



VILLAGE of WHISPERING PINES

MANAGER'S REPORT - MONTHLY

March 13, 2019

- Upcoming Events
 - ShamRock N Roll Road Race, Saturday, March 16
 - Easter Egg Hunt, Saturday, April 6, 10:00 a.m. – noon
 - Good Friday, Friday, April 19 – HOLIDAY (Village Hall Closed)
 - Spring Concert, Saturday, June 15
- Spring Valley Dam Spillway/Fire Station Renovation Projects
 - The procurement timeline for both projects is listed below.
 - February 28 Application submitted to LGC
 - Loan application to LGC submitted and receipt acknowledged.
 - March 13 (Council metg.) Public Hearing for Financing
 - March LGC application process
 - April 2 (Raleigh) LGC meeting
 - April 10 (Council mtg.) Council considers contracts/financing
 - April 12 Finance closing/Award contracts
 - Cindy has been with facilitating communications between the Village Attorney & First Bank regarding the required documentation for our LGC application.
 - Cindy & I conducted a conference call with the Village Attorney and our First Bank point of contact to express our frustration with the disconnect between the attorney's reviewing the draft contracts and documents. Both parties assured us they would take action to streamline the flow of communication. By the end of last week, communications and progress improved dramatically.
 - Upon receipt of our application, the LGC notified Cindy of the need to change the payment terms to level principal payments. I have attached a memo that provides further information.
- Carolina Water Service (CWS)
 - Southern Pines (SP) Water System Acquisition – NO CHANGE



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- The SP Town Manager is exploring the concept with the objective of identifying a cost proposal for CWS to consider.
- Pine Ridge Drive Water Main
 - The three (3) driveways to be sealed will be completed in late March/early April, when the weather is consistently warmer.
 - The Project Engineer has determined that the silt fence can be removed. Public Works staff completed the removal of the silt fence.
- Fire Hydrant Replacement at 45 Martin Drive
 - Fire hydrant replacement was completed on March 1.
- Annual Water System Flushing – NO CHANGE
 - April 8 through 19, between 9am – 4pm
 - Village notice via Newsletter, website & Facebook
 - The Fire Rescue Department will collaborate with CWS to flow test fire hydrants, including all of the new hydrants installed on Pine Ridge Drive. This data will be important for use during our ISO Fire Protection Classification Rating Inspection, which will be completed later this year.
- Old tank & pump house at the corner of Pine Ridge Drive & Short Road is in the progress of being removed. Waiting on Duke Energy to disconnect the service line to the building.
- Storm Water Management
 - Land Acquisition
 - Property #1 (9 Dogwood Place) – The Seller notified me that he was prepared to accept the Village's last offer, which the Council agreed by consensus to accept during closed session last Tuesday.
 - I notified the Village Attorney of the same and he is preparing a Purchase Agreement with the agreed upon terms. Upon receipt of the signed Purchase Agreement from the Seller, the



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Agreement will be presented to Council for consideration, which would authorize me to execute the purchase of the property.

- Property #2 – The property owner advised on February 11 that he is contemplating the offer from the Village and requests a little more time to consider the offer. I intend to follow-up with him before our next Council meeting in March. – NO CHANGE
- Property #3 – The Mayor Pro Tem briefed the Council on his last interaction with the Seller during the closed session last Tuesday.
- Property #4 – Village Attorney awaiting a response from the owner's attorney to see if they are inclined to identify an asking price for the property. – NO CHANGE
- Spearhead Drive Retention Ponds
 - Based on Council's direction during the work session on March 5, BobK is developing a plan to implement the recommendations from the Village Engineer.
 - Deepen pond on right (large pond) (4' deeper)
 - Add pond on Village triangle (6-7' deep) (Spearhead & Hardee)
- Fire Rescue Department
 - Semi-annual Change Your Clock – Change Your Battery campaign will be conducted on Saturday, March 9. Areas to be targeted include, Martin Way, Robins Roost, and Martin Way.
- Public Works (PW)
 - Began efforts to beautify the Village in anticipation of the ShamRock N' Roll Road Race on March 16.
- Village Events
 - Next meeting will be on Thursday, March 28, at 1pm
- Lakeview Drive Bridge



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- Budget Amendment #1 is an agenda item for consideration, which if approved, will authorize the Village Engineer to proceed with the design, engineering, and permitting necessary to move the project forward.
- Recycling
 - Village staff has begun the process of notifying residents that glass will no longer be accepted as part of the recycling, effective April 1. In addition to a postcard to all residents, we will utilize our e-notifications system, robocall, website, Facebook, and share with The Pitch.
- 74 Pine Lake Drive
 - Work is ongoing and appears to be headed in a positive direction.
 - Linda will continue to monitor and ensure progress is being made and will take appropriate action if needed. I do not intend to report on this issue any further unless something gets off track.
- Administrative/Personnel Matters
 - Vacant Council Seat
 - Alexa Roberts (new Council person) has been provided an official Village email address (aroberts@whisperingpinesnc.net) and copies of various Village documents. We will add her to the Council page on the website after her official swearing-in on Wednesday.
 - Budget Transfer #1 for FY2018-19 (attached)
 - In my weekly report on January 18, I notified Council of the unanticipated and unbudgeted repairs for Engine 511, which totaled \$7,455, and included:
 - Replaced engine wiring harness (shorted)
 - Cylinder head, oil pan, and front cover gaskets & leaks
 - Diesel exhaust fluid leak
 - The additional funds for the Activities Committee is a result of:
 - The band for the Fall concert was a higher tier band (\$\$)
 - Purchase of an Easter Bunny costume



VILLAGE of WHISPERING PINES

MANAGER'S REPORT - MONTHLY

- Candy cost for Easter Egg Hunt due to higher attendance
- Village Boards (vacancies)
 - Planning & Zoning Board
 - Alternate ETJ Member
 - Board of Adjustment
 - Alternate ETJ Member



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This is being provided for informational purposes only. No Council action required.

Village of Whispering Pines Whispering Pines, NC Budget Transfer #1 for FY 2018-2019

Section 1. To amend the General Fund, the budget is to be changed as follows:

		<u>Debit</u>	<u>Credit</u>
10-320-5950	R&M: Vehicle Maintenance	\$ 7,460	
10-220-5050	Activities Committee	\$ 1,000	
10-410-7407	Capital Outlay >\$5K Fire/ Village Hall Building		\$ 8,460
		<u>\$ 8,460</u>	<u>\$ 8,460</u>

Section 2. This transfer will move available funds to the Fire department and Administrative department, respectively, for unexpected expenditures incurred for fiscal year ending June 30, 2019. The unexpected expenditures include: repairs to fire engine 511 and the cost of activities hosted by the Village. It does not change the overall total of the General Fund Budget.

Transferred by Rich Lambdin, Village Manager, per authority of adopted budget ordinance for FY 2018-2019.

February 26, 2019



MEMORANDUM

March 13, 2019

To: Village Council

From: Rich Lambdin, Village Manager *Rich Lambdin*

Ref: Spring Valley Spillway Rehabilitation/Fire Station Renovation

This memo serves as information only regarding our financing application to the Local Government Commission (LGC) for the Spring Valley Spillway Rehabilitation and the Fire Station Renovation.

Soon after receipt of our application, the LGC notified us that they require level principal payments in lieu of level annual payments. Cindy immediately notified First Bank who provided a revised amortization schedule (attached). As a result of this requirement, there are two changes that I want to share that are different from what was originally presented.

First, based upon terms of the loan, our interest paid over the 15-year life of the loan will decrease from \$700,616 to \$471,500. Those figures assume we borrow the entire \$2,500,000 and we do not pay down the loan early. Obviously, that is a huge savings in interest of \$229,116.

Second, the change in payment type will result in our annual payment exceeding what was originally presented (\$213,374) the first five years, then will be less than that amount for the remaining 10 years. I have attached an updated Capital Reserve Major Repair Fund Cash Flow Projection based on this updated methodology. We now project a capital reserve balance of \$809,815 at the end of FY2023, which is approximately \$100,000 less than originally projected. However, beginning with the 6th year of the loan, our annual payment will be less than the original payment amount.

Once again, this memo is intended as information only at this point in the application process.

Attachments

FIRSTBANK

3/1/2019

Customer: Village of Whispering Pines
Loan Amount: \$ 2,500,000
Interest Rate: 3.26%
No. of Payments: 15

Amortization Schedule				
	Payment	Principal	Interest	Balance
				\$ 2,500,000.00
April 2, 2020	\$ 248,166.67	\$ 166,666.67	\$ 81,500.00	\$ 2,333,333.33
April 2, 2021	\$ 227,333.34	\$ 166,666.67	\$ 60,666.67	\$ 2,166,666.66
April 2, 2022	\$ 223,000.00	\$ 166,666.67	\$ 56,333.33	\$ 1,999,999.99
April 2, 2023	\$ 218,666.67	\$ 166,666.67	\$ 52,000.00	\$ 1,833,333.32
April 2, 2024	\$ 214,333.34	\$ 166,666.67	\$ 47,666.67	\$ 1,666,666.65
April 2, 2025	\$ 210,000.00	\$ 166,666.67	\$ 43,333.33	\$ 1,499,999.98
April 2, 2026	\$ 205,666.67	\$ 166,666.67	\$ 39,000.00	\$ 1,333,333.31
April 2, 2027	\$ 201,333.34	\$ 166,666.67	\$ 34,666.67	\$ 1,166,666.64
April 2, 2028	\$ 197,000.00	\$ 166,666.67	\$ 30,333.33	\$ 999,999.97
April 2, 2029	\$ 192,666.67	\$ 166,666.67	\$ 26,000.00	\$ 833,333.30
April 2, 2030	\$ 188,333.34	\$ 166,666.67	\$ 21,666.67	\$ 666,666.63
April 2, 2031	\$ 184,000.00	\$ 166,666.67	\$ 17,333.33	\$ 499,999.96
April 2, 2032	\$ 179,666.67	\$ 166,666.67	\$ 13,000.00	\$ 333,333.29
April 2, 2033	\$ 175,333.34	\$ 166,666.67	\$ 8,666.67	\$ 166,666.62
April 2, 2034	\$ 171,000.00	\$ 166,666.67	\$ 4,333.33	\$ (0.05)
Totals	\$ 3,036,500.04	\$ 2,500,000.05	\$ 471,500.00	

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Capital Reserve Major Repair Fund Capital Improvement Program

Revenue Source	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
Capital Reserve Account	250,000	20,000	0	250,000	0
Financing Proceeds	2,500,000				
Total Revenues	2,750,000	20,000	0	250,000	0
Expenditures	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
Lakeview Drive Bridge Project	250,000				
Spring Valley Dam Spillway	1,500,000				
Fire Station/Fitness Center	1,000,000				
Fly Rod Dam Spillway		20,000		250,000	
Total Expenditures	2,750,000	20,000	0	250,000	0

Capital Reserve Major Repair Fund Cash Flow Projection

Capital Reserve Balance 7/1/18	\$917,711
FY2018-19 Revenue To-Date	\$249,565
FY2018-19 Projected Revenue	\$11,025
Lakeview Drive Bridge Project	<u>(\$250,000)</u>
Projected Total Balance 6/30/19	\$928,301
FY 2019-20 Projected Tax Revenue*	\$263,196
Spring Valley/Fire Station Debt Service	<u>(\$248,167)</u>
Flyrod Spillway Design	<u>(\$20,000)</u>
Balance 6/30/20	\$923,330
FY 2020-21 Projected Tax Revenue*	\$265,828
Spring Valley/Fire Station Debt Service	<u>(\$227,333)</u>
Balance 6/30/21	\$961,825
FY 2021-22 Projected Tax Revenue*	\$268,486
Spring Valley/Fire Station Debt Service	<u>(\$223,000)</u>
Flyrod Spillway Project	<u>(\$250,000)</u>
Balance 6/30/22	\$757,311
FY 2022-23 Projected Tax Revenue*	\$271,171
Spring Valley/Fire Station Debt Service	<u>(\$218,667)</u>
Project To Be Determined	<u>\$0</u>
Balance 6/30/23	<u>\$809,815</u>

15-year
term

* Projected Tax Revenue assumes a minimum of a 1% increase in revenue.