8,500	0.0%
105600400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105600500	FICA EXPENSE	26,395	26,523	27,463	-	27,463	4.0%
105600600	GROUP INSURANCE EXPENSE	57,360	54,535	61,247	-	61,247	6.8%
105600700	RETIREMENT EXPENSE	23,014	23,506	26,314	-	26,314	14.3%
105600800	DEFERRED COMPENSATION	17,252	16,425	17,950	-	17,950	4.0%
	EMPLOYEE BENEFITS	469,045	467,693	491,964	-	491,964	
105601300	TELEPHONE	3,300	3,200	5,400	-	5,400	63.6%
105601400	TRAINING & TRAVEL	3,000	3,000	3,000	-	3,000	0.0%
105601600	EQUIPMENT MAINTENANCE	26,000	10,000	26,000	-	26,000	0.0%
105601700	AUTO REPAIR	8,000	12,500	10,000	-	10,000	25.0%
105601800	UTILITIES	150,000	146,606	150,000	-	150,000	0.0%
105603100	AUTO OPERATING	30,000	22,000	30,000	-	30,000	0.0%
105603300	DEPARTMENTAL SUPPLIES	151,000	150,500	141,000	-	141,000	-6.6%
105604500	CONTRACTUAL SERVICES	31,850	26,198	31,476	-	31,476	-1.2%
105604510	INS-PROPERTY & GENERAL	33,345	26,545	28,415	-	28,415	-14.8%
105604550	DOWNTOWN STREET LIGHTING	-	-	-	-	-	0.0%
105604600	PROFESSIONAL SERVICES	17,000	17,500	2,000	-	2,000	-88.2%
105605300	DUES & SUBSCRIPTIONS	320	330	330	-	330	3.1%
	OPERATING EXPENDITURES	453,815	418,379	427,621	-	427,621	
105607300	PAVING	225,000	225,000	250,000	-	250,000	11.1%
105607402	CAPITAL-MOTOR VEHICLE	40,000	35,000	-	-	-	0.0%
105607403	CAPITAL-OTHER EQUIPMENT	-	-	95,000	85,000	180,000	0.0%
105607405	CAPITAL-BLDGS & STRUCTURE	-	-	-	-	-	0.0%
105607500	CONSTRUCTION	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	265,000	260,000	345,000	85,000	430,000	
	TOTAL EXPENDITURES	<u>\$ 1,187,860</u>	<u>\$ 1,146,072</u>	<u>\$ 1,264,585</u>	<u>\$ 85,000</u>	<u>\$ 1,349,585</u>	

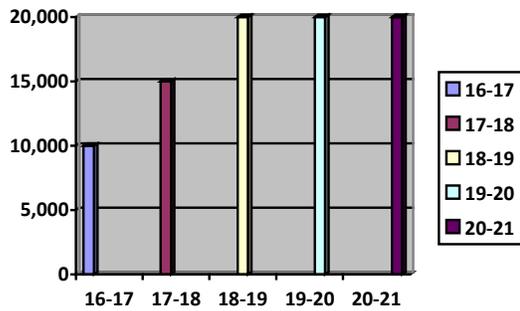
## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Street	Function:	General Government
Project Title	KMT – 2 Asphalt Recycler	Fund:	General

**Project Description:**

A new Asphalt Recycler can produce around 2.5 tons of asphalt from recycled pulverized asphalt, millings, or saw-cut materials patching per hour. This tool will reuse asphalt that we dig out from a utility cuts or patches for repairs to alligator cracked sections of street. We currently haul away and simply purchase new material to take its place. The process reheats the recyclable asphalt material on location without the downtime and cost to purchase new material and extend the useful life of our already paid for infrastructure. In 2015, we repaired 10,600 square feet of asphalt in utility cuts alone which estimates to between 300-350 tons of asphalt. This new process should cut our annual asphalt repair costs in half and pay for itself in five years. We also anticipate lower costs associated with collecting, hauling, and disposal of old asphalt debris. This will also be a significant enhancement to our ability to more quickly restore Town roadway surfaces from utility cuts on major thoroughfares, in that we can use the material removed from the cut and patch back immediately and not have to wait until a later date, sometimes due to the asphalt plant not being open for business. Currently, cold patch asphalt costs roughly \$110 per ton while hot mix asphalt is roughly \$85 per ton. The asphalt recycler can produce reclaimed asphalt roughly at \$18 per ton. Based on the conservative figures above, this equipment would have saved us more than \$20,000 in 2015.

This chart shows how we will reduce our department expenditure supply line item where our funds for asphalt repairs come from over the next five years. We suggest these future budget reductions as the means and justification to purchase the asphalt recycler.



Costs	2016-2017
Capital – Other Equipment	\$85,000
<b>Total</b>	<b>\$85,000</b>

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Street	Function:	Transportation
Project Title	JCB Backhoe Replacement	Fund:	General

### Project Description:

Replace 2006 JCB Backhoe to continue efficient operations within the Street Department. This is following the replacement schedule for equipment advocated by the garage. This equipment has had several ongoing electrical issues. This machine is manufactured in England and some parts are hard to get or take an extended period of time to have shipped in. Having a properly operating machine with accessible parts is vital to our daily operations within the town. This machine is used continuously for projects on daily and weekly basis with the Street department and in joint efforts with the other Public Works divisions. We anticipate that the new backhoe will be NC manufactured, thus making it easier to maintain in the coming years.

Costs:	2016-2017
Capital – Other Equipment	\$95,000
Total:	\$95,000

**DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL**

Department:	Street	Function:	General Government
Project Title	Pavement Condition Improvement	Fund:	General

Project Description:

Resurface Town of Southern Pines streets & roadways to remain on schedule with pavement condition survey.

Costs:	2016-2017
Capital - Paving	\$250,000
Total:	\$250,000

## PUBLIC WORKS/SANITATION

**Narrative:** The objectives of the Administrative and Solid waste Department is to provide administrative and technical functions for the Public Services Division which may include establishing priorities, training, supervision, developing plans and specifications for water, sewer and streets, overseeing contractors and developers, dealing with state and federal agencies, responding to citizens' complaints, administering the solid waste collection contract and the water treatment contract and enforcement of the town's erosion and sedimentation control ordinance.

In FY 16-17 the solid waste contract will be in year four (4) of a five (5) year contract.

Public Works continues to evolve with greater emphasis being placed on performance accountability and teamwork strategies.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Miles of Water Line Inspected	4.25	4.5	5
Miles of Sewer Line Inspected	3.5	3	3
Miles of Street Construction Inspected	.5	.5	.25
Erosion Control Permits Issued	8	10	10
Erosion Control Inspections Site Visits	540	650	600
Recycling Tons Collected	1144	1150	1150
Grease Trap Inspections	230	230	230

### FY 15-16 Accomplishments:

Completed water needs study. Completed lift station study. Design of water line expansion on W. Connecticut. Design of Ridge St. upgrade. Design of New York Ave. ditch repair. TRC improvement team and project. CIP for Water, Sewer, Stormwater and Water Treatment Plant. Aerial Sewer line rehabilitation.

### FY 16-17 Projects:

Morganton Park Development both north and south will continue. Caropines development to continue. Arboretum final phase sidewalks to be installed. Mid-south development to start, May St development phase 2. Athletic Park construction to begin. Warrior woods lift station and joint force main study. Lift station upgrade.

PUBLIC WORKS/SANITATION

Fund: General

Function: General Government

Public Works Division Goal: To provide administration and technical functions for the Public Services Division.

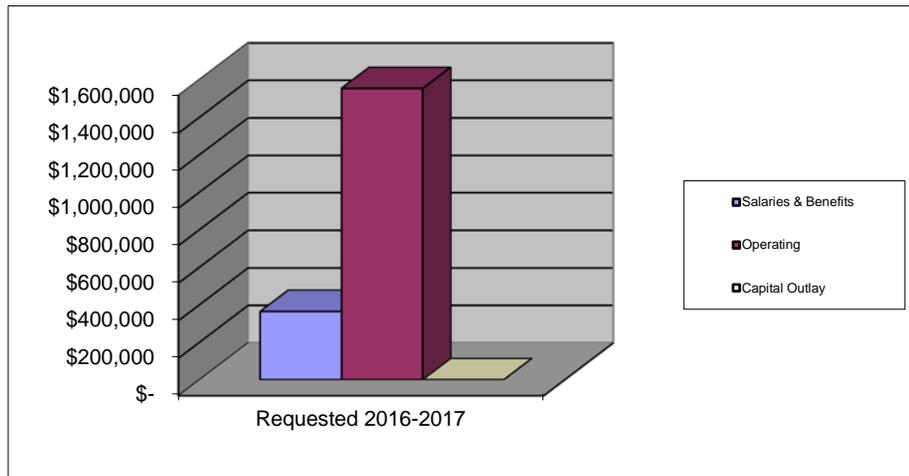
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 347,709	\$ 351,480	\$ 354,004	\$ 364,391
Operating	1,413,661	1,561,410	1,560,254	1,554,151
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$ 1,761,370</b>	<b>\$ 1,912,890</b>	<b>\$ 1,914,258</b>	<b>\$ 1,918,542</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Fees	\$ 21,657	\$ 6,000	\$ 31,600	\$ 15,000
Disposal Fees	513,471	535,200	541,000	540,000
General Revenues	1,226,242	1,371,690	1,341,658	1,363,542
<b>Total</b>	<b>\$ 1,761,370</b>	<b>\$ 1,912,890</b>	<b>\$ 1,914,258</b>	<b>\$ 1,918,542</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees	4.0	4.0	4.0	4.0

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Public Works/Sanitation	Function: General Government	Fund: 10	Department: 565			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105650200	SALARIES & WAGES	\$ 275,340	\$ 277,428	\$ 283,290		\$ 283,290	2.9%
105650400	UNEMPLOYMENT INSURANCE	-	-	-		-	0.0%
105650500	FICA EXPENSE	21,064	21,224	21,672		21,672	2.9%
105650600	GROUP INSURANCE EXPENSE	22,944	23,016	24,499		24,499	6.8%
105650700	RETIREMENT EXPENSE	18,365	18,576	20,765		20,765	13.1%
105650800	DEFERRED COMPENSATION	13,767	13,760	14,165		14,165	2.9%
	EMPLOYEE BENEFITS	351,480	354,004	364,391	-	364,391	
105651100	POSTAGE	550	552	225	-	225	-59.1%
105651200	PRINTING	50	-	50	-	50	0.0%
105651300	TELEPHONE	4,450	3,740	4,100	-	4,100	-7.9%
105651400	TRAINING & TRAVEL	6,500	6,500	8,250	-	8,250	26.9%
105651700	AUTO REPAIR	1,000	1,000	1,000	-	1,000	0.0%
105651800	UTILITIES	-	5,500	5,500	-	5,500	0.0%
105653100	AUTO OPERATING	10,000	9,000	10,000	-	10,000	0.0%
105653300	DEPARTMENTAL SUPPLIES	-	4,500	5,000	-	5,000	0.0%
105654500	CONTRACTUAL SERVICES	1,497,000	1,503,162	1,505,000	-	1,505,000	0.5%
105654510	INS-PROPERTY & GENERAL	3,360	2,800	2,976	-	2,976	-11.4%
105654600	PROFESSIONAL SERVICES	36,500	21,500	10,000	-	10,000	-72.6%
105655300	DUES & SUBSCRIPTIONS	2,000	2,000	2,050	-	2,050	2.5%
	OPERATING EXPENDITURES	1,561,410	1,560,254	1,554,151	-	1,554,151	
105657401	CAPITAL-SOFTWARE/COMP EQ	-	-	-	-	-	0.0%
105657402	CAPITAL-MOTOR VEHICLE	-	-	-	-	-	0.0%
105657403	CAPITAL-OTHER EQUIPMENT	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 1,912,890</u>	<u>\$ 1,914,258</u>	<u>\$ 1,918,542</u>	<u>\$ -</u>	<u>\$ 1,918,542</u>	

Town of

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Southern Pines

## FLEET MAINTENANCE

### Narrative:

The objective of the Fleet Maintenance Division is to provide regular and preventive maintenance services for all vehicles and equipment operated by the Town. Additionally, the department provides detailed records of maintenance and repairs, manages the town fuel system, including inventory and compliance. Fleet Maintenance provides skilled fabrication and welding services and ensures all vehicles meet state inspection criteria. The garage provides specifications for new vehicle purchases and manages disposal of old units.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Preventative Maintenance	165	145	150
State Inspections	115	99	100
Tire Changes/Repaired	199	140	120
Brake Repairs	43	50	45
Misc. Repairs	31	466	500
Total Work Orders	553	900	915

### FY 15-16 Accomplishments:

- Obtained new Heavy Truck Lift and replaced concrete in front of garage for safe lift usage.
- Replaced Public Works entrance gate.
- Replaced Town Fuel System hardware and setup new software.
- Completed all State Inspections on Town Vehicles on time.
- Garage set up several Performance Measurement Goals and has met all goals to date.

### FY 16-17 Projects:

- New Fleet Management software

FLEET MAINTENANCE

Fund: General

Function: General Government

Fleet Maintenance Division Goal: To provide regular an preventive maintenance services for all Town vehicles and equipment.

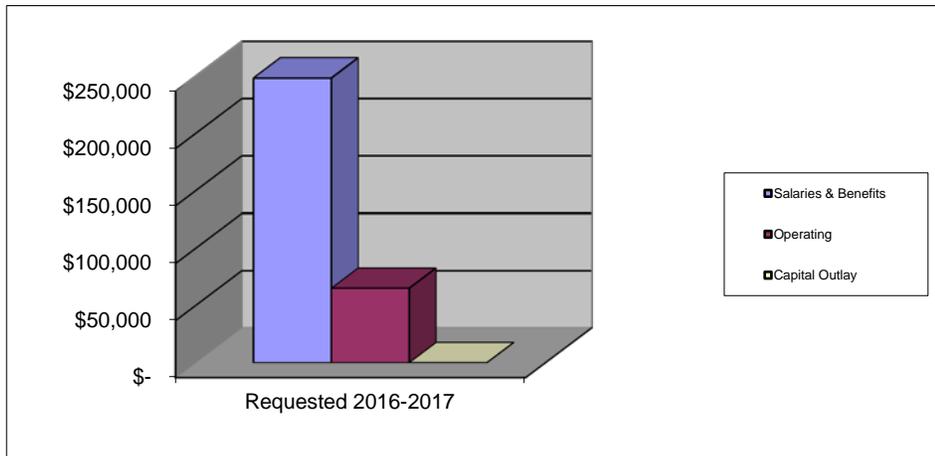
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 235,887	\$ 238,609	\$ 240,709	\$ 248,609
Operating	54,294	65,855	62,581	65,255
Capital Outlay	13,796	41,000	39,583	-
<b>Total</b>	<b>\$ 303,977</b>	<b>\$ 345,464</b>	<b>\$ 342,873</b>	<b>\$ 313,864</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 303,977	\$ 345,464	\$ 342,873	\$ 313,864

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees-Full Time	4	4	4	4
Budgeted Employees-Part Time	-	-	-	-

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Fleet Maintenance	Function: General Government	Fund: 10	Department: 580			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
105800200	SALARIES & WAGES	\$ 179,994	\$ 182,113	\$ 186,038	\$ -	\$ 186,038	3.4%
105800300	OVERTIME	750	750	750	-	750	0.0%
105800400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
105800500	FICA EXPENSE	13,827	13,679	14,290	-	14,290	3.3%
105800600	GROUP INSURANCE EXPENSE	22,944	22,962	24,499	-	24,499	6.8%
105800700	RETIREMENT EXPENSE	12,056	12,182	13,692	-	13,692	13.6%
105800800	DEFERRED COMPENSATION	9,038	9,023	9,340	-	9,340	3.3%
	EMPLOYEE BENEFITS	238,609	240,709	248,609	-	248,609	
105801300	TELEPHONE	1,600	1,400	1,400	-	1,400	-12.5%
105801400	TRAINING & TRAVEL	3,000	3,000	4,000	-	4,000	33.3%
105801600	EQUIPMENT MAINTENANCE	3,000	3,000	3,000	-	3,000	0.0%
105801700	AUTO REPAIR	2,250	2,250	2,250	-	2,250	0.0%
105801800	UTILITIES	5,000	5,000	5,000	-	5,000	0.0%
105803100	AUTO OPERATING	3,000	3,000	3,000	-	3,000	0.0%
105803300	DEPARTMENTAL SUPPLIES	25,000	25,000	25,000	-	25,000	0.0%
105804500	CONTRACTUAL SERVICES	14,000	12,040	13,200	-	13,200	-5.7%
105804510	INS-PROPERTY & GENERAL	8,455	7,341	7,855	-	7,855	-7.1%
105805300	DUES & SUBSCRIPTIONS	550	550	550	-	550	0.0%
	OPERATING EXPENDITURES	65,855	62,581	65,255	-	65,255	
105807401	CAPITAL-SOFTWARE/COMP EQ	-	-	-	-	-	0.0%
105807402	CAPITAL-MOTOR VEHICLE	-	-	-	-	-	0.0%
105807403	CAPITAL-OTHER EQUIPMENT	41,000	39,583	-	-	-	0.0%
	CAPITAL OUTLAY	41,000	39,583	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 345,464</u>	<u>\$ 342,873</u>	<u>\$ 313,864</u>	<u>\$ -</u>	<u>\$ 313,864</u>	

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Southern Pines

## RECREATION & PARKS

**Narrative:** It is the mission of the Southern Pines Recreation and Parks Department to serve, educate and enhance life for the citizens of Southern Pines. The Southern Pines Recreation and Parks Department maintains quality park & recreation facilities and provides leisure opportunities so that all citizens will receive: PERSONAL BENEFITS in the form of physical fitness, relaxation and revitalization; SOCIAL BENEFITS in the form of stronger and healthier families, ethnic and cultural harmony reduced anti-social behavior, and enriched lives for area citizens; ENVIRONMENTAL BENEFITS in the form of open green space, habitat for native plants and animals; ECONOMIC BENEFITS in the form of more productive and healthier citizens, increased tourism and contributions to the overall quality of life sought by business and industry.

Highlights of this year’s budget are to replace one (1) 7 passenger staff van (\$30,000) and one 15 passenger side entry van (\$53,000). Additional funding for Phase 2 of the Downtown Park redevelopment plan – replace the 5-12 age playground (\$150,000) is also being requested as well as the creation of a Recreational Improvements Capital Project Fund (\$80,000).

In operations, the recreation & parks department strives to offer quality leisure opportunities in youth and adult programming and special events, athletic leagues and classes, senior programming, and through its parks and greenways.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Recreation Program Hours Conducted	8,834	8,100	8,200
Enrolled Participants	23,863	23,000	23,000
Outdoor special Event Permits Issued	35	40	40
Rental of Facilities	636	525	575
Trail Miles Maintained	323	300	300
Reservoir Park – Estimated Visitors	242,110	200,000	215,000

## RECREATION

Fund: General

Function: Cultural & Recreation

Recreation Division Goal: To serve, educate and enhance life for the citizens of Southern Pines.

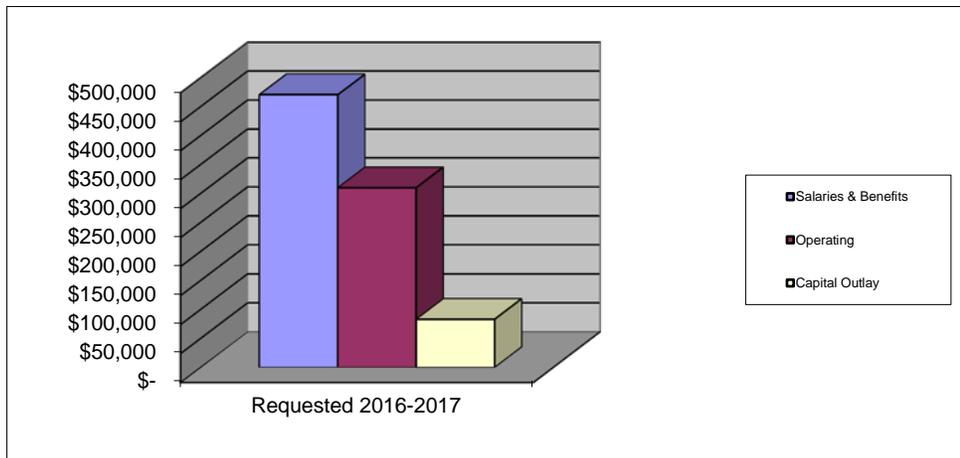
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 421,600	\$ 458,942	\$ 457,996	\$ 470,616
Operating	192,247	254,031	245,708	310,115
Capital Outlay	46,213	50,000	46,253	83,000
<b>Total</b>	<b>\$ 660,060</b>	<b>\$ 762,973</b>	<b>\$ 749,957</b>	<b>\$ 863,731</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Fees	\$ 211,742	\$ 195,000	\$ 195,000	\$ 180,000
Facility Rental Fees	30,000	28,500	25,500	27,000
Grants	715	1,000	921	1,000
General Revenues	417,603	538,473	528,536	655,731
<b>Total</b>	<b>\$ 660,060</b>	<b>\$ 762,973</b>	<b>\$ 749,957</b>	<b>\$ 863,731</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees-Full Time	5.0	5.0	5.0	5.0
Budgeted Employees-Part Time	27	27	27	27

### 2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

15 Passenger Van Replacement	\$ 53,000
7 Passenger Van Replacement	30,000



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Recreation	Function: Cultural & Recreation	Fund: 10	Department: 620			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
106200200	SALARIES & WAGES	\$ 372,820	\$ 369,545	\$ 379,206	\$ -	\$ 379,206	1.7%
106200400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
106200500	FICA EXPENSE	28,521	28,702	29,010	-	29,010	1.7%
106200600	GROUP INSURANCE EXPENSE	28,680	28,702	30,624	-	30,624	6.8%
106200700	RETIREMENT EXPENSE	16,530	16,838	18,890	-	18,890	14.3%
106200800	DEFERRED COMPENSATION	12,391	14,209	12,886	-	12,886	4.0%
	EMPLOYEE BENEFITS	458,942	457,996	470,616	-	470,616	
106201100	POSTAGE	650	450	650	-	650	0.0%
106201200	PRINTING	11,000	10,500	11,000	-	11,000	0.0%
106201300	TELEPHONE	4,950	4,500	4,950	-	4,950	0.0%
106201400	TRAINING & TRAVEL	7,000	7,000	7,000	-	7,000	0.0%
106201500	BUILDING & GROUNDS	28,650	37,300	39,450	-	39,450	37.7%
106201600	EQUIPMENT MAINTENANCE	800	500	800	-	800	0.0%
106201700	AUTO REPAIR	2,500	2,500	2,500	-	2,500	0.0%
106201800	UTILITIES	40,000	38,000	40,000	-	40,000	0.0%
106202100	RENT	3,900	2,800	3,500	-	3,500	-10.3%
106203100	AUTO OPERATING	5,500	5,200	5,500	-	5,500	0.0%
106203300	DEPARTMENTAL SUPPLIES	46,210	40,000	43,700	-	43,700	-5.4%
106203500	LAUNDRY & CLEANING	700	400	500	-	500	-28.6%
106204500	CONTRACTUAL SERVICES	67,626	64,458	66,000	-	66,000	-2.4%
106204501	CONTRACTUAL SERV-GRANT	2,500	1,000	2,500	-	2,500	0.0%
106204510	INS-PROPERTY & GENERAL	18,545	17,700	19,065	-	19,065	2.8%
106204600	PROFESSIONAL SERVICES	5,000	5,000	5,000	-	5,000	0.0%
106204700	CARD PROCESSING FEE	900	900	900	-	900	0.0%
106205300	DUES & SUBSCRIPTIONS	2,100	2,000	2,100	-	2,100	0.0%
106207300	RESERVOIR PARK EXPENSE	5,500	5,500	55,000	-	55,000	900.0%
	OPERATING EXPENDITURES	254,031	245,708	310,115	-	310,115	
106207402	CAPITAL-MOTOR VEHICLE	50,000	46,253	83,000	-	83,000	0.0%
106207403	CAPITAL-EQUIPMENT	-	-	-	-	-	0.0%
106207405	CAPITAL-BLD/STRUCTURES	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	50,000	46,253	83,000	-	83,000	
	TOTAL EXPENDITURES	<u>\$ 762,973</u>	<u>\$ 749,957</u>	<u>\$ 863,731</u>	<u>\$ -</u>	<u>\$ 863,731</u>	

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Recreation	Function:	Cultural and Recreation
Project Title	7 Passenger Van Replacement	Fund:	General

### Project Description:

A new 7 passenger van to replace an existing 7 passenger van that is more than 10 years old. Van is used as staff vehicle and will be used for transporting youth/adults for recreation programs.

Costs	2016-2017
Capital – Motor Vehicle	\$30,000
Total	\$30,000

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Recreation	Function:	Cultural and Recreation
Project Title	15 Passenger Van Replacement	Fund:	General

### Project Description:

New 15 Passenger bus with side entry door to replace existing 15 passenger van (#43) as per request from insurance carrier to replace 15 passenger vans. Bus will be used for transporting youth/adults for recreation programs.

Costs	2016-2017
Capital – Motor Vehicle	\$53,000
Total	\$53,000

Town of

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Southern Pines

## LIBRARY

**Narrative:** The Southern Pines Public Library helps to ensure the continued economic vitality of the Town by providing citizens of Southern Pines with current materials of interest; educational support; reference services; access to information on business and finance; and opportunities for cultural awareness, thereby nurturing a love of reading and a quest for knowledge and life-long learning.

Library programs and services support the vision of the Town's Comprehensive Long Range Plan in the following ways:

**Public Facilities and Services:** Library customers find materials and information they need and have access to the library building and services when needed.

**Education:** The Library provides a unique bridge between the Town and local educational services and providers. The Library supports and encourages readers of all ages to help them learn to read and read to learn.

**Jobs and Economic Development:** The Library collaborates with customers, local businesses, and economic development agencies to promote and support the economic vitality of the Town and its citizens.

**Downtown and Shopping:** The library is a key civic institution that anchors the northwest end of downtown. The library offers programs and services that draw residents and visitors downtown.

**Public Involvement:** The Library provides programs and information to help residents be involved and informed citizens and promotes cultural diversity awareness in the community.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Total Circulation – All Materials	120,196	128,000	129,000
Library Attendance	85,830	87,000	87,000
Total In-House Use (estimate)	24,260	25,000	25,000
Volumes added	4,605	4,500	4,500
Volumes withdrawn	5,349	5,000	6,000
Total Programs Held	590	540	550
Total Attendance at Programs (estimate)	14,675	14,500	15,000
Reference/Directional Transactions (estimate)	16,729	14,500	14,500
Interlibrary Loan Transactions	467	460	460
Library Users Registered (total)	6,217	6,250	6,300
Web visitors www.sppl.net (library)	52,667	50,000	50,000

LIBRARY

Fund: General

Function: Cultural & Recreation

Library Division Goal: To provide citizens with materials of interest, educational support, reference services, access to information, and opportunities for cultural awareness.

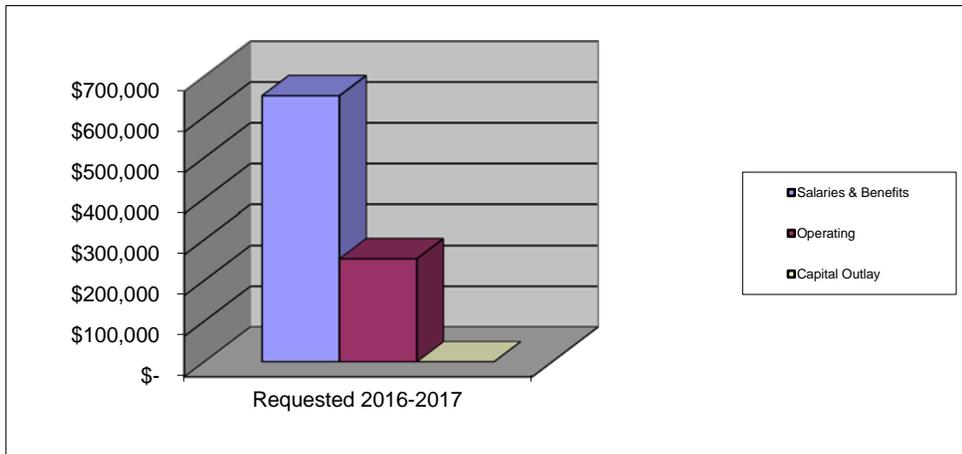
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 586,997	\$ 626,208	\$ 617,172	\$ 652,035
Operating	229,466	251,075	267,007	253,515
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$ 816,463</b>	<b>\$ 877,283</b>	<b>\$ 884,179</b>	<b>\$ 905,550</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
State Aid	\$ 6,395	\$ 7,000	\$ 6,382	\$ 6,200
Fees	41,971	40,000	41,500	41,000
General Revenues	768,097	830,283	836,297	858,350
<b>Total</b>	<b>\$ 816,463</b>	<b>\$ 877,283</b>	<b>\$ 884,179</b>	<b>\$ 905,550</b>

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees-Full Time	9	9	9	9
Budgeted Employees-Part Time	4	4	4	4

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no capital outlay requests in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Library	Function: Cultural & Recreation	Fund: 10	Department: 630			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
106300200	SALARIES & WAGES	\$ 486,348	\$ 482,778	\$ 502,583	\$ -	\$ 502,583	3.3%
106300400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
106300500	FICA EXPENSE	37,206	36,933	38,448	-	38,448	3.3%
106300600	GROUP INSURANCE EXPENSE	51,624	49,237	55,122	-	55,122	6.8%
106300700	RETIREMENT EXPENSE	29,166	28,918	33,221	-	33,221	13.9%
106300800	DEFERRED COMPENSATION	21,864	19,306	22,661	-	22,661	3.6%
	EMPLOYEE BENEFITS	626,208	617,172	652,035	-	652,035	
106301100	POSTAGE	2,500	2,200	2,500	-	2,500	0.0%
106301200	PRINTING	-	-	-	-	-	0.0%
106301300	TELEPHONE	750	800	800	-	800	6.7%
106301400	TRAINING & TRAVEL	11,700	10,500	11,500	-	11,500	-1.7%
106301600	EQUIPMENT MAINTENANCE	1,000	200	500	-	500	-50.0%
106301800	UTILITIES	34,000	28,000	30,000	-	30,000	-11.8%
106303300	DEPARTMENTAL SUPPLIES	22,250	22,250	29,750	-	29,750	33.7%
106303400	MATERIALS & LIBRARY BOOKS	100,000	100,000	105,000	-	105,000	5.0%
106303401	STATE AID MATERIALS	7,000	7,234	6,200	-	6,200	-11.4%
106303403	DONATION EXPENSES	3,000	27,000	3,000	-	3,000	0.0%
106303500	PERIODICALS	8,500	8,550	9,000	-	9,000	5.9%
106303600	AUDIO-VISUAL	5,000	5,000	5,000	-	5,000	0.0%
106304500	CONTRACTUAL SERVICES	46,775	46,000	40,700	-	40,700	-13.0%
106304510	INS-PROPERTY & GENERAL	3,600	4,273	4,565	-	4,565	26.8%
106305300	DUES & SUBSCRIPTIONS	5,000	5,000	5,000	-	5,000	0.0%
	OPERATING EXPENDITURES	251,075	267,007	253,515	-	253,515	
106307401	CAPITAL-SOFTWARE/COMP EQ	-	-	-	-	-	0.0%
106307403	CAPITAL-OTHER EQUIPMENT	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 877,283</u>	<u>\$ 884,179</u>	<u>\$ 905,550</u>	<u>\$ -</u>	<u>\$ 905,550</u>	

Town of

Chartered 1887

*S*outhern *S*ines

## BUILDING & GROUNDS

**Narrative:** B&G Division provides expertise, manpower, supplies, equipment, and management for the maintenance of all town owned buildings and properties. Included are janitorial and general repair services to town facilities, as well as horticultural, playground, park, and greenway maintenance to various properties. All meeting set-ups and surplus deliveries are handled within this division. The division has 21 FTES and 1 contract arborists. Operations are handled by 2 horticulture crews, 1 parks maintenance crew, 1 janitorial crew, 1 street side maintenance crew, 1 maintenance mechanic, and the Buildings and Grounds Superintendent.

B&G oversees Street Side Maintenance along Town and DOT owned streets that enhances the look of our Town by routinely mowing and picking up trash along our main corridors. B&G maintains the trees of our community through routine trimming, hazardous tree takedowns, and a proactive replanting program.

Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
<b>Grounds Maintenance:</b>			
Class A (acres)	87.10	87.10	87.10
Class B (acres)	37.05	37.05	37.05
Class C (acres)	11.75	11.75	11.75
Class D (acres)	57.77	57.75	60
Horticulture Services (acres)		41	42
Greenways Maintenance (miles)	11.2	11.2	11.2
Street side Maintenance (miles)	22.7	22.7	23.2
<b>Building Maintenance and Janitorial :</b>			
Total Square Footage	139,192	139,192	139,192
Work Order Requests	800	900	900

FY 15-16 Accomplishments:

Reorganized to create a horticulture service crew to give extra attention to landscaped areas and athletic fields and allows us to better support building maintenance. We are implementing a new work order system. We will begin to maintain the new landscape along Morganton Rd/Hwy US 1 bridge and corridor interchange, adding more than ½ mile of turn, trees, and shrubs to a gateway into the community. Replaced HVAC at the Library and supported their building’s 20 year anniversary celebration. Renovated Douglass Center kitchen. Began downtown trash can replacements. Tree City USA designation for the 35<sup>th</sup> consecutive year.

FY 16-17 Projects:

Building maintenance will be a focus next year with several repair projects including for the Administration building, Campbell House, Fire Department, and Finance building.

BUILDING & GROUNDS

Fund: General

Function: General Government

Building & Grounds Division Goal: To provide manpower, supplies, expertise, equipment, and management for the maintenance of Town owned buildings and properties.

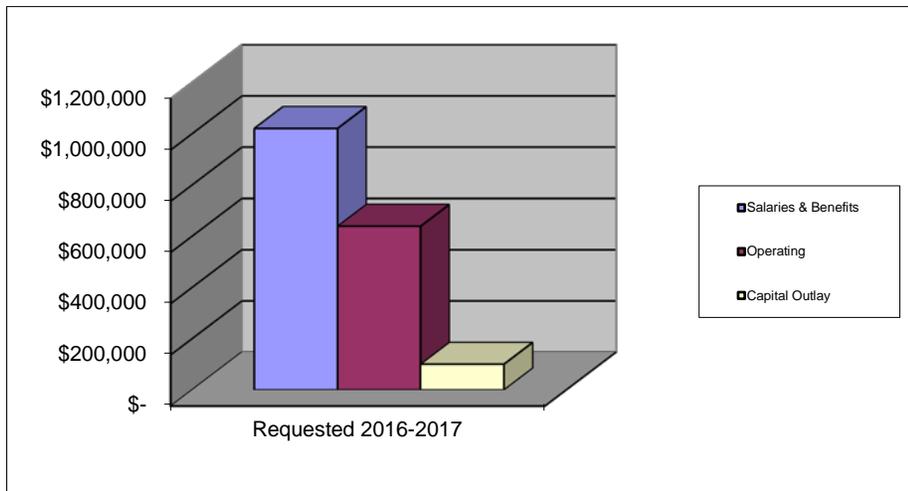
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 930,206	\$ 991,827	\$ 951,765	\$ 1,020,407
Operating	444,907	583,680	564,050	638,829
Capital Outlay	27,949	68,000	66,876	100,000
<b>Total</b>	<b>\$ 1,403,062</b>	<b>\$ 1,643,507</b>	<b>\$ 1,582,691</b>	<b>\$ 1,759,236</b>

Revenues by Type	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
General Revenues	\$ 1,403,062	\$ 1,643,507	\$ 1,582,691	\$ 1,759,236

	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Budgeted Employees-Full Time	22	22	22	22

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

Right of Way Mower Attachments \$ 44,000  
 Right of Way Tractor Replacement 56,000



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2015-2016	Department: Building & Grounds	Function: General Government	Fund: 10	Department: 640			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
106400200	SALARIES & WAGES	\$ 723,473	\$ 694,360	\$ 736,175		\$ 736,175	1.8%
106400300	OVERTIME	2,000	1,400	2,000		2,000	0.0%
106400400	UNEMPLOYMENT INSURANCE	-	-	-		-	0.0%
106400500	FICA EXPENSE	55,499	53,226	56,471		56,471	1.8%
106400600	GROUP INSURANCE EXPENSE	126,192	124,369	134,743		134,743	6.8%
106400700	RETIREMENT EXPENSE	48,389	46,547	54,109		54,109	11.8%
106400800	DEFERRED COMPENSATION	36,274	31,863	36,909		36,909	1.8%
	EMPLOYEE BENEFITS	991,827	951,765	1,020,407	-	1,020,407	
106401300	TELEPHONE	7,000	7,000	11,280	-	11,280	61.1%
106401400	TRAINING & TRAVEL	5,000	5,000	5,000	-	5,000	0.0%
106401500	BUILDING & GROUNDS	130,750	130,750	94,650	-	94,650	-27.6%
106401600	EQUIPMENT MAINTENANCE	15,000	15,000	16,500	-	16,500	10.0%
106401700	AUTO REPAIR	13,500	13,500	13,500	-	13,500	0.0%
106401800	UTILITIES	75,000	75,000	75,000	-	75,000	0.0%
106402100	RENT	500	150	500	-	500	0.0%
106403100	AUTO OPERATING	40,000	40,000	40,000	-	40,000	0.0%
106403300	DEPARTMENTAL SUPPLIES	82,400	83,000	100,454	-	100,454	21.9%
106404500	CONTRACTUAL SERVICES	134,200	119,600	98,295	-	98,295	-26.8%
106404510	INS-PROPERTY & GENERAL	31,430	26,150	27,850	-	27,850	-11.4%
106404600	PROFESSIONAL SERVICES	2,000	2,000	87,800	-	87,800	4290.0%
106405200	CHEMICALS	21,500	21,500	32,500	-	32,500	51.2%
106405300	DUES & SUBSCRIPTIONS	1,200	1,200	1,200	-	1,200	0.0%
106405700	APPEARANCE COMMISSION	24,200	24,200	34,300	-	34,300	41.7%
	OPERATING EXPENDITURES	583,680	564,050	638,829	-	638,829	
106407402	CAPITAL-MOTOR VEHICLE	-	-	-	-	-	0.0%
106407403	CAPITAL-OTHER EQUIPMENT	23,000	21,876	100,000	-	100,000	0.0%
106407405	CAPITAL-BLDGS/STRUCTURES	45,000	45,000	-	-	-	0.0%
	CAPITAL OUTLAY	68,000	66,876	100,000	-	100,000	
	TOTAL EXPENDITURES	<u>\$ 1,643,507</u>	<u>\$ 1,582,691</u>	<u>\$ 1,759,236</u>	<u>\$ -</u>	<u>\$ 1,759,236</u>	

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Building and Grounds	Function:	General Government
Project Title	ROW Flail Mower Attachments	Fund:	General

### Project Description:

A one side arm flail and one PTO driven rear flail mounted on our existing 10 year old tractor or on a replacement tractor. This would allow the ROW crew to complete their areas much quicker and safer. The flail units are superior to rotary units for ROW use. Our operator would be easily seen and able to move more safely in traffic. We presently mow with a riding rotary unit that we trailer from site to site. It is low to the ground and the operator cannot be easily seen. The flail mowers are mounted on a tractor that can move with traffic. They do not throw and scatter debris and trash the way a rotary unit does. Our mowing rate would vastly improve with less mechanical failures and the anticipated ROW expansion could be easily handled. We are also requesting a new tractor to mount the units on as an option to using our old tractor.

Costs	2016-2017
Capital – Other Equipment	\$44,000
Total	\$44,000

## DEPARTMENTAL NEW & CAPITAL REQUESTS DETAIL

Department:	Building and Grounds	Function:	General Government
Project Title:	ROW Tractor	Fund:	General

### Project Description:

New Holland 4WD Tractor. This tractor is requested only if the flail mower attachments are approved. It will replace the existing 10 year old reach mower tractor that has had starting problems that elude repair. This unit coupled with the flail mowers we have requested would increase the productivity of our ROW mowing greatly. This unit would be much safer and more adaptable to moving within the flow of traffic than our present rotary units. Additionally, the cost for windshield replacements due to our current mower throwing debris from its undercarriage would be greatly reduced.

Costs	2016-2017
Capital – Other Equipment	\$56,000
Total	\$56,000

TOWN OF SOUTHERN PINES  
2016-2017 GENERAL FUND BUDGET  
DEPARTMENTAL NEW AND CAPITAL REQUESTS

DEPARTMENT	REQUEST	CONTINUATION CAPITAL OR NEW REQUEST	AMOUNT	Line Item
Information Technology	IT Help Desk Technician Position	N	\$ 56,905	10-430-0200,0500, 0600,0700,0800,1400,3300
	Copier System Replacement	C	91,966	10-430-7403
	Information Technology Department Total		148,871	
Police - Patrol	Vehicle Replacements (4)	C	188,100	10-511-7402
	Police - Patrol Department Total		188,100	
Planning	SUV Replacement	C	30,000	10-540-7402
	Planning Department Total		30,000	
Street	Asphalt Recycler	N	85,000	10-560-7403
	Backhoe Replacement	C	95,000	10-560-7403
	Paving	C	250,000	10-560-7300
	Street Department Total		430,000	
Recreation & Parks	15 Passenger Van Replacement	C	53,000	10-620-7402
	7 Passenger Van Replacement	C	30,000	10-620-7402
	Recreation & Parks Total		83,000	
Building & Grounds	Right of Way Mower Attachments	C	44,000	10-640-7403
	Right of Way Tractor Replacement	C	56,000	10-640-7403
	Building & Grounds Department Total		100,000	
	GRAND TOTAL		<u>\$ 979,971</u>	

## **UTILITY FUND SUMMARY**

Enterprise Funds account for the operations that are financed and operated in a manner similar to private business enterprises. The intent of the Governing Body is that the costs of providing goods and services to the Citizens of Southern Pines on a continuing basis be financed or recovered through user charges, or where the Governing Body has decided that periodic determination of net income is appropriate for accountability purposes.

The Utility Fund is the only Enterprise Fund operated by the Town. The Utility Fund accounts for the Town's water and sewer operations.

## **RETAINED EARNINGS**

Retained Earnings are an equity account that reflects the accumulated earnings of an Enterprise Fund.

## TOWN OF SOUTHERN PINES WATER RATE SCHEDULE

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MINIMUM:

<u>Meter Size</u>	<u>Inside Town</u>	<u>Outside Town</u>
¾"	\$10.93	\$21.86
1"	17.94	35.88
1 ½"	37.92	75.84
2"	65.91	131.82
3"	145.95	291.90
4"	257.92	515.84
6"	578.01	1,156.02
8"	1,026.10	2,052.20

VOLUME CHARGE PER 1,000 GALLONS:

<u>Inside Town</u>	<u>Outside Town</u>
\$3.18	\$6.36

## TOWN OF SOUTHERN PINES SEWER RATE SCHEDULE

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MINIMUM:

<u>Meter Size</u>	<u>Inside Town</u>	<u>Outside Town</u>
¾"	\$4.48	\$8.96
1"	5.84	11.68
1 ½"	9.64	19.28
2"	15.00	30.00
3"	30.26	60.52
4"	51.60	103.20
6"	112.68	225.36
8"	198.16	396.32

### VOLUME CHARGE PER 1,000 GALLONS

<u>Inside Town</u>	<u>Outside Town</u>
\$5.24	\$10.48

Town of

Chartered 1887

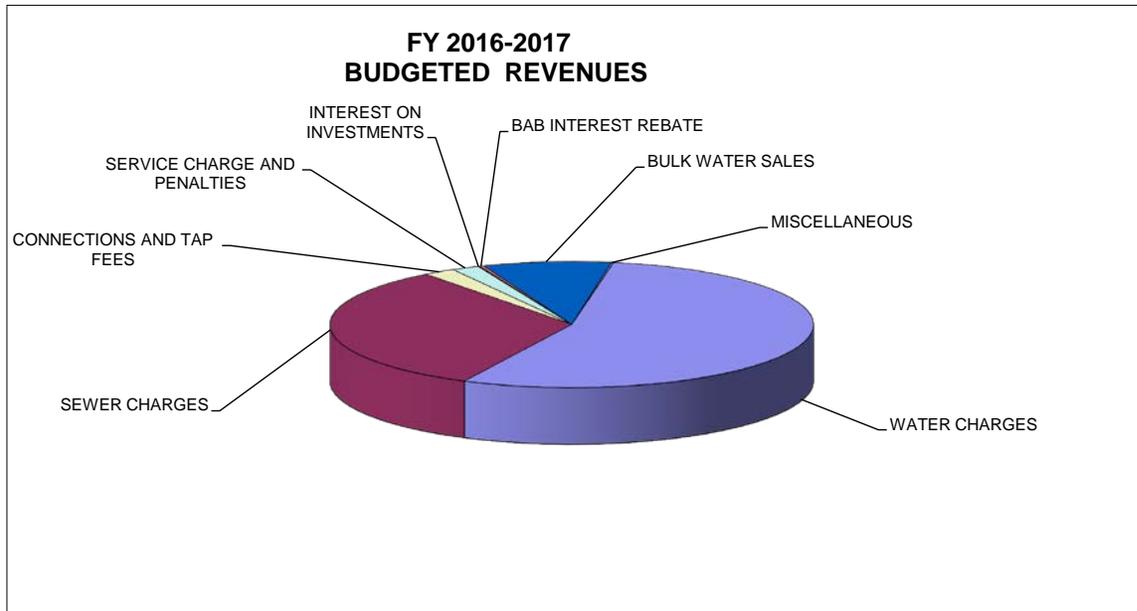
Southern Pines

TOWN OF SOUTHERN PINES  
 UTILITY FUND  
 RETAINED EARNINGS SUMMARY  
 2016-2017

	ACTUAL 2014-2015	BUDGET 2015-2016 as of 03/31/16	EXPECTED REVENUES EXPENDITURES 2015-2016	BUDGET 2016-2017
Available Retained Earnings - Beginning	\$ 4,230,956	\$ 5,250,738	\$ 5,250,738	\$ 5,542,173
Total Revenues	<u>7,160,945</u>	<u>6,654,604</u>	<u>7,331,534</u>	<u>7,052,723</u>
Total Funds Available	11,391,901	11,905,342	12,582,272	12,594,896
Total Expenditures	6,141,163	6,546,261	6,440,099	6,649,086
Transfers Out	<u>-</u>	<u>600,000</u>	<u>600,000</u>	<u>900,000</u>
Available Retained Earnings - Ending	<u>\$ 5,250,738</u>	<u>\$ 4,759,081</u>	<u>\$ 5,542,173</u>	<u>\$ 5,045,810</u>

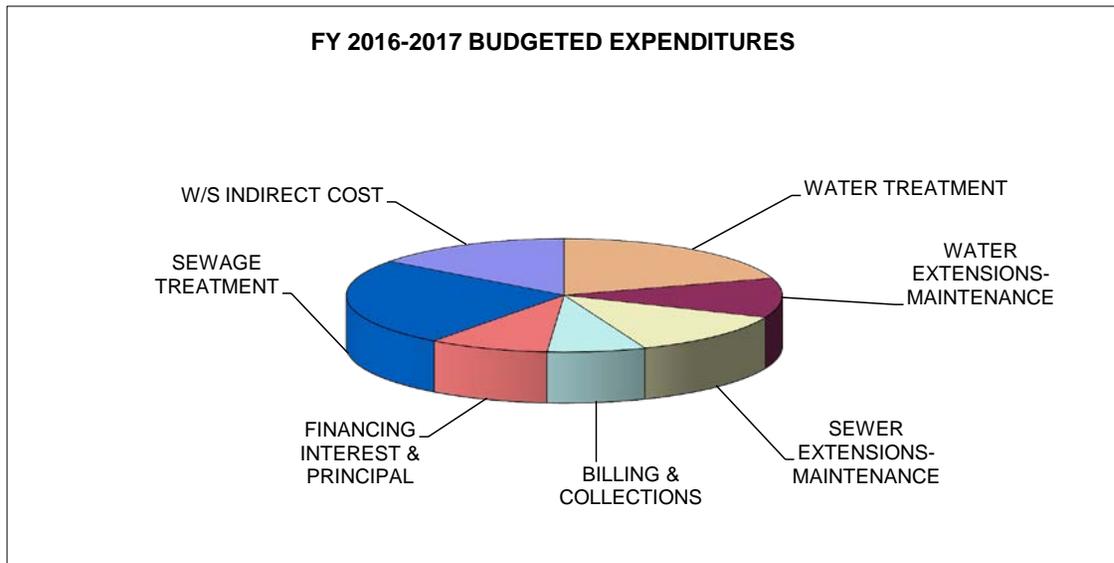
TOWN OF SOUTHERN PINES  
UTILITY FUND  
SCHEDULE OF REVENUES  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016 as of 07/01/15	BUDGET 2015-2016 as of 03/31/16	EXPECTED REVENUES 2015-2016	BUDGET 2016-2017
WATER CHARGES	\$ 3,299,632	\$ 3,696,725	\$ 3,872,684	\$ 3,615,000	\$ 3,615,000	\$ 3,989,000	\$ 3,845,000
SEWER CHARGES	1,976,842	2,201,173	2,263,372	2,152,200	2,152,200	2,308,000	2,284,800
CONNECTIONS AND TAP FEES	194,104	155,874	210,866	150,000	150,000	170,000	150,000
SERVICE CHARGE AND PENALTIES	140,025	104,988	134,228	125,000	125,000	133,000	130,000
INTEREST ON INVESTMENTS	8,002	7,373	7,367	6,800	6,800	7,400	7,500
BAB INTEREST REBATE	33,836	29,282	13,274	23,604	23,604	23,604	19,423
BULK WATER SALES	513,609	656,363	606,718	572,000	572,000	685,530	606,000
MISCELLANEOUS	53,311	66,262	52,436	10,000	10,000	15,000	10,000
TRANSFER IN-RETAINED EARNINGS	-	-	-	491,657	491,657	-	496,363
TRANSFER OUT-RETAINED EARNINGS	(46,035)	(737,356)	(1,019,782)	-	-	(291,435)	-
<b>TOTAL</b>	<b>\$ 6,173,326</b>	<b>\$ 6,180,684</b>	<b>\$ 6,141,163</b>	<b>\$ 7,146,261</b>	<b>\$ 7,146,261</b>	<b>\$ 7,040,099</b>	<b>\$ 7,549,086</b>



TOWN OF SOUTHERN PINES  
UTILITY FUND  
CONSOLIDATED EXPENDITURE SUMMARY  
2016-2017

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016	EXPECTED EXPENDITURES 2015-2016	BUDGET 2015-2016
WATER TREATMENT	\$ 1,249,091	\$ 1,334,469	\$ 1,307,499	\$ 1,319,958	\$ 1,297,642	\$ 1,339,275
WATER EXTENSIONS-MAINTENANCE	664,353	558,293	618,989	710,021	703,616	747,370
SEWER EXTENSIONS-MAINTENANCE	678,219	855,766	646,664	961,868	885,618	837,570
BILLING & COLLECTIONS	370,984	413,270	424,084	459,340	458,149	483,379
BOND INTEREST & PRINCIPAL	-	-	-	-	-	-
FINANCING INTEREST & PRINCIPAL	415,804	591,797	597,837	591,797	591,797	591,797
SEWAGE TREATMENT	1,429,629	1,452,231	1,529,221	1,600,000	1,600,000	1,667,700
W/S INDIRECT COST	865,246	974,858	1,016,869	903,277	903,277	981,995
OTHER	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>5,673,326</b>	<b>6,180,684</b>	<b>6,141,163</b>	<b>6,546,261</b>	<b>6,440,099</b>	<b>6,649,086</b>
TRANSFERS	500,000	-	-	600,000	600,000	900,000
<b>TOTAL</b>	<b>\$ 6,173,326</b>	<b>\$ 6,180,684</b>	<b>\$ 6,141,163</b>	<b>\$ 7,146,261</b>	<b>\$ 7,040,099</b>	<b>\$ 7,549,086</b>



TOWN OF SOUTHERN PINES  
UTILITY FUND  
EXPENDITURE BY FUNCTION AND TRANSFERS  
2015-2016

	ACTUAL 2012-2013	ACTUAL 2013-2014	ACTUAL 2014-2015	BUDGET 2015-2016 as of 07/01/15	BUDGET 2015-2016 as of 03/31/16	EXPECTED EXPENDITURES 2015-2016	BUDGET 2016-2017
Water Treatment	\$ 1,249,091	\$ 1,334,469	\$ 1,307,499	\$ 1,319,958	\$ 1,319,958	\$ 1,297,642	\$ 1,339,275
Water Extensions - Maintenance	664,353	558,293	618,989	710,021	710,021	703,616	747,370
Sewer Extensions - Maintenance	678,219	855,766	646,664	961,868	961,868	885,618	837,570
Billing & Collections	370,984	413,270	424,084	459,340	459,340	458,149	483,379
Loss on Disposal of Fixed Assets	-	-	-	-	-	-	-
Interest Expense, Bond Principal	-	-	-	-	-	-	-
Interest Expense, Financing Principal	415,804	591,797	597,837	591,797	591,797	591,797	591,797
Sewage Treatment	1,429,629	1,452,231	1,529,221	1,600,000	1,600,000	1,600,000	1,667,700
W/S Indirect Cost	865,246	974,858	1,016,869	903,277	903,277	903,277	981,995
Total Expenditures	5,673,326	6,180,684	6,141,163	6,546,261	6,546,261	6,440,099	6,649,086
Transfers:							
Transfer to W&S Improvements	300,000	-	-	600,000	600,000	600,000	900,000
Transfer to EDMIS	-	-	-	-	-	-	-
Transfer to Bridge Project	200,000	-	-	-	-	-	-
Transfer to Raw Water Reservoir	-	-	-	-	-	-	-
Total Transfers	500,000	-	-	600,000	600,000	600,000	900,000
Total Expenditures/Transfers	<u>\$ 6,173,326</u>	<u>\$ 6,180,684</u>	<u>\$ 6,141,163</u>	<u>\$ 7,146,261</u>	<u>\$ 7,146,261</u>	<u>\$ 7,040,099</u>	<u>\$ 7,549,086</u>

## WATER TREATMENT PLANT

**Narrative:** The objective of the Water Treatment Division is to produce potable water that meets or exceeds all state and EPA standards in quantities equal to or higher than the demands of our customers. The Town owns a NC permitted 8MGD potable water production plant that is operated and maintained by a third party. Operators also maintain elevated and ground storage tanks. Operators monitor and control distribution pumping and water quality testing and analysis on a daily basis.

This year will be the first (1st) year of a new five (5) year contract.

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### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Total Gallons Treated, MG	1,336.15	1,417.60	1,419.71
Average Daily Production, MGD	3.70	3.88	4.09
Maximum Day Production, MG	5.43	5.75	6.03
Minimum Day Production, MG	1.89	2.00	2.05

### 2015-16 Accomplishment:

United Water prepared and presented a capital improvement needs assessment that we are incorporating into a multi-year capital improvement plan. United Water staff continue to provide great customer service and quality production.

### 2016-17 Projects

We are currently exploring whether or not to renew the contract with United Water for an additional five years or to select a new vendor. Staff has spent time meeting with and reviewing proposals and is currently asking for cost quotes from the current vendor and one other competitor. Several capital projects identified will be scheduled for completion but whether or not we change vendors may dictate the pace and prioritization of them.

**WATER TREATMENT PLANT**

Fund: Utility

Function:

Utility

Water Treatment Plant Division Goal: To provide potable water that meets or exceeds all state and EPA standards.

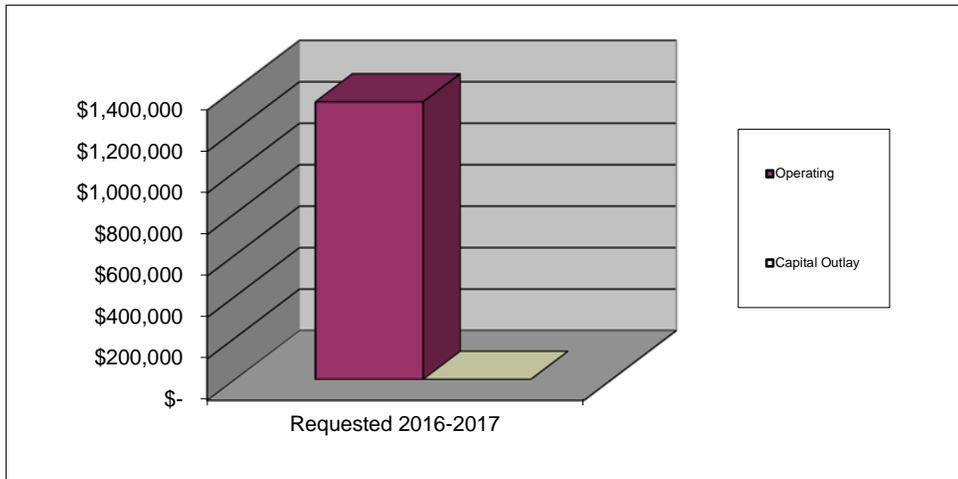
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Operating	\$ 1,295,405	\$ 1,307,958	\$ 1,285,642	\$ 1,339,275
Capital Outlay	12,094	12,000	12,000	-
<b>Total</b>	<b>\$ 1,307,499</b>	<b>\$ 1,319,958</b>	<b>\$ 1,297,642</b>	<b>\$ 1,339,275</b>

Revenues by Type	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Utility Revenues	\$ 1,307,499	\$ 1,319,958	\$ 1,297,642	\$ 1,339,275

	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Budgeted Employees	-	-	-	-

**2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS**

There are no new or capital items requested in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Water Treatment Plant	Function: Utility Fund	Fund: 60	Department: 710			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
607101200	PRINTING	\$ 1,000	\$ 100	\$ 1,000	-	\$ 1,000	0.0%
607101500	BUILDING & GROUNDS	1,000	2,500	7,500	-	7,500	650.0%
607101600	EQUIPMENT MAINTENANCE	53,000	34,703	57,250	-	57,250	8.0%
607101800	UTILITIES	350,000	370,000	370,000	-	370,000	5.7%
607104500	CONTRACTUAL SERVICES	893,003	868,506	893,500	-	893,500	0.1%
607104510	INS-PROPERTY & GENERAL	9,955	9,833	10,025	-	10,025	0.7%
	OPERATING EXPENDITURES	1,307,958	1,285,642	1,339,275	-	1,339,275	
607107402	CAPITAL-OTHER EQUIPMENT	12,000	12,000	-	-	-	0.0%
	CAPITAL OUTLAY	12,000	12,000	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 1,319,958</u>	<u>\$ 1,297,642</u>	<u>\$ 1,339,275</u>	<u>\$ -</u>	<u>\$ 1,339,275</u>	

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## WATER EXTENSIONS/MAINTENANCE

**Narrative:** The Water Division is responsible for the daily maintenance of the water distribution system which includes over 253 miles of water mains ranging from 2” to 18” in size and approximately 8,900 water services. Maintenance and repair of water mains, isolation valves, fire hydrants, service meters, service lines, and underground utility locating are some of the tasks undertaken. Providing the best potable water service to the customers and responding to problems quickly and professionally are major goals of this division.

### Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
New Services Installed	213	208	200
Water Mains Installed (linear feet)	0	240	250
Hydrants Installed	7	6	5
Valves Installed	6	2	2
Water Main Leaks Repaired	14	12	12
Service Leaks Repaired	36	58	60
Water Quality Complaints	24	30	30

### FY 15-16 Accomplishments:

- Installed 213 taps; 18% increase as of January 2016 over the actual FY14-15 total.
- Completed water needs study and created multi-year CIP needs.
- Implemented Mobile 311 work management program tying work to assets with labor and material costs.
- Passed backflow ordinance; implemented online database for tracking customer compliance (BSI Online).
- Created OJT skill level based program for all levels with new job titles and descriptions. Provided distinction between Tech I and Tech II requirements for promotion.
- West Connecticut water extension: 230 lf main, hydrant, and two valves installed.
- Implemented hydrant replacement program; coordinate with FD for identification of repair or replacement requirements.

### FY 16-17 Projects:

- Fund and implement water CIP projects:
  - o Weymouth Woods zone
  - o E Morganton main replacement
- Improve work management program; better capture labor and material costs, improving budget accuracy.
- Identify and map water easements, and improve PM schedule.

**WATER EXTENSION/MAINTENANCE**

Fund: Utility

Function:

Utility

Water Extension/Maintenance Division Goal: Responsible for the daily maintenance of the water distribution system.

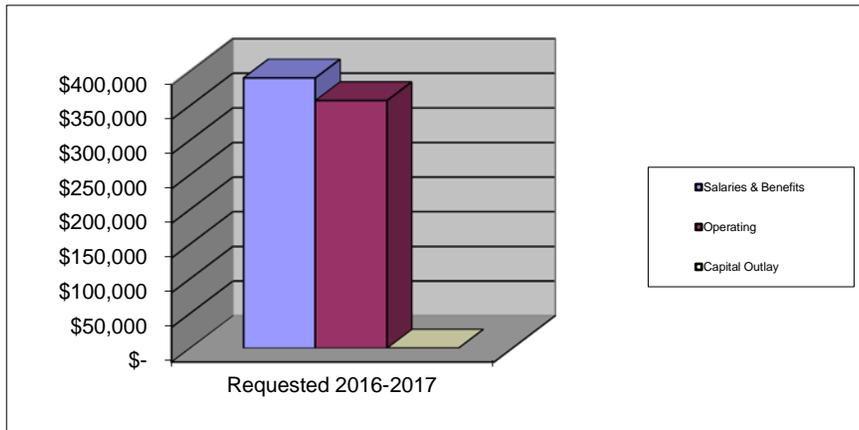
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 328,142	\$ 382,536	\$ 357,926	\$ 389,993
Operating	233,602	327,485	345,690	357,377
Capital Outlay	57,247	-	-	-
<b>Total</b>	<b>\$ 618,991</b>	<b>\$ 710,021</b>	<b>\$ 703,616</b>	<b>\$ 747,370</b>

Revenues by Type	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Utility Revenues	\$ 618,991	\$ 710,021	\$ 703,616	\$ 747,370

	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Budgeted Employees	8	8	8	8

**2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS**

There are no new or capital items requested in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Water Extension/Maintenance	Function: Utility Fund		Fund: 60	Department: 730		
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
607300200	SALARIES & WAGES	\$ 272,616	\$ 260,239	\$ 273,709	\$ -	\$ 273,709	0.4%
607300300	OVERTIME	10,500	6,000	10,500	-	10,500	0.0%
607300400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
607300500	FICA EXPENSE	21,660	20,003	21,742	-	21,742	0.4%
607300600	GROUP INSURANCE EXPENSE	45,888	40,521	48,998	-	48,998	6.8%
607300700	RETIREMENT EXPENSE	18,217	17,843	20,833	-	20,833	14.4%
607300800	DEFERRED COMPENSATION	13,655	13,320	14,211	-	14,211	4.1%
	EMPLOYEE BENEFITS	382,536	357,926	389,993	-	389,993	
607301300	TELEPHONE	4,000	4,000	6,250	-	6,250	56.3%
607301400	TRAINING & TRAVEL	3,500	4,000	4,500	-	4,500	28.6%
607301600	EQUIPMENT MAINTENANCE	8,500	3,000	8,500	-	8,500	0.0%
607301700	AUTO REPAIR	9,500	9,500	9,500	-	9,500	0.0%
607301800	UTILITIES	3,500	3,500	4,000	-	4,000	14.3%
607303100	AUTO OPERATING	21,000	13,000	18,000	-	18,000	-14.3%
607303300	DEPARTMENTAL SUPPLIES	200,000	228,000	220,000	-	220,000	10.0%
607304500	CONTRACTUAL SERVICES	25,800	25,800	25,300	-	25,300	-1.9%
607304510	INS-PROPERTY & GENERAL	14,685	15,390	16,327	-	16,327	11.2%
607304600	PROFESSIONAL SERVICES	21,500	20,500	26,000	-	26,000	20.9%
607304700	UTILITY CUT REPAIR	12,000	15,000	15,000	-	15,000	25.0%
607305300	DUES & SUBSCRIPTIONS	3,500	4,000	4,000	-	4,000	14.3%
	OPERATING EXPENDITURES	327,485	345,690	357,377	-	357,377	
607307402	CAPITAL-MOTOR VEHICLE	-	-	-	-	-	0.0%
607307403	CAPITAL-OTHER EQUIPMENT	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 710,021</u>	<u>\$ 703,616</u>	<u>\$ 747,370</u>	<u>\$ -</u>	<u>\$ 747,370</u>	

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## SEWER EXTENSIONS/MAINTENANCE

**Narrative:** The purpose of the Sewer Maintenance Division is to maintain and improve the sanitary sewer infrastructure which includes the operation of 17 sewer lift station and 150+ miles of collection system, to provide trouble free sewer service to our customers through routine maintenance and cleaning of the sewer lines and to satisfy all of the requirements of the Town’s collection system permit issued by the State of North Carolina.

Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Sewer Taps Installed	30	35	35
Sewer Taps Renewed	15	20	20
Sewer Stoppages – Mains	35	30	30
Sewer Stoppages – Laterals, Town	42	10	10
Sewer Stoppages – Laterals, Customer	47	34	30
Miles Sewer Lines Cleaned	23	40	50
Sewer Lift Stations Maintained	17	17	18

FY 15-16 Accomplishments:

- Completed lift station study and identified multi-year CIP.
- Continue to improve sewer main flushing program; will jet 100% of mains every three years (1/3 per year)...mitigate blockage service calls & surpass state requirement (10%/yr).
- Implemented Mobile 311 work management program tying work to assets with labor and material costs.
- Created OJT skill level based program for all levels with new job titles and descriptions. Provided distinction between Tech I and Tech II requirements for promotion.

FY 16-17 Projects:

- Fund and implement sewer main relining and manhole rehabilitation; proactive ID and assessments for antiquated system components. This will be a recurring need.
- Improve work management program; better capture labor and material costs...increase budgeting, labor, and material needs accuracy.
- Identify and map sewer easements, ID and execute tree removal needs and create PM schedule.
- Construct Pee Dee lift station.
- Implement Warrior Woods lift station and Joint force main improvement projects.
- Design Belle Meade lift station improvements.
- Assess lift station control panels and fund needed upgrades.

SEWER EXTENSION/MAINTENANCE

Fund: Utility

Function:

Utility

Sewer Extension/Maintenance Division Goal: To maintain and improve the sanitary sewer system infrastructure.

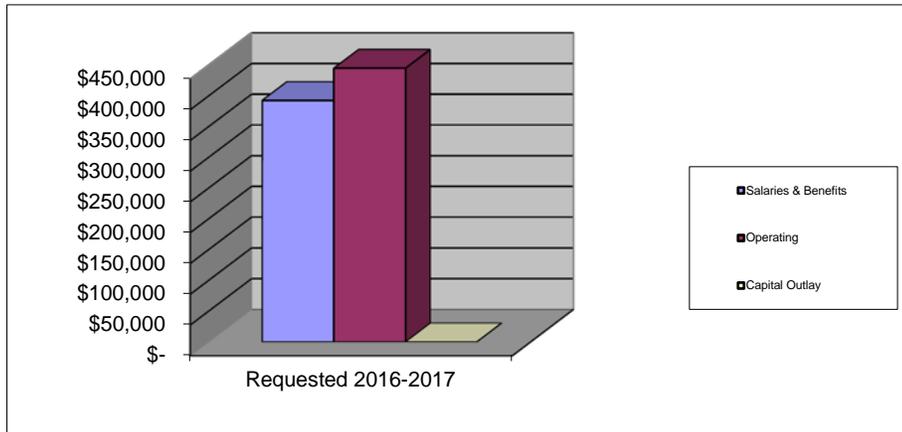
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 316,880	\$ 445,813	\$ 376,658	\$ 392,590
Operating	329,784	430,055	431,890	444,980
Capital Outlay	-	86,000	77,070	-
<b>Total</b>	<b>\$ 646,664</b>	<b>\$ 961,868</b>	<b>\$ 885,618</b>	<b>\$ 837,570</b>

Revenues by Type	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Utility Revenues	\$ 646,664	\$ 961,868	\$ 885,618	\$ 837,570

	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Budgeted Employees	9	9	9	8

2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no new or capital items requested in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Sewer Extension/Maintenance	Function: Utility Fund				Fund: 60	Department: 740	
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)	
607400200	SALARIES & WAGES	\$ 319,862	\$ 269,977	\$ 275,872	\$ -	\$ 275,872	-13.8%	
607400300	OVERTIME	10,500	10,000	10,500	-	10,500	0.0%	
607400400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%	
607400500	FICA EXPENSE	25,273	20,989	21,908	-	21,908	-13.3%	
607400600	GROUP INSURANCE EXPENSE	51,624	44,705	48,998	-	48,998	-5.1%	
607400700	RETIREMENT EXPENSE	22,035	18,705	20,992	-	20,992	-4.7%	
607400800	DEFERRED COMPENSATION	16,519	12,282	14,320	-	14,320	-13.3%	
	EMPLOYEE BENEFITS	445,813	376,658	392,590	-	392,590		
607401300	TELEPHONE	4,500	4,500	6,250	-	6,250	38.9%	
607401400	TRAINING & TRAVEL	2,500	3,500	3,500	-	3,500	40.0%	
607401600	EQUIPMENT MAINTENANCE	55,000	55,000	55,000	-	55,000	0.0%	
607401700	AUTO REPAIR	10,000	10,000	10,000	-	10,000	0.0%	
607401800	UTILITIES	48,000	48,000	48,000	-	48,000	0.0%	
607403100	AUTO OPERATING	33,000	33,000	33,000	-	33,000	0.0%	
607403300	DEPARTMENTAL SUPPLIES	120,000	120,000	120,550	-	120,550	0.5%	
607404500	CONTRACTUAL SERVICES	103,500	103,500	103,000	-	103,000	-0.5%	
607404510	INS-PROPERTY & GENERAL	20,555	20,890	22,180	-	22,180	7.9%	
607404600	PROFESSIONAL SERVICES	15,000	15,000	25,000	-	25,000	0.0%	
607404700	UTILITY CUT REPAIR	15,000	15,000	15,000	-	15,000	0.0%	
607405300	DUES & SUBSCRIPTIONS	3,000	3,500	3,500	-	3,500	16.7%	
	OPERATING EXPENDITURES	430,055	431,890	444,980	-	444,980		
607407402	CAPITAL-MOTOR VEHICLE	86,000	77,070	-	-	-	0.0%	
607407403	CAPITAL-OTHER EQUIPMENT	-	-	-	-	-	0.0%	
	CAPITAL OUTLAY	86,000	77,070	-	-	-		
	TOTAL EXPENDITURES	<u>\$ 961,868</u>	<u>\$ 885,618</u>	<u>\$ 837,570</u>	<u>\$ -</u>	<u>\$ 837,570</u>		

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## BILLING & COLLECTIONS

**Narrative:** The Billing and Collections Division provides utility customers with efficient service regarding water consumption, new service, account drafting, and various other situations with which the customer may need assistance. The Division is also responsible for the accurate monthly billing and collection of water, sewer and solid waste disposal as well as any other fees generated in the utility function.

Other areas handled by this division include the billing and collection of beer and wine license, the sale of cemetery lots, and yard sale permits.

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Performance Measures:

	2014-2015 Actual	2015-2016 Projected	2016-2017 Proposed
Water & Sewer Meters Read	104,911	107,160	109,000
Water & Sewer Bills Mailed	90,299	92,235	94,000
Meter Readings (average monthly)	8,742	8,930	9,080
Customer Service Work Orders	5,865	6,040	6,250
Customer Bills Drafted	26,026	27,315	28,000

## BILLING & COLLECTIONS

Fund: Utility

Function:

Finance

Billing & Collections Division Goal: To provide utility customers with efficient service regarding billings and other situations the customer may need assistance.

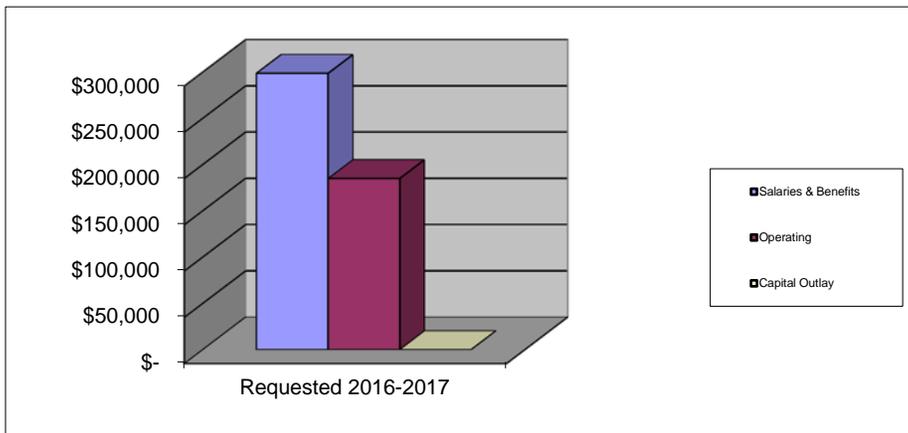
Object of Expenditures	Actual FY 2014-15	Budget FY 2015-16	Expected FY 2015-16	Requested FY 2016-17
Salaries & Benefits	\$ 278,397	\$ 284,519	\$ 287,693	\$ 298,574
Operating	145,687	174,821	170,456	184,805
Capital Outlay	-	-	-	-
<b>Total</b>	<b>\$ 424,084</b>	<b>\$ 459,340</b>	<b>\$ 458,149</b>	<b>\$ 483,379</b>

Revenues by Type	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Utility Revenues	\$ 424,084	\$ 459,340	\$ 458,149	\$ 483,379

	Actual FY 2013-14	Budget FY 2014-15	Expected FY 2014-15	Requested FY 2015-16
Budgeted Employees	4.5	4.5	5.0	5.0

### 2016-2017 CAPITAL OUTLAY DETAIL AND NEW REQUESTS

There are no new or capital items requested in this budget.



2016-2017 ANNUAL BUDGET  
DETAILED ACTIVITY SPENDING REQUEST

Fiscal Year 2016-2017	Department: Billing & Collections	Function: Finance	Fund: 60	Department: 750			
Object Code	Object Title	2015-2016 Budget as of 03/31/16	2015-2016 Expected	2016-2017 Continuation	2016-2017 New Budget Requests	2016-2017 Total Request	% Increase (Decrease)
607500200	SALARIES & WAGES	\$ 214,411	\$ 217,486	\$ 223,328	\$ -	\$ 223,328	4.2%
607500400	UNEMPLOYMENT INSURANCE	-	-	-	-	-	0.0%
607500500	FICA EXPENSE	16,405	16,335	17,085	-	17,085	4.1%
607500600	GROUP INSURANCE EXPENSE	28,680	28,702	30,624	-	30,624	6.8%
607500700	RETIREMENT EXPENSE	14,302	14,978	16,370	-	16,370	14.5%
607500800	DEFERRED COMPENSATION	10,721	10,192	11,167	-	11,167	4.2%
	EMPLOYEE BENEFITS	284,519	287,693	298,574	-	298,574	
607501100	POSTAGE	40,155	39,180	41,300	-	41,300	2.9%
607501200	PRINTING	500	300	500	-	500	0.0%
607501300	TELEPHONE	396	346	420	-	420	6.1%
607501400	TRAINING & TRAVEL	4,500	3,000	4,500	-	4,500	0.0%
607501600	EQUIPMENT MAINTENANCE	2,325	1,825	2,350	-	2,350	1.1%
607501800	UTILITIES	7,300	5,300	7,300	-	7,300	0.0%
607503300	DEPARTMENTAL SUPPLIES	19,300	15,000	25,550	-	25,550	32.4%
607504500	CONTRACTUAL SERVICES	26,050	36,150	26,150	-	26,150	0.4%
607504510	INS-PROPERTY & GENERAL	3,995	2,755	2,935	-	2,935	-26.5%
607504600	PROFESSIONAL SERVICES	28,000	25,000	29,000	-	29,000	3.6%
607504700	CARD PROCESSING FEE	12,000	11,500	13,000	-	13,000	8.3%
607504920	BAD DEBT EXPENSE	30,000	30,000	31,500	-	31,500	5.0%
607505300	DUES & SUBSCRIPTIONS	300	100	300	-	300	0.0%
	OPERATING EXPENDITURES	174,821	170,456	184,805	-	184,805	
607507401	CAPITAL-SOFTWARE/COMP	-	-	-	-	-	0.0%
	CAPITAL OUTLAY	-	-	-	-	-	
	TOTAL EXPENDITURES	<u>\$ 459,340</u>	<u>\$ 458,149</u>	<u>\$ 483,379</u>	<u>\$ -</u>	<u>\$ 483,379</u>	

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## **CAPITAL PROJECT FUNDS SUMMARY**

Capital Project Funds are used to account for the acquisition and construction major capital facilities and infrastructure. A project budget that is valid for the duration of the project is adopted for each fund.

**OPEN SPACE  
Fund 41**

This fund was established to account solely for the purchase of open space and greenways. Funds from the Recreation - Construction - Open Space capital project were transferred into this fund in fiscal year 2007-2008.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Land	\$ 135,700	\$ 84,256	\$ 51,444	\$ 135,700
Total Expenditures	\$ 135,700	\$ 84,256	\$ 51,444	\$ 135,700

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 9,700	\$ 9,468	\$ 232	\$ 9,700
Transfer In-Fund 47	126,000	126,000	-	126,000
Total Revenues	\$ 135,700	\$ 135,468	\$ 232	\$ 135,700

**NICKS CREEK PARKWAY  
Fund 42**

The Nicks Creek Capital Project Fund was established for the purpose of future construction of a road extending Nicks Creek from NC 22 to US 15-501. The project budget was adopted in fiscal year 2001-2002.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 71,750	\$ -	\$ 71,750	\$ 72,000
Total Expenditures	\$ 71,750	\$ -	\$ 71,750	\$ 72,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 14,750	\$ 14,703	\$ 47	\$ 15,000
Land Exchange/Transfer In-Fund 60	57,000	57,000	-	57,000
Total Revenues	\$ 71,750	\$ 71,703	\$ 47	\$ 72,000

**ENTERPRISE INFORMATION AND DOCUMENT MANAGEMENT SYSTEM  
Fund 43**

The Enterprise Information and Document Management System Capital Project Fund was established in fiscal year 2009-2010 for the purpose of obtaining an intergrated electronic solution for all Town departments and systems.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
ERP Expenditures	\$ 686,200	\$ 374,339	\$ 311,861	\$ 686,200
Transfer Out-CP Library HVAC	225,000	225,000	-	225,000
<b>Total Expenditures</b>	<b>\$ 911,200</b>	<b>\$ 599,339</b>	<b>\$ 311,861</b>	<b>\$ 911,200</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 14,200	\$ 15,128	\$ (928)	\$ 14,200
Transfer In-CP Police Station	240,500	240,500	-	240,500
Transfer In-Utility Fund	256,500	256,500	-	256,500
Transfer In-General Fund	400,000	400,000	-	400,000
<b>Total Revenues</b>	<b>\$ 911,200</b>	<b>\$ 912,128</b>	<b>\$ (928)</b>	<b>\$ 911,200</b>

**SIDEWALKS**  
**Fund 44**

The Sidewalk Capital Project Fund was established for the purpose of constructing additional and repairing and modifying existing sidewalks. This project is funded with transfers from the General Fund which began in fiscal year 2008-2009.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 1,273,837	\$ 1,094,285	\$ 179,552	\$ 1,273,837
Total Expenditures	\$ 1,273,837	\$ 1,094,285	\$ 179,552	\$ 1,273,837

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 7,325	\$ 8,062	\$ (737)	\$ 7,325
Transfer In-General Fund	1,266,512	1,266,512	-	1,266,512
Total Revenues	\$ 1,273,837	\$ 1,274,574	\$ (737)	\$ 1,273,837

**FIBER OPTICS INFRASTRUCTURE-PHASE I**  
**Fund 45**

The Fiber Optics Infrastructure - Phase I Capital Project Fund is established for the purpose of building fiber connections between Town buildings. Funding for this projected was transferred from the Police Station Capital Project Fund in fiscal year 2007-08.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 543,523	\$ 462,838	\$ 80,685	\$ 543,523
Total Expenditures	\$ 543,523	\$ 462,838	\$ 80,685	\$ 543,523

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 17,700	\$ 18,280	\$ (580)	\$ 17,700
Transfer In-CP Police Station	373,000	373,000	-	373,000
Transfer In-General Fund	152,823	152,823	-	152,823
Total Revenues	\$ 543,523	\$ 544,103	\$ (580)	\$ 543,523

**STORM WATER IMPROVEMENTS**  
**Fund 46**

The Storm Water Improvements Capital Project Fund is established for the purpose of designing and installing storm water infrastructure. Funding for this project was transferred from the General Fund in fiscal year 2007-08.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 321,500	\$ -	\$ 321,500	\$ 321,500
Total Expenditures	\$ 321,500	\$ -	\$ 321,500	\$ 421,500

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 22,500	\$ 23,577	\$ (1,077)	\$ 22,500
Transfer In-General Fund	299,000	299,000	-	399,000
Total Revenues	\$ 321,500	\$ 322,577	\$ (1,077)	\$ 421,500

**PUBLIC ROAD-ECONOMIC DEVELOPMENT**  
**Fund 47**

The Public Road-Economic Development - Capital Project Fund is established for the purpose of construction of a public road at the Southern Pines Corporate Park. Funding for this project was transferred from the Road Construction Special Revenue Fund in fiscal year 2009-10.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Road Construction	\$ 25,874	\$ -	\$ 25,874	\$ 25,874
<b>Total Expenditures</b>	<b>\$ 25,874</b>	<b>\$ -</b>	<b>\$ 25,874</b>	<b>\$ 25,874</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ -	\$ 450	\$ (450)	\$ -
Transfer In-Fund 24 Special Revenue	25,874	25,874	-	25,874
<b>Total Revenues</b>	<b>\$ 25,874</b>	<b>\$ 26,324</b>	<b>\$ (450)</b>	<b>\$ 25,874</b>

**PATRICK ROAD  
Fund 48**

The Patrick Road Capital Project Fund is established for the purpose of construction and improvements of Patrick Road. Funding for this project was transferred from the Road Construction Capital Project Fund in fiscal year 2007-08.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 494,841	\$ 35,000	\$ 459,841	\$ 494,841
Total Expenditures	\$ 494,841	\$ 35,000	\$ 459,841	\$ 494,841

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 38,850	\$ 39,967	\$ (1,117)	\$ 38,850
Transfer In-Road Construction Capital Proj	455,991	455,991	-	455,991
Total Revenues	\$ 494,841	\$ 495,958	\$ (1,117)	\$ 494,841

**BIKE TRANSPORTATION PROJECT**  
**Fund 49**

The Bike Transportation Plan Capital Project Fund was established for the purpose of developing bike routes, bike signage and policies and procedures as identified in the approved bike plan. Funding for the project was transferred from the General Fund in fiscal year 2011-12.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 140,000	\$ 15,161	\$ 124,839	\$ 140,000
<b>Total Expenditures</b>	<b>\$ 140,000</b>	<b>\$ 15,161</b>	<b>\$ 124,839</b>	<b>\$ 140,000</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - General Fund	\$ 140,000	\$ 140,000	\$ -	\$ 140,000
Interest	-	923	(923)	-
<b>Total Revenues</b>	<b>\$ 140,000</b>	<b>\$ 140,923</b>	<b>\$ (923)</b>	<b>\$ 140,000</b>

**LIBRARY HVAC PROJECT**  
**Fund 50**

The Library HVAC Capital Project Fund was established for the purpose of designing and replacing the current HVAC system at the Library. Funding for the project was transferred from the Enterprise Information and Document Management System Capital Project Fund in fiscal year 2014-2015.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 225,000	\$ 218,531	\$ 6,469	\$ 225,000
Total Expenditures	\$ 225,000	\$ 218,531	\$ 6,469	\$ 225,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - CP EIDMS	\$ 225,000	\$ 225,000	-	\$ 225,000
Total Revenues	\$ 225,000	\$ 225,000	-	\$ 225,000

**FIRE SUB-STATION  
Fund 51**

The Fire Sub-Station Capital Project Fund was established for the purpose of construction of a Fire Sub-Station in the northern area of Southern Pines. Funding for the project was transferred from the closing of the Police Station Capital Project Fund in fiscal year 2010-11.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 796,300	\$ 441,421	\$ 354,879	\$ 796,300
<b>Total Expenditures</b>	<b>\$ 796,300</b>	<b>\$ 441,421</b>	<b>\$ 354,879</b>	<b>\$ 796,300</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In-CP Police Station	\$ 360,114	\$ 360,114	\$ -	\$ 360,114
Transfer In-General Fund	433,300	433,300	-	433,300
Interest	2,886	4,296	(1,410)	2,886
<b>Total Revenues</b>	<b>\$ 796,300</b>	<b>\$ 797,710</b>	<b>\$ (1,410)</b>	<b>\$ 796,300</b>

**POOL PARK PLAN  
Fund 53**

The Pool Park Plan Capital Project Fund was established for the purpose of renovating the existing Pool Park. Funding for the project was transferred from the General Fund in fiscal year 2012-2013.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 350,000	\$ 75,454	\$ 274,546	\$ 350,000
Total Expenditures	\$ 350,000	\$ 75,454	\$ 274,546	\$ 350,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - General Fund	\$ 350,000	\$ 350,000	\$ -	\$ 350,000
Interest	-	1,876	(1,876)	-
Total Revenues	\$ 350,000	\$ 351,876	\$ (1,876)	\$ 350,000

**DOWNTOWN PARK  
Fund 54**

The Downtown Park Capital Project Fund will be established for the purpose of renovating the Downtown Park. Funding for the project was transferred from the General Fund in fiscal year 2013-2014.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 415,000	\$ 415,000	\$ -	\$ 565,000
Total Expenditures	\$ 415,000	\$ 415,000	\$ -	\$ 565,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - General Fund	\$ 415,000	\$ 415,000	\$ -	\$ 565,000
Interest	-	964	(964)	-
Total Revenues	\$ 415,000	\$ 415,964	\$ (964)	\$ 565,000

**UNPAVED STREET PROJECT  
Fund 55**

The Unpaved Street Capital Project Fund will be established for the purpose of paving existing Town streets that are currently unimproved. Funding for the project was transferred from the General Fund in fiscal year 2014-2015.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 150,000	\$ 103,127	\$ 46,873	\$ 242,500
Total Expenditures	\$ 150,000	\$ 103,127	\$ 46,873	\$ 242,500

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - General Fund	\$ 150,000	\$ 150,000	\$ -	\$ 242,500
Total Revenues	\$ 150,000	\$ 150,000	\$ -	\$ 242,500

**CDBG TYR TACTICAL  
Fund 56**

The CDBG TYR Tactical Fund was established for the purpose of public roadway improvements to serve the new TYR Tactical facility in Southern Pines. The project is financed with grant funds from the NC Department of Commerce (CDBG Economic Development) and local funds by the Developer. The fund was established in FY 14-15.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Grant Administration	\$ 15,000	\$ 7,500	\$ 7,500	\$ 15,000
Roadway	345,000	27,700	317,300	345,000
<b>Total Expenditures</b>	<b>\$ 360,000</b>	<b>\$ 35,200</b>	<b>\$ 324,800</b>	<b>\$ 360,000</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Developer's Contributions	\$ 90,000	\$ 90,000	\$ -	\$ 90,000
Grant Proceeds	270,000	-	270,000	270,000
<b>Total Revenues</b>	<b>\$ 360,000</b>	<b>\$ 90,000</b>	<b>\$ 270,000</b>	<b>\$ 360,000</b>

**SIDEWALKS - PHASE II  
Fund 57**

The Sidewalks-Phase II Capital Project Fund will be established for the purpose of paving existing Town streets that are currently unimproved. Funding for the project will be transferred from the General Fund in fiscal year 2016-2017.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ -	\$ -	\$ -	\$ 150,000
Total Expenditures	\$ -	\$ -	\$ -	\$ 150,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - General Fund	\$ -	\$ -	\$ -	\$ 150,000
Total Revenues	\$ -	\$ -	\$ -	\$ 150,000

**RECREATION IMPROVEMENTS**  
**Fund 58**

The Recreation Improvements Capital Project Fund will be established for the purpose of various recreation park improvements. Funding for the project will be transferred from the General Fund in fiscal year 2016-2017.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ -	\$ -	\$ -	\$ 80,000
Total Expenditures	\$ -	\$ -	\$ -	\$ 80,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer In - General Fund	\$ -	\$ -	\$ -	\$ 80,000
Total Revenues	\$ -	\$ -	\$ -	\$ 80,000

**ECONOMIC DEVELOPMENT PROJECT  
Fund 63**

The Capital Project Fund was established to account for funding for an economic infrastructure grant from the Rural Economic Development Center for the extension of water and sewer services within the Southern Pines Corporate Park. The fund was established with a project ordinance in fiscal year 2006-2007.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Water Construction	\$ 210,897	\$ 197,647	\$ 13,250	\$ 210,897
Sewer Construction	600,769	594,313	6,456	600,769
<b>Total Expenditures</b>	<b>\$ 811,666</b>	<b>\$ 791,960</b>	<b>\$ 19,706</b>	<b>\$ 811,666</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Rural Center Grant-Water	\$ 66,000	\$ 66,000	-	\$ 66,000
Rural Center Grant-Sewer	434,000	419,357	14,643	434,000
Developer's Contributions	311,666	322,057	(10,391)	311,666
<b>Total Revenues</b>	<b>\$ 811,666</b>	<b>\$ 807,414</b>	<b>\$ 4,252</b>	<b>\$ 811,666</b>

**WATER & SEWER IMPROVEMENTS  
WATER DISTRIBUTION SYSTEM  
Fund 67**

The Water Distribution Capital Project Fund is established for the purpose of improvements to the water distribution system. The project budget was adopted in fiscal year 2012-2013 with funding from the prior water distribution capital project fund.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through May 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 1,509,411	\$ 23,782	\$ 1,485,629	\$ 2,009,411
Transfer Out-CP Morganton Rd Bridget	43,176	43,176	-	43,176
Total Expenditures	\$ 1,552,587	\$ 66,958	\$ 1,485,629	\$ 2,052,587

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through May 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 5,000	\$ 5,930	\$ (930)	\$ 5,000
Transfer In-CP Water Distribution System	400,000	400,000	-	400,000
Transfer In-CP Raw Water Reservoir	788,580	788,580	-	788,580
Transfer In-CP Morganton Rd Bridge	1,195	1,195	-	1,195
Transfer In-CP Automatic Meter Reading	257,812			257,812
Transfer In-Utility Fund	100,000	100,000	-	600,000
Total Revenues	\$ 1,552,587	\$ 1,295,705	\$ (930)	\$ 2,052,587

**WATER & SEWER IMPROVEMENTS  
SEWER COLLECTION SYSTEM  
Fund 67**

The Sewer Distribution Capital Project Fund is established for the purpose of improvements to the sewer distribution system. The project budget was adopted in fiscal year 2012-2013 with funding from the prior sewer distribution capital project fund.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Construction	\$ 991,184	\$ 37,454	\$ 953,730	\$ 991,184
Transfer In-CP Morganton Rd Bridge	14,392	14,392	-	14,392
Total Expenditures	\$ 1,005,576	\$ 51,846	\$ 953,730	\$ 1,005,576

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 5,000	\$ 3,419	\$ 1,581	\$ 5,000
Transfer In-CP Sewer Distribution System	500,576	500,576	-	500,576
Transfer In-Utility Fund	500,000	500,000	-	900,000
Total Revenues	\$ 1,005,576	\$ 1,003,995	\$ 1,581	\$ 1,405,576

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Southern Pines

## **OTHER FUNDS SUMMARY**

Cemetery Perpetual Care Permanent Fund – Established to account for funds that are restricted for the purpose of beautifying and maintaining the municipal cemetery.

Water Impact Fees – Fees charged for connection to new developments that are used for specific purposes.

Sewer Impact Fees – Fees charged for connection to new developments that are used for specific purposes.

**CEMETERY PERPETUAL CARE FUND**  
**Fund 22**

The Cemetery Perpetual Care Fund was established for the perpetual care of the municipal cemetery. The income from the fund is restricted for the purpose of beautifying and maintaining the cemetery.

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Reserved for Future Expense	\$ 60,750	\$ -	\$ 60,750	\$ 71,000
Total Expenditures	\$ 60,750	\$ -	\$ 60,750	\$ 71,000

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest	\$ 10,750	\$ 10,658	\$ 92	\$ 11,000
Sale of Plots	50,000	55,140	(5,140)	60,000
Total Revenues	\$ 60,750	\$ 65,798	\$ (5,048)	\$ 71,000

**WATER IMPACT  
Fund 72**

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer to Capital Improvements	\$ 3,288,500	\$ 2,407,105	\$ 881,395	\$ 4,220,000
<b>Total Expenditures</b>	<b>\$ 3,288,500</b>	<b>\$ 2,407,105</b>	<b>\$ 881,395</b>	<b>\$ 4,220,000</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest Earned	\$ 313,500	\$ 315,543	\$ (2,043)	\$ 320,000
Impact Fees	2,975,000	3,277,001	(302,001)	3,900,000
<b>Total Revenues</b>	<b>\$ 3,288,500</b>	<b>\$ 3,592,544</b>	<b>\$ (304,044)</b>	<b>\$ 4,220,000</b>

**SEWER IMPACT  
Fund 73**

Expenditures by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Transfer to Capital Improvements/Debt Serv	\$ 979,750	\$ 479,986	\$ 499,764	\$ 1,510,000
<b>Total Expenditures</b>	<b>\$ 979,750</b>	<b>\$ 479,986</b>	<b>\$ 499,764</b>	<b>\$ 1,510,000</b>

Revenues by Type	FY 2015-2016 Project Authorization	Transactions Through March 2016	Balance FY 2015-2016	FY 2016-2017 Project Authorization
Interest Earned	\$ 104,750	\$ 105,571	\$ (821)	\$ 110,000
Impact Fees	875,000	844,857	30,143	1,400,000
<b>Total Revenues</b>	<b>\$ 979,750</b>	<b>\$ 950,428</b>	<b>\$ 29,322</b>	<b>\$ 1,510,000</b>

## DEBT SERVICE

The Town does not have any outstanding general obligation bonds as of 06/30/15 in either the General or Utility Funds.

The Town's bond ratings are as follows:

Standard and Poors	AA-
Moody's Investment Service	A2
North Carolina Municipal Council	86

The North Carolina General Statutes are very specific about the amount of general long term debt that can be issued by local governments. The statutes state that long-term debt issued cannot exceed eight percent of the assessed valuation of the governmental unit. The legal debt limit of the Town as of June 30, 2015 is as show in the following table.

Assessed Valuations		<u><u>\$ 2,271,275,981</u></u>
Debt Limit 8% of assessed valuations		\$ 181,702,078
Amount of debt applicable to debt limit:		
Outstanding debt evidenced by bonds	-	
Unissued bonds authorized by existing orders	-	
Outstanding debt not evidenced by bonds:		
Installment financing	<u>7,644,179</u>	
Total	7,644,179	
Less deduction allowed by G.S. 159.55(a)(2) and G.S. 159.55(b)-Utility debt	-	
Net Debt	<u>7,644,179</u>	
<b>LEGAL DEBT MARGIN</b>		<u><u>\$ 174,057,899</u></u>

The Town has installment financing outstanding debt principal totaling \$7,644,177 as of 06/30/15. The outstanding amount represents the financing of the Police facility in 2008, the financing of the Raw Water Reservoir in 2011, the financing of the Automatic Meter Reading project in 2013 and the financing of the Heavy Duty Rescue Fire Truck and the Street Sweeper in 2015.

The following is a schedule of the Town's total debt service principal and interest payments:

	Principal	Interest	Total
<u>General Obligation Bonds:</u>			
FY 2016-2017	\$ -	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Installment Financing

Raw Water Reservoir, issued 2011, due semi-annually to 2021; interest at 3.40%

FY 2017-2018	\$ 360,310	\$ 55,494	\$ 415,804
FY 2018-2019	360,310	55,494	415,804
FY 2019-2020	372,665	43,139	415,804
FY 2020-2021	398,658	17,145	415,803
Total	<u>\$ 1,491,943</u>	<u>\$ 171,272</u>	<u>\$ 1,663,215</u>

Police facility, issued 2008; due semi-annually to 2024; interest at 3.73%

FY 2016-2017	\$ 433,333	\$ 117,184	\$ 550,517
FY 2017-2018	433,333	101,021	534,354
FY 2018-2019	433,333	84,858	518,191
FY 2019-2020	433,333	68,694	502,027
FY 2020-2024	1,516,667	113,144	1,629,811
Total	<u>\$ 3,249,999</u>	<u>\$ 484,901</u>	<u>\$ 3,734,900</u>

Heavy Duty Rescue Fire Truck, issued 2015; due semi-annually to 2018; interest at 1.10%

FY 2016-2017	\$ 159,198	\$ 2,197	161,395
FY 2017-2018	80,256	442	80,698
Total	<u>\$ 239,454</u>	<u>\$ 2,639</u>	<u>\$ 242,093</u>

	Principal	Interest	Total
<u>Installment Financing</u>			
Street Sweeper, issued 2015, due semi-annually 2018; interest at 1.10%			
FY 2016-2017	\$ 76,583	\$ 1,057	\$ 77,640
FY 2017-2018	38,607	212	38,819
	<u>\$ 115,190</u>	<u>\$ 1,269</u>	<u>\$ 116,459</u>
Automatic Meter Reading project, issued 2013, due semi-annually to 2023; interest at 1.85%			
FY 2016-2017	\$ 155,423	\$ 20,570	\$ 175,993
FY 2017-2018	158,312	17,681	175,993
FY 2018-2019	161,254	14,739	175,993
FY 2019-2020	164,251	11,742	175,993
FY 2020-2023	511,298	16,680	527,978
Total	<u>\$ 1,150,538</u>	<u>\$ 81,412</u>	<u>\$ 1,231,950</u>

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Southern Pines

## VEHICLE/EQUIPMENT REPLACEMENT LIST

### BUDGET YEAR 2016-2017

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
886	CROWN VIC	\$ 47,000	10-511
890	TAHOE	47,000	10-511
892	CROWN VIC	47,000	10-511
891	IMPALA	47,000	10-511
14	EXPLORER	30,000	10-540
NEW	ASPHALT RECYCLER	85,000	10-560
605	BACKHOE	95,000	10-560
41	WINDSTAR VAN	30,000	10-620
43	15 PASSENGER VAN	53,000	10-620
NEW	MOWER ATTACHMENTS	44,000	10-640
925	TRACTOR	56,000	10-640
	General Fund	<u>\$ 581,000</u>	
	Utility Fund	-	
	2016-2017 Total	<u><u>\$ 581,000</u></u>	

### BUDGET YEAR 2017-2018

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
870	2012 CROWN VIC	\$ 35,000	10-511
875	2012 CROWN VIC	35,000	10-511
892	CROWN VIC	35,000	10-511
893	CROWN VIC	35,000	10-511
894	CROWN VIC	35,000	10-511
896	CROWN VIC	35,000	10-511
884	2009 IMPALA	36,000	10-515
887	2010 CHEVY IMPALA	36,000	10-515
818	2002 BRUSH TRUCK	60,000	10-530
831	2008 CHEVY PICKUP	35,000	10-530
832	GMC	36,000	10-530
601	MOTOR GRADER	275,000	10-560
7	PICKUP TRUCK	40,000	10-580
93	2006 E250 VAN	28,000	10-640
94	DUMP TRUCK	70,000	10-640
95	PICK-UP TRUCK	30,000	10-640
96	DUMP TRUCK	70,000	10-640
97	VAN	35,000	10-640
938	Z MOWER	12,000	10-640
700	2006 CAT BACKHOE	100,000	60-730
713	PICKUP	35,000	60-730
714	SMALL PICKUP	25,000	60-730
508	2006 HARBEN JET TRAILER	40,000	60-740
	General Fund	<u>\$ 973,000</u>	
	Utility Fund	200,000	
	2017-2018 Total	<u><u>\$ 1,173,000</u></u>	

**BUDGET YEAR 2018-2019**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
874	SUV	\$ 36,000	10-511
877	2013 CROWN VIC	35,000	10-511
878	2013 DURANGO	35,000	10-511
897	TAURUS	35,000	10-511
898	TAURUS	35,000	10-511
879	2013 DURANGO	35,000	10-515
8903	VEHICLE	35,000	10-515
8913	VEHICLE	35,000	10-515
810	TAHOE	36,000	10-530
831	PICKUP TRUCK	35,000	10-530
610	2007 ROLLER TRAILER	8,000	10-560
611	2007 CAT ROLLER	60,000	10-560
11	2005 FORD F-250 PICKUP	35,000	10-565
40	WINDSTAR VAN	30,000	10-620
9	FORD PICKUP	35,000	10-640
903	WOOD CHIPPER	35,000	10-640
927	2007 REEL MOWER	30,000	10-640
930	2008 VENTRAC	35,000	10-640
940	Z MOWER	12,000	10-640
941	Z MOWER	12,000	10-640
945	Z MOWER	12,000	10-640
64	DUMP TRUCK	70,000	60-730
65	DUMP TRUCK	70,000	60-740
510	2007 CAMERA TRAILER	70,000	60-740
	General Fund	<u>\$ 656,000</u>	
	Utility Fund	<u>210,000</u>	
	2018-2019 Total	<u><u>\$ 866,000</u></u>	

**BUDGET YEAR 2019-2020**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
880	2014 CROWN VIC	\$ 35,000	10-511
881	2014 CROWN VIC	35,000	10-511
882	2014 CROWN VIC	35,000	10-511
883	2014 CROWN VIC	35,000	10-511
884	2014 CHEVY IMPALA	35,000	10-515
895	INTERCEPTOR	35,000	10-515
8201	4X4 SUV	36,000	10-530
13	2008 F-250 PICKUP	35,000	10-565
931	2008 J.D. GATOR	10,000	10-640
980	2008 F-150 PICKUP	28,000	10-640
981	2008 F-150 PICKUP	28,000	10-640
79	2008 F-450 SERVICE TRUCK	60,000	60-730
710	2008 SMALL PICKUP	25,000	60-730
711	2008 SMALL PICKUP	25,000	60-730
516	2008 WACKER GENERATOR	30,000	60-740
517	2008 WACKER GENERATOR	30,000	60-740
518	2008 PIONEER SEWER PUMP	30,000	60-740
	General Fund	<u>\$ 347,000</u>	
	Utility Fund	<u>200,000</u>	
	2019-2020 Total	<u><u>\$ 547,000</u></u>	

**BUDGET YEAR 2020-2021**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
886	2015 POLICE VEHICLE	\$ 35,000	10-511
888	2015 POLICE VEHICLE	35,000	10-511
887	2015 CHEVY IMPALA	35,000	10-515
8902	EXCURSION	40,000	10-515
66	2009 CHEVY PICKUP	35,000	10-560
67	2009 CHEVY PICKUP	30,000	10-560
43	2009 E350 VAN	42,000	10-620
932	2009 KUBOTA BACKHOE	70,000	10-640
933	2009 KUBOTA TRACTOR	50,000	10-640
52	JET RODDER	300,000	60-740
59	2009 JET RODDER	300,000	60-740
520	2009 F250 PICKUP	30,000	60-740
	General Fund	\$ 372,000	
	Utility Fund	630,000	
	2020-2021 Total	<u>\$ 1,002,000</u>	

**BUDGET YEAR 2021-2022**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
871	2016 CROWN VIC	\$ 35,000	10-511
612	2010 INT. FLATBED	70,000	10-560
613	2010 INT. DUMP TRUCK	70,000	10-560
614	2010 INT. DUMP TRUCK	70,000	10-560
	General Fund	\$ 245,000	
	Utility Fund	-	
	2021-2022 Total	<u>\$ 245,000</u>	

**BUDGET YEAR 2022-2023**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
17	PICKUP – SMALL	\$ 25,000	10-540
18	PICKUP – SMALL	25,000	10-540
616	BACKHOE	100,000	10-560
986	PICKUP	30,000	10-640
983	PICKUP	30,000	10-640
985	PICKUP	30,000	10-640
984	MOBILE LIFT	70,000	10-640
55	SERVICE TRUCK	65,000	60-740
522	BACKHOE	100,000	60-740
	General Fund	\$ 310,000	
	Utility Fund	165,000	
	2022-2023 Total	<u>\$ 475,000</u>	

**BUDGET YEAR 2023-2024**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
62	FLAT BED DUMPTRUCK	\$ 65,000	10-560
619	STREET SWEEPER	250,000	10-560
44	PASSENGER VAN	60,000	10-620
987	PICKUP TRUCK	30,000	10-640
706	TRACK SKID STEER LOADER	70,000	60-730
	General Fund	<u>\$ 405,000</u>	
	Utility Fund	<u>70,000</u>	
	2023-2024 Total	<u><u>\$ 475,000</u></u>	

**BUDGET YEAR 2024-2025**

<b>Equip #</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Dept. Code</b>
68	FLAT BED DUMPTRUCK	\$ 35,000	10-560
45	STREET SWEEPER	60,000	10-620
946	PASSENGER VAN	13,000	10-640
53	PICKUP TRUCK	70,000	60-740
	General Fund	<u>\$ 108,000</u>	
	Utility Fund	<u>70,000</u>	
	2024-2025 Total	<u><u>\$ 178,000</u></u>	

## BUDGET GLOSSARY

**Ad Valorem Taxes** – Revenue accounts showing taxes paid on real property, personal property to include property of public service companies allocated by the Ad Valorem Tax Division of the State Department of Revenue.

**Appropriation** – A legal authorization granted by the Town Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinance.

**Assessed Valuation** – A value established for real and personal property for use as a basis for levying property taxes.

**Budget** – A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Upon approval by the Town Council, the budget ordinance becomes the legal bases for expenditures in the budget year.

**Budget Amendment** – A legal procedure utilized by the Town staff and Town Council to revise a budget appropriation.

**Budget Calendar** – The schedule of key dates which the Town's departments follow in the preparation, adoption and administration of the budget.

**Budget Document** – The official written statement prepared by the Town staff reflecting the decisions made by the Town Council in their budget deliberations.

**Budget Message** – A general discussion of the budget that provides the citizens and the public with a summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the Town Manager.

**Budget Ordinance** – The official enactment by the Town Council to establish legal authority for Town officials to obligate and expend resources.

**Capital Outlay** – Vehicles, equipment, improvements, and furniture purchased by the Town which individually amount to an expenditure of \$10,000 or more, and which have an expected life of greater than one year.

**Capital Project Fund** – A fund used to account for the acquisition and construction of major capital facilities and infrastructure.

**Department** – An organizational unit responsible for carrying out a major governmental function.

**Employee Benefits** – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government’s share of costs for social security, and the various pension, and medical insurance plans.

**Enterprise Fund** – A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. The enterprise fund for the Town is the water and sewer fund.

**Expenditure** – A term used to refer to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds.

**Fiscal Year** – A twelve-month time period designating the beginning and ending period for recording financial transactions. The Town’s fiscal year begins July 1<sup>st</sup> and ends June 30<sup>th</sup>.

**Function** – A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal or accomplishing a major service.

**Fund** – An accounting entity that has a set of self balancing accounts and that records all financial transactions for specific activities or government functions.

**Fund Balance** – Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made. North Carolina statute declares that a portion of fund balance is not available for appropriation.

**General Fund** – The largest fund within the Town, the general fund is the general operating fund and is used to account for all financial resources except those required to be accounted for in another fund.

**Grants** – Contributions or gifts of cash or other assets from another government to be used or expended for a specified purpose, activity, or facility.

**Installment Financing** – A legally binding installment contract that conveys the right to property, equipment and construction, for a stated period of time that allows the Town to spread the cost over several budget years.

**Levy** – To impose taxes, special assessments, or service charges for the support of Town activities.

**Local Government Budget and Fiscal Control Act** – This act governs all financial activities of local governments within the State of North Carolina.

**Local Government Commission** – An agency in the NC State Treasurer’s Office which oversees local government bonded debt and assists cities and counties in all areas of fiscal management.

**Modified Accrual Accounting** –The basis of budgeting and accounting where revenues are recorded when collectable within the current period or soon thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the related liability is incurred.

**Operating Expenditures** - The cost for materials, services and equipment required for a daily operations of a department or function.

**Performance Measures** – Descriptions of a program’s effectiveness or efficiency and how a government’s services fill the needs of its citizens.

**Program** – An organized set of related work activities which are directed toward accomplishing a common goal. Each Town department is usually responsible for a number of related service programs.

**Reserve** – The apportion of fund balance earmarked to indicate that it is not available for expenditures or that it is legally segregated for a specific future use.

**Retained Earnings** – An equity account reflecting the accumulated earnings of an enterprise fund.

**Revaluation** – Assignment of value to properties, buildings, vehicles and equipment by the Moore County Tax Assessor’s Office; under State law, all property must be revalued no less frequently than once every eight years. Moore County has begun to revalue on a four year basis.

**Revenue** – Income received from various sources used to finance government services.

**Special Revenue Fund** – A special revenue fund is used to account for resources that are subject to legal spending restrictions. They are created when a resolution, statute or ordinance requires that special revenue sources are used to finance a particular activity such as certain grant funding.

**Transfers** – Amounts transferred from one fund to another intended for a specific purpose.

Town of

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Southern Pines