

Fleming Loop Recreational Park

Proposal for Major Facilities Capital Funding



Fleming Loop Park
Masterplan Update



Submitted by the Town of Fuquay-Varina

June 15, 2016

Fleming Loop Recreational Park – Major Facilities Capital Funding Proposal

Town of Fuquay-Varina

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Fleming Loop Recreational Park – Major Facilities Capital Funding Proposal

Town of Fuquay-Varina

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Ms. Denise Foreman, Assistant to the County Manager

Wake County Managers Office

301 South McDowell Street

Raleigh, NC 27601

Re: Fleming Loop Recreational Park Proposal for Major Facilities Capital Project Funding

Dear Ms. Foreman,

Attached please find our proposal for \$500,000 from the Wake County Occupancy and Prepared Food and Beverage Taxes, in support of the \$2.7 million development of Fleming Loop Recreational Park in Fuquay-Varina that will provide substantial recreational and economic benefits to the Town, Southern Wake County, and Wake County as a whole.

The proposed 36 acre multisport complex will be owned and operated by the Town of Fuquay-Varina, with no operational budget impacts on Wake County. The project is anticipated to attract thousands of overnight and daytime visitors to Wake County for soccer and other athletic tournaments, serve as the long term host site for the Freedom Balloon Festival (drawing over 85,000 attendees per year), in addition to the thousands of participants in the Town's own youth and adult athletics programs on a weekly basis.

Development of Fleming Loop Park will allow for increased field usage and allow the Park to host several regional showcase soccer tournaments through a partnership with the Capital Area Soccer League, thanks to the planned addition of 7 lighted full-sized soccer/multisport fields, permanent concession and restroom facilities, an expanded and paved parking area with curb and gutter, an extensive walking trail network, and a playground and picnic area. The Town has previously secured a commitment of \$500,000 from CASL, has applied for an additional \$500,000 from the North Carolina Parks and Recreation Trust Fund (PARTF) grant program, and is prepared to commit more than \$1 million in Town funding. The award of \$500,000 in Wake County Major Facilities Capital Funding will allow for the Town to move forward with this important project, and serve as a venue proud to host many thousands of visitors traveling to Wake County to attend tournaments and large festivals for many decades to come.

I appreciate the opportunity to share this proposal for your review.

Sincerely,

Adam Mitchell

Town Manager

1.0 Executive Summary

Located at 301 Fleming Loop Road in Fuquay-Varina, Fleming Loop Park is a 36-acre undeveloped park that is used primarily as a sports facility. The park routinely provides space for practices and games for youth football, flag football, soccer, and adult flag football. Prior to 2012, the Town of Fuquay-Varina contracted with a private organization to provide youth sports programs; since 2012, the Town has operated these programs itself with much success.

Bringing youth sports in-house brought to light the fact that the most recent park master plan, which centered on a signature baseball stadium with three fields, grandstand, and batting cages, was no longer aligned with the needs of the public. In response, the Town developed an updated master plan to better serve the strong—and growing—interest in soccer, football, and flag football while also providing opportunities for passive recreation.

Obtaining a Major Facilities Capital grant for \$500,000 of the total project cost of \$2.68 million will allow the Town to engineer, design, and construct the amenities outlined in the updated master plan. These amenities include (7) multi-purpose fields, a concession/restroom building, field lighting, playground, picnic shelters, walking trail, and an expanded, paved parking area with curbs and gutters. With these improvements, Fleming Loop Park will not only satisfy the current demands of park patrons but will also support expanded programming in the future.

Fleming Loop Park is the largest of the 18 park facilities maintained by the Town of Fuquay-Varina's Parks, Recreation & Cultural Resources Department (PRCRD). Because the park is largely undeveloped – the fields are designated with temporary markings and the entrance driveway and parking area are gravel – it offers a great opportunity for transformative investment.

There is no shortage of demand for the improvements described in the park's master plan. A survey designed and administered by the PRCRD in conjunction with the Parks, Recreation & Cultural Resources Advisory Board, Public Information Office, Recreation Resource Service (RRS), and Town Administration revealed significant demographic and recreational program participation changes. In 2000, the Town had only 7,898 residents; by 2010, that number had risen to 17,937. At the time of the survey—only 4 years later—the population had increased to 23,655 residents. Between 2013 and 2015, participation in youth sports nearly doubled, from 2,759 to 4,078. With the population of Fuquay-Varina projected to increase another 10,000 people in the next five years, the Town can expect to see another 1,500 participants added to its programs by 2020. Based on this projected growth rate, additional space for soccer, flag football, and adult flag football is a pressing need for the Town.

The Town has already partnered with the Capital Area Soccer League (CASL) to make this project a reality. CASL is a non-profit organization of more than 20,000 players, coaches, officials, parents, volunteers, and supporters, making it the largest athletic club in North Carolina. Their mission is to provide positive and high-quality instructional and competitive youth soccer opportunities at all levels of play that enhance character, community, and the love of the game for a diverse membership of children ages 4–18 and their families across Wake County. CASL has signed a prepaid lease in the amount of \$500,000 to support the construction of the park improvements. CASL's contribution to the project, in terms of finance and leadership, demonstrates the strength of the reciprocal relationship between the Town and the athletic community at large.

The Town has also applied for a Parks and Recreation Trust Fund (PARTF) grant in the amount of \$500,000. While PARTF awards will not be announced until August, the Town has received very positive feedback on its application. Additionally, the Town is prepared to commit \$1.2 million in

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Town of Fuquay-Varina

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Town funding to complete this project. The \$500,000 being sought from the Wake County Occupancy and Prepared Food and Beverage Tax funding stream represents less than 19% of the total project cost, and will allow this facility to be a first-class host site for tournaments and festivals drawing visitors to Wake County. This is well below the 35% threshold, and leverages multiple public and private funding streams to complete this important project.

In addition to regularly programmed sporting and recreational activities, Fleming Loop Park in 2016 became the host site for the WRAL Freedom Balloon Fest, which was attended by about 85,000 visitors over the course of two days seeking to remember the country's fallen military service men and women and honor veterans (day three activities were cancelled and not attended due to inclement weather). Since the Town was successful in hosting this extremely popular event, it is anticipated this relationship will continue for many years into the future. Moreover, the investment in infrastructure, specifically on site electricity, water and sewer, paved parking areas, and improved pedestrian circulation will better position Fleming Loop Recreational Park as the long term home of the Freedom Balloon Festival. Similar festivals and other events may also be hosted at Fleming Loop Recreational Park in future years.



The primary contacts for this project are:

Mark Matthews, Assistant Town Manager
mmatthews@fuquay-varina.org, 919-552-1412
Jonathan Cox, Parks, Recreation, and Cultural Resources Director
jcox@fuquay-varina.org, 919-618-0042

2.0 Scope of Project

The Town of Fuquay-Varina has completed a funding plan for the development of the total estimated project cost of \$2.68 million. The Town recently updated the park master plan, and has programmed funding for design and engineering in the FY 2016-2017 operating budget. The budget of \$2.68 million will allow for site preparation, installation of 7 full sized multipurpose fields, paved parking areas for 320 cars, a more than one mile walking trail, restroom/concession/storage facilities, a playground, picnic shelter area, and stormwater improvements. A master plan of Fleming Loop Recreational Park may be found on the prior page.

Development of this site with improved fields, amenities, and lighting is also needed to accommodate the Town of Fuquay-Varina's rapidly growing Youth Athletics programs, particularly in soccer. The Town's population has grown from only 7,898 residents in 2000 to about 25,000 today, and Fuquay-Varina is currently the fastest growing town in North Carolina with a population of more than 5,000 (on a percentage basis). Youth sports participation has similarly grown in recent years (particularly in soccer) as illustrated in the table below:

Sport	Spring 2013	Fall 2013	Spring 2014	Fall 2014	Spring 2015	Fall 2015
Soccer	448	459	621	702	808	872
Flag Football	108	45	116	42	134	59
Football	NA	177	NA	113	NA	86
Adult Flag	90	NA	114	NA	150	NA
Baseball	182	177	258	200	259	249

Based on youth sports trends and the Town's growth forecasts, the need for additional field-hours through developing and lighting soccer fields is the Town's most pressing recreational need.

The Town currently has an adopted Parks, Recreation, and Cultural Resources Facility Master Plan which includes a significant amount of investment over the next five years. This investment is being funded primarily through recreation unit fees, which are assessed at \$1,000 per new single family lot. The Town is currently experiencing favorable trends in this revenue stream, over the course of the next 3-5 years the Town will require significant appropriation of these revenues of more than \$1 million for Fleming Loop Recreational Park, completion of the Park Depot Greenway Trail, needed facility investment and renovations at Council Gymnasium, Mineral Spring Park, and Carol Howard Johnson Environmental Education Park, and field lighting at Ballentine Elementary School Park.

Should the Town not receive funding of \$500,000 from Wake County, it is likely that this proposed project will need to be deferred or significantly reduced in scope. Given absence of existing infrastructure at the park, and that the bulk of project cost is associated with up front site development and infrastructure, it will be challenging to achieve this level of cost savings by deferring elements to future years.

Based on the rapid growth in the Town's youth sports participation, and most particularly the 25-35 percent growth per year growth in youth recreational soccer participation, the Town is rapidly

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running out of available field space to accommodate this program. Additionally, the lack of amenities is a barrier to hosting tournaments, providing other activities for families and non-participants, and providing an overall safe and inviting experience for participants. Rather than acquiring additional fields/land, the Town proposes gaining additional “field space” through developing the park, improving turf and drainage conditions, and netting additional field hours through field lighting. This will also allow the Town to offer more in the area of adult sports, another area of increasing demand in an active, fast growing community.

In addition to the practices and games offered through the Town and outside organizations, this project positions Fleming Loop Recreational Park to serve as an annual host site for CASL's annual tournament series four weekends in November and December, and provides the potential to host other weekend tournaments through the year. Some highlights on the current impact of the tournament (likely to grow in future years) are as follows, and Fuquay-Varina specific numbers are included in **Attachment 1** (estimated 13% of the overall number of visitors and impact):

- 1,360 boys and girls teams ages 15-19
- Teams from 35 different states and Canada
- 36,000 total visitors to the Wake County area
- 30,000 total room nights per year across more than 100 hotels
- The Greater Raleigh Sports Alliance ranks the CASL visitRaleigh.com National Soccer Series as “the largest youth sporting event ever held in the Triangle, in terms of the number of teams and economic impact.
- Generates approximately \$9 million in direct visitor spending

The Town will continue to track youth participation numbers and report visitor impact numbers from CASL on an annual basis, including to Wake County if provided this grant. It is very likely the Town will exceed this conservative projection, as the project positions the Town to host additional festivals, tournaments, and other events at Fleming Loop Recreational Park.

This project advances a number of Wake County Board of Commissioners Goals, particularly the following:

Community Health Objective 2: Support building a “culture of health” based on the Robert Wood Johnson Foundation model for healthy communities.

- Initiative 3: Continue to advance Wake County's Healthiest Capital County Initiative.
- Initiative 5: Identify, prioritize, and implement strategies and initiatives to address the needs and priorities identified in the most recent Wake County Community Health Needs Assessment.

Growth and Sustainability Objective 1: Implement a comprehensive approach for developing Wake County's open space, parks and greenways to address gaps, leverage opportunities and resources, and enhance collaboration with municipal partners.

People, Arts and Culture Objective 2: Develop parks, recreation, open space and greenway opportunities for Wake County residents and visitors.

- Initiative 3: Partner with municipalities to expand the greenway systems.

3.0 Project Budget and Funding Sources

County participation is essential to complete this project of regional significance. A financial plan is shown below:

EXPENDITURES

Category	Cost
Site Work (Grading/erosion control/stormwater facilities)	\$ 484,594
Paving (Curb and gutter, parking/driving areas, asphalt multiuse paths)	\$ 411,137
Playground, Restroom, Concession, and Storage structures	\$ 419,125
Multipurpose fields (grading, sod, irrigation, lighting)	\$1,084,205
Landscaping	\$ 36,700
Planning, Design, and Contingency	\$ 246,788
Total Cost	\$2,682,549

REVENUES

Funding Source	Cost	Funding Availability
Town Recreation Unit Fees	\$1,182,549	FY 2017-2018
Capital Area Soccer League (CASL) Facility Use Agreement	\$ 500,000	5 and 10 year term
NC Parks and Recreation Trust Fund (PARTF)	\$ 500,000	Project Reimbursements
Wake County Major Facilities Grant	\$ 500,000	Project Reimbursements
Total Cost	\$2,682,549	

As demonstrated in the table above, the Town is committed to leveraging Town, private, state and county grant funding streams to allow this project to move forward. The Town is flexible on the reimbursement grant timeline, but all funding commitments will need to be in place for this important project to move forward.

4.0 Project Timeline

The land that comprises Fleming Loop Recreational Park was purchased by the Town in 2009 to be developed as a youth sports venue. A projected timeframe for project development is as follows:

Project Phase	Dates
Fleming Loop Master Plan Update	January – April 2016
Secure Funding Sources and Execute Agreements	March 2015 – October 2016
Design/Engineering Services	July 2016 – June 2017
Site Development and Facility Construction	July 2017-June 2019

5.0 Project Operating Plan

The operating cost of the facility has been planned for the Town's 5 Year Plan. As this facility will not have its own operating budget, but will be one of the 21 facilities operated and maintained by the Town's Parks, Recreation, and Cultural Resources Department, operating expenses and revenues are included in that department's budget within the Town General Fund. As this facility is already programmed and maintained, the main increase in operating cost associated with developing Fleming Loop Park (other than the direct cost of recreational sports programming) will be the cost of lighting the facility, maintaining playgrounds, and operating and maintaining permanent restrooms. This expense will be mostly offset by additional registration revenue from recreational sports programs and field leases from outside organizations.

The entire budget document may be found at: <http://www.fuquay-varina.org/departments-and-services/finance-department/budget-information/>

The five year budget for Parks, Recreation, and Cultural Resources is as follows:

	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
Parks, Rec., & Cultural Resources	\$2,074,520	\$2,136,756	2,200,858	\$2,266,884	\$2,334,891

The Town is in a very strong financial position, as demonstrated by obtaining a AAA credit rating from Standard & Poor's and Aa from Moody's Investor Service. The Town's most recent bond rating opinions and Comprehensive Annual Financial Report may be viewed at: <http://www.fuquay-varina.org/departments-and-services/finance-department/financial-reports.html>

6.0 Estimates on Visitors and Return on Investment

Visitor estimates and direct return on investment are shown in **Attachment 1** based on the calculation criteria provided in the Wake County Major Facilities application materials. While **Attachment 1** shows visitor participation in year 1, the Town is confident that this level of visitor impact for year 1 will be constant and at a minimum achieve modest growth in subsequent years. This visitor estimate only reflects the impact of becoming a host site for CASL's four main tournament weekends, and does not reflect growth in the Town's own youth sports programs and the Freedom Balloon Festival that are likely to occur at this site. Additionally, the Town intends to court other tournaments and festivals at Fleming Loop Recreational Park after formalizing the host site relationship with CASL.

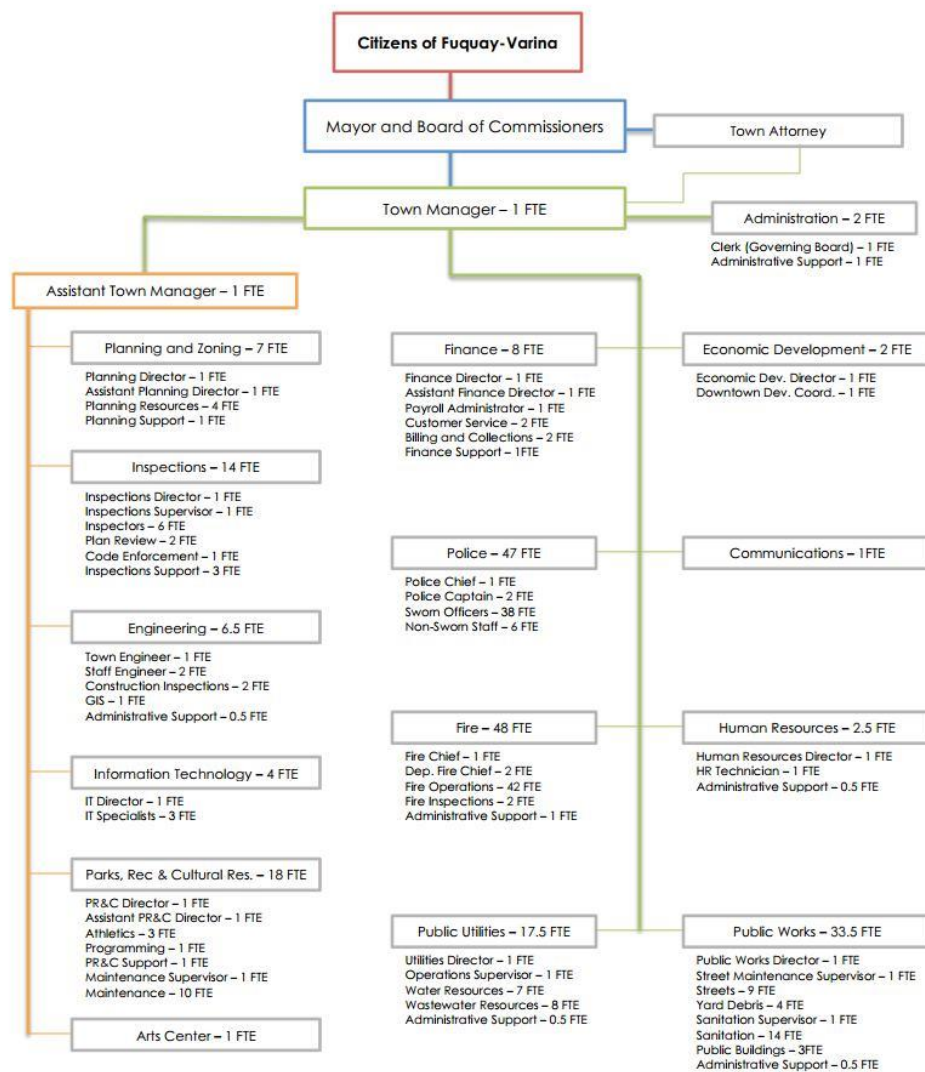
Some highlights on the current impact of the CASL showcase tournaments occurring annually in November and December are as follows, and Fuquay-Varina specific numbers are included in **Attachment 1** (estimated 13% of the overall number of visitors and impact):

- 1,360 boys and girls teams ages 15-19
- Teams from 35 different states and Canada
- 36,000 total visitors to the Wake County area
- 30,000 total room nights per year across more than 100 hotels
- The Greater Raleigh Sports Alliance ranks the CASL visitRaleigh.com National Soccer Series as "the largest youth sporting event ever held in the Triangle, in terms of the number of teams and economic impact.
- Generates approximately \$9 million in direct visitor spending

7.0 Organizational Information

The Town of Fuquay-Varina is a municipality, with operations overseen by Town Manager Adam Mitchell under the policy direction of a Mayor and 5 Commissioners elected at large. The board has recently indicated their support for this project through the adoption of the Fleming Loop Recreational Park Master Plan update in April 2016, submission of a PARTF application, and approval of funding to develop this project in the Town's 5 Year Plan. The Town has a Parks, Recreation, and Cultural Resources Facility Master Plan and has an extensive track record of investing in, developing, and operating parks and recreation facilities.

TOWN ORGANIZATION CHART



Total FTE Positions (FY 17): 214

ATTACHMENTS:

Attachment 1: Visitor Spending and Return on Investment Estimate

Attachment 2: Fleming Loop Recreational Park Master Plan

Attachment 3: FY 2015 Town of Fuquay-Varina CAFR: Management Discussion and Analysis

Visitor Estimates and Return on Investment

2018

Definitions:

Visitors -

- a. **Wake County resident** - visitor from within Wake County
- b. **Day Visitor** - visitor from within 50 mile radius of proposed project
- c. **Overnight Visitor** - Visitor from outside 50 mile radius of proposed project

Room Rate = \$95/per night

Meal Rate = \$50/per day

Visitor Estimates, Economic Impact and Taxes Collected

1. Estimated Wake County residential visitors (annual)= 500

Estimated Food and Beverage Spending and Taxes Collected

	Number of Visitors		Meal Rate		Meal Spending
2. Estimated Day Visitors (annual)=	<u>780</u>	X	\$50	=	<u>\$ 39,000</u>
3. Estimated Overnight Visitors (annual)=	<u>3,900</u>	X	\$50	=	<u>\$195,000</u>
4. Total Meal Spending =					<u>\$234,000</u>
					X 1% Food & Bev Tax= <u>\$2,340</u>

Estimated Food and Beverage Spending and Taxes Collected

	Number of Visitors		Room Rate		Room Spending
5 Estimated Overnight Rooms (annual) =	<u>3,900</u>	X	\$95	=	<u>\$370,500</u>
6. Total Room Spending =					<u>\$370,500</u>
					X 6% Occupancy tax= <u>\$22,230</u>

7. Return on Investment based on taxes collected (County funding/total taxes collected) = 20.35 (in years)

Visitor Estimates and Return on Investment

2018

Definitions:

Visitors -

- a. **Wake County resident** - visitor from within Wake County
- b. **Day Visitor** - visitor from within 50 mile radius of proposed project
- c. **Overnight Visitor** - Visitor from outside 50 mile radius of proposed project

Room Rate = \$95/per night

Meal Rate = \$50/per day

Visitor Estimates, Economic Impact and Taxes Collected

	Total	Town Programs	CASL Tournaments	Total
1. Estimated Wake County residential visitors (annual)=	<u>64,080</u>	<u>57600</u>	<u>6480</u>	<u>64080</u>

Estimated Food and Beverage Spending and Taxes Collected					
	Number of Visitors		Meal Rate		Meal Spending
2. Estimated Day Visitors (annual)=	<u>65700</u>	X	\$50	=	<u>\$3,285,000</u>
3. Estimated Overnight Visitors (annual)=	<u>24300</u>	X	\$50	=	<u>\$1,215,000</u>
4. Total Meal Spending		=	<u>\$4,500,000</u>	X 1% Food & Bev Tax=	<u>\$45,000</u>

Estimated Food and Beverage Spending and Taxes Collected					
	Number of Visitors		Room Rate		Room Spending
5. Estimated Overnight Rooms (a)	<u>24300</u>	X	\$95	=	<u>\$2,308,500</u>
6. Total Room Spending		=	<u>\$2,308,500</u>	X 6% Occupancy tax=	<u>\$138,510</u>

7. Return on Investment based on taxes collected (County funding/total taxes collected) = 4.77 (in years)

Visitor Estimates and Return on Investment

2023

Definitions:

Visitors -

- a. **Wake County resident** - visitor from within Wake County
- b. **Day Visitor** - visitor from within 50 mile radius of proposed project
- c. **Overnight Visitor** - Visitor from outside 50 mile radius of proposed project

Room Rate = \$95/per night

Meal Rate = \$50/per day

Visitor Estimates, Economic Impact and Taxes Collected

1. Estimated Wake County residential visitors (annual)= 77,890

Estimated Food and Beverage Spending and Taxes Collected					
	Number of Visitors		Meal Rate		Meal Spending
2. Estimated Day Visitors (annual)=	<u>79,859</u>	X	\$50	=	<u>\$3,992,938</u>
3. Estimated Overnight Visitors (annual)=	<u>29,537</u>	X	\$50	=	<u>\$1,476,840</u>
4. Total Meal Spending				=	<u>\$5,469,778</u>
					X 1% Food & Bev Tax=
					<u>\$54,698</u>

Estimated Food and Beverage Spending and Taxes Collected					
	Number of Visitors		Room Rate		Room Spending
5. Estimated Overnight Rooms (a)	<u>29,537</u>	X	\$95	=	<u>\$2,805,996</u>
6. Total Room Spending				=	<u>\$2,805,996</u>
					X 6% Occupancy tax=
					<u>\$168,360</u>

7. Return on Investment based on taxes collected (County funding/total taxes collected) = 3.92 (in years)

Visitor Estimates and Return on Investment

2028

Definitions:

Visitors -

- a. **Wake County resident** - visitor from within Wake County
- b. **Day Visitor** - visitor from within 50 mile radius of proposed project
- c. **Overnight Visitor** - Visitor from outside 50 mile radius of proposed project

Room Rate = \$95/per night

Meal Rate = \$50/per day

Visitor Estimates, Economic Impact and Taxes Collected

1. Estimated Wake County residential visitors (annual)= 94,675

Estimated Food and Beverage Spending and Taxes Collected					
	Number of Visitors		Meal Rate		Meal Spending
2. Estimated Day Visitors (annual)=	<u>94,675</u>	X	\$50	=	<u>\$4,733,767</u>
3. Estimated Overnight Visitors (annual)=	<u>35,902</u>	X	\$50	=	<u>\$1,795,108</u>
4. Total Meal Spending				=	<u>\$6,528,876</u>
				X 1% Food & Bev Tax=	<u>\$65,289</u>

Estimated Food and Beverage Spending and Taxes Collected					
	Number of Visitors		Room Rate		Room Spending
5. Estimated Overnight Rooms (annual)=	<u>35,902</u>	X	\$95	=	<u>\$3,410,706</u>
6. Total Room Spending				=	<u>\$3,410,706</u>
				X 6% Occupancy tax=	<u>\$204,642</u>

7. Return on Investment based on taxes collected (County funding/total taxes collected) = 3.24 (in years)



FLEMING LOOP MASTER PLAN

TOWN OF FUQUAY-VARINA, NC

April 2016

FLEMING LOOP MASTER PLAN

Adopted April 2016

Prepared for:
Town of Fuquay-Varina, NC



Prepared by:
WithersRavenel
115 MacKenan Drive,
Cary, NC 27511





ACKNOWLEDGMENTS

Town of Fuquay-Varina

STEERING COMMITTEE

Jonathan Cox – Parks & Recreation Director

Anthony DiMarzio – Assistant Parks & Recreation Director

Louise Dorton – Advisory Board

Virginia Duplessis – Advisory Board

Michelle Hankins – Advisory Board

Bryan Haynes – Advisory Board

Darian Walker – Advisory Board

WITHERSRAVENEL DESIGN TEAM

Kurt Pfeifer, PLA, ASLA

Shweta Nanekar, ASLA, LEED AP

Geoff LeClair



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INTRODUCTION / PLANNING PROCESS

Fleming Loop Park is an undeveloped park located at 301 Fleming Loop Road in Fuquay-Varina. The park covers 36 acres and has primarily been used as a sports facility to host youth football, flag football, soccer, and adult flag football practices and games.

In 2009, the Town of Fuquay-Varina contracted WithersRavenel to create a master plan for much-needed updates at the park. At the time the plan was formulated, youth sports programs were not directly offered by the Town; instead, the Town partnered with a private organization to provide this service. With the involvement of that organization, WithersRavenel drafted a park master plan that proposed the construction of a signature baseball stadium with a grandstand, three baseball fields, batting cages, storage building, a playground, four soccer fields, parking, and a walking trail.

In 2012, the Town ended its partnership with the private organization and began offering its own youth sports program. Combined with steady population growth, the expansion of recreational programming placed new stresses on the 18 facilities maintained by the Parks, Recreation & Cultural Resources Department (PRCRD). Increased usage of Fleming Loop Park in particular has made renovations essential for continued operations.

In 2014, recognizing the need to renovate existing parks and add new amenities to meet constituent recreation demands, the PRCRD adopted a Comprehensive System-wide Parks & Recreation Master Plan that included plans to begin construction at Fleming Loop in fiscal year 2016. Financing for this and other projects would be provided by recreation unit fees, a \$2 million park bond passed in 2006, potential community fundraising, a potential future bond referendum, and assorted grants. It quickly became apparent that, based on participation rates and projected facility needs, the proposed project must be expedited.

The proposed changes include the following:

- ▶ Addition of multi-use fields to accommodate diversity of sports
- ▶ Installing curb and gutters
- ▶ Expanding and paving the parking area
- ▶ Installing field lighting
- ▶ Constructing a concession/restroom building
- ▶ Creating a walking trail
- ▶ Adding playground and picnic facilities

FLEMING LOOP PARK
MASTER PLAN 2016

PRCRD STAFF
MEETING

REVIEW OF 2009
FLEMING LOOP
MASTER PLAN

PRELIMINARY
SITE INVENTORY
& ANALYSIS

PROGRAM
ANALYSIS

CONCEPTUAL
DESIGN OPTIONS

PRELIMINARY
PARK MASTER
PLAN
APPROVED

PRCRD
MEETING
REVIEW
CONCEPTS

PUBLIC MEETING/
STAKEHOLDERS
INPUT

ONE
REFINED
CONCEPT

FINAL
PARK MASTER
PLAN DOCUMENT

FUND RAISING
EFFORTS



Existing park conditions & entry signage



Existing play fields



Informal discussion by town staff at public meeting



Community feedback pertaining to programmatic elements



SITE INVENTORY AND ANALYSIS

1. Previous Planning Documents
2. History and Context
3. Existing Conditions
 - Topography and Soil Analysis
 - Existing Vegetation & Wildlife
 - Wetland Review
 - Floodplain/Floodway Regulations
 - Utilities Investigation

1. PREVIOUS PLANNING DOCUMENTS

To begin our site analysis, we reviewed the Town's Comprehensive System-wide Parks & Recreation Master Plan, which provides significant support for our project. Below is a summary of that document.

TOWN OF FUQUAY-VARINA COMPREHENSIVE SYSTEM-WIDE PARKS & RECREATION MASTER PLAN *- OCTOBER 2014*

The Town of Fuquay-Varina's Comprehensive System-wide Parks & Recreation Master Plan is an update to its 2009 Comprehensive System-wide Parks & Recreation Master Plan. Many of the projects proposed under the earlier plan were tabled due to economic constraints placed on the Town during the Great Recession. Despite the financial hardships of that period, recreation program offerings increased, participation rates rose, new special events were produced, and the Town added an in-house youth sports program to its array of services. Updating the master plan document allowed the Town to reevaluate its existing facilities and revise its understanding of the community's needs and desires with regards to recreation. Public Involvement section in this document describes in detail the outcomes of intensive public participation process that provided support for the programming of Fleming Loop Park Master Plan.

The Comprehensive System-wide Parks & Recreation Master Plan outlines a two-phased renovation project for Fleming Loop Park. Phase I consists of hiring an engineering firm to draw the plans to install storm water drains, a paved parking lot, and a restroom/concession facility; it is expected to be completed during fiscal year 2016 at a cost of \$75,000. Phase II will encompass the construction of these improvements; it is expected to be completed during fiscal year 2017 at a cost of \$2,682,549 (Page 31).

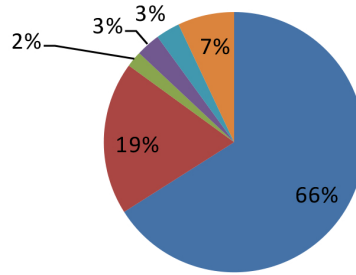
2. HISTORY AND CONTEXT

TOWN OF FUQUAY-VARINA

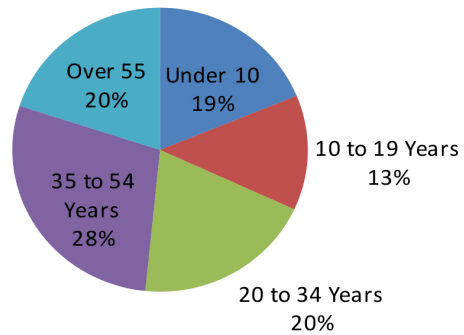
Originally known as "Piney Woods," Fuquay-Varina acquired her unusual name from two historical residents. Among the early land grant families were the Burts, Joneses, and Rowlands, but it was a French veteran of the Revolutionary War named William Fuquay who moved his family to the exact site, purchasing 1,000 acres of Jones Land in 1805.

2010 Population Demographics

■ White ■ African-American ■ Asian ■ Two or More ■ Other ■ Hispanic

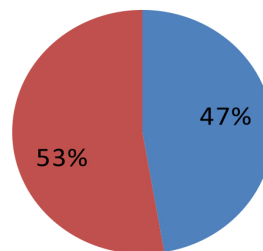


2010 Age Demographics



2010 Sex Demographics

■ Male ■ Female





Around 1858, while plowing the family tobacco field, William's great-grandson Stephen uncovered a mineral spring. Stephen came to believe that drinking from the spring offered healing benefits, and "taking the waters" of the spring soon became an attraction for people with all types of physical ailments, leading to annual celebrations around the spring on Easter Monday and the Fourth of July. Conveniently, early timber rail operations provided a ready means of transportation to the area, and hotels quickly cropped up to cater to long-term visitors. In 1860, Stephen sold the spring to a group of local investors to better market the attraction.

Around the same time, another resident, J.D. Ballentine, left his post as the Town's schoolmaster to join the Confederate Army in the Civil War. Writing morale-boosting letters to the troops was a popular pastime among Southern ladies, and Ballentine was the recipient of many such letters from a woman who signed with the pen name "Varina." When Ballentine returned home after the war, he looked up his faithful corespondent, who turned out to be a Fayetteville lady named Virginia Avery. Avery fell in love with Ballentine, and he eventually married her and brought her to live at his homestead; he continued to call her Varina throughout their lives. When he became the Town's first postmaster, he named his post office in her honor, and they later opened the Varina Mercantile Company general store together. When two timber rail lines crossed nearby, the junction adopted the name "Varina Station."

In 1902, the area settled by the Fuquay family was renamed Fuquay Springs in their honor. Fuquay Springs was officially incorporated in 1909, and it merged with the neighboring community of Varina in 1963 to become one municipality. Since that time, Fuquay-Varina has become one of the fastest growing small towns in North Carolina. The town with the hyphenated name and two historic districts has been able to successfully retain its small town charm while successfully adding modern amenities and rewarding business opportunities that have attracted residents from all over the United States.

SITE

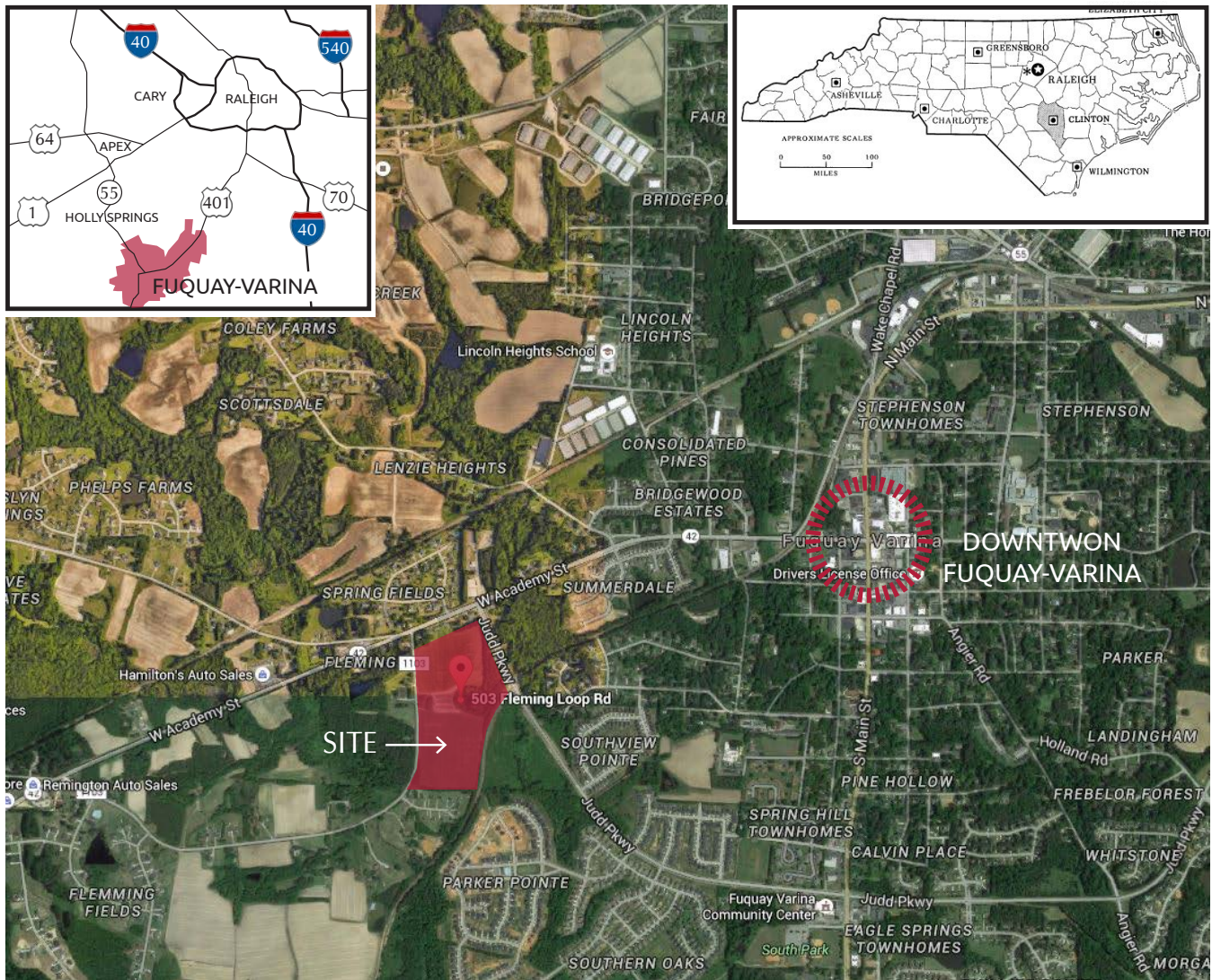
In addition to the picturesque twin downtown areas, connections to the agricultural community, and its proximity to the Research Triangle, the Town of Fuquay-Varina provides recreational amenities for its citizens to have fun and exercise. The hub of recreational activity centers around Fleming Loop Park—at 36 acres, it is the largest of the Town's 18 parks and recreation facilities. Located just about a mile from historic downtown area, the site is bordered by six single-family homes on both its north and south edges. To the west, two single-family homes and a vacant lot nestled among a wooded tract face the park across Fleming Loop Road. The southeast limit of the park is defined by abandoned CSX railroad tracks, across which is an undeveloped wooded land zoned as low-density residential area. The northeast corner of the park property is separated from the ball fields by Judd Parkway and is currently wooded. Primary access to the park is available via an unnamed, unpaved circular driveway that connects to Fleming Loop Road; visitors can park their vehicles in a grassy lot adjacent to the driveway.

According to Wake County Public Records, the Fleming Loop Park site was owned by the Fleming family (Della Fleming) from 1967 to 1996. The site was originally a soy bean farm. The Town leased the farm to provide a place for youth sports through a local volunteer organization in 1996 and purchased the land in 2009 for a future recreation facility.

SITE VICINITY MAP

503 Fleming Loop Rd,
Fuquay-Varina, NC

Latitude/Longitude: N 35° 34' 46" / W 78° 48' 54"



TOWN OF FUQUAY-VARINA, NC
FLEMING LOOP PARK



3. EXISTING CONDITIONS

Acquired by the Town of Fuquay-Varina in 2009, Fleming Loop Park encompasses 36 acres and provides enough multi-use field space to support 8–10 soccer or football fields. Due to its size and flexibility, the park hosts the majority of the Town’s soccer, football, and flag football practices and games for youths and adults. However, the absence of restrooms, concessions, and paved parking have discouraged larger events from taking place, and a lack of field and security lighting means that all events are confined to daylight hours. There are no current structures on site except the gravel driveway that curves around Fleming Loop Road.

TOPOGRAPHY AND SOIL ANALYSIS

WithersRavenel reviewed the topographic maps from the Wake County GIS System to examine the topography and drainage of the site. The topographic maps show that the project site is relatively flat with the few changes of elevation being in the (0–6 percent) range. The only significant grade change on site is located almost centrally to the site where the current woodlands, existing stormwater pond, and existing gravel lot align. Stormwater flows from west to east slope of the site as it relates to the change in grade down to the existing stormwater pond location.

According to the Soil Survey of Wake County (North Carolina Geographical Survey, 2012), the site contains a combination of mostly loamy sand soils, including Wagram Loamy Sand, 0–2 percent slopes; Wagram Loamy Sand, 0–6 percent slopes; Wagram Troup sand, 0–4 percent slopes; and Fine Sandy Loam in low area towards the northwest corner and closer to the pond. These well-drained soils form on uplands and stream terraces. This is characteristic of the area and is adequate for any development necessary on site.

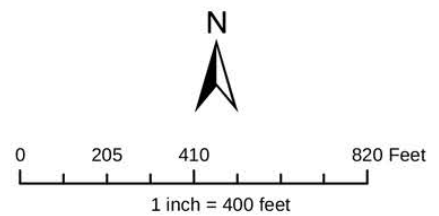
Because the majority of the site was disturbed and in use for recreation for at least the last seven years as a park, the park’s soils and topography are anticipated to support all proposed facilities and elements.

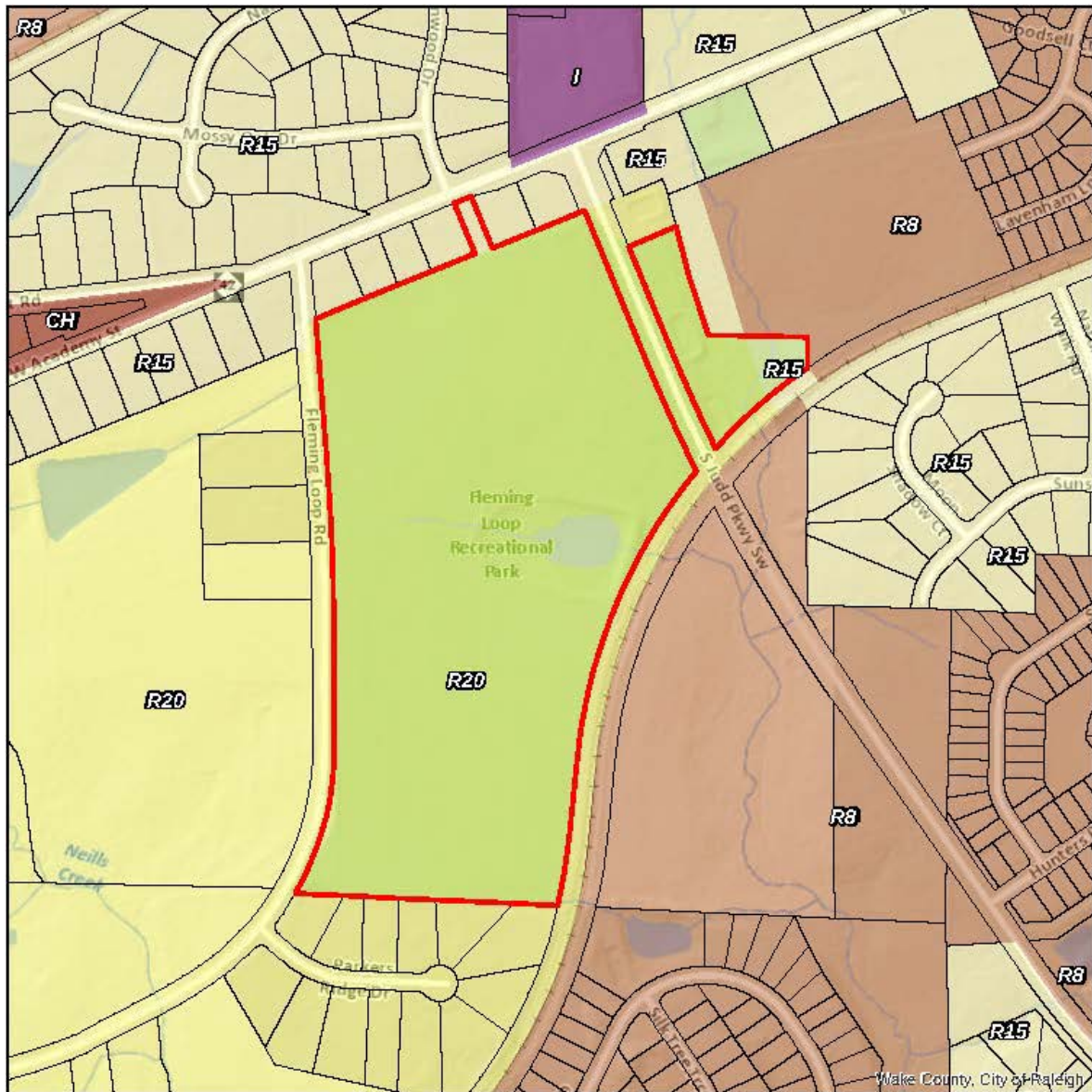
EXISTING VEGETATION & WILDLIFE

The site was used as agricultural fields prior to becoming a park, therefore most of the site was cleared for farming or has since been cleared for recreational use. The only significant trees on site are located in the eastern portion of the site closer to the stormwater pond and along the CSX Railroad buffer. Common tree species found in this area include native hardwood species such as birches, pines, pecans, oaks, and maples. Similarly, since the site has been under continuous use and ongoing disturbance through mowing, any wildlife found on site would be one of many typical urban and native birds such as robins, bluebirds, and sparrows; mammals like squirrels, raccoons, and rabbits, and insects such as ants, crickets, and spiders, are also typical of the region. No endangered or rare species of plants or animals are known to exist on site.



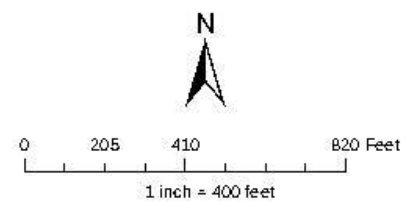
EXISTING CONDITIONS

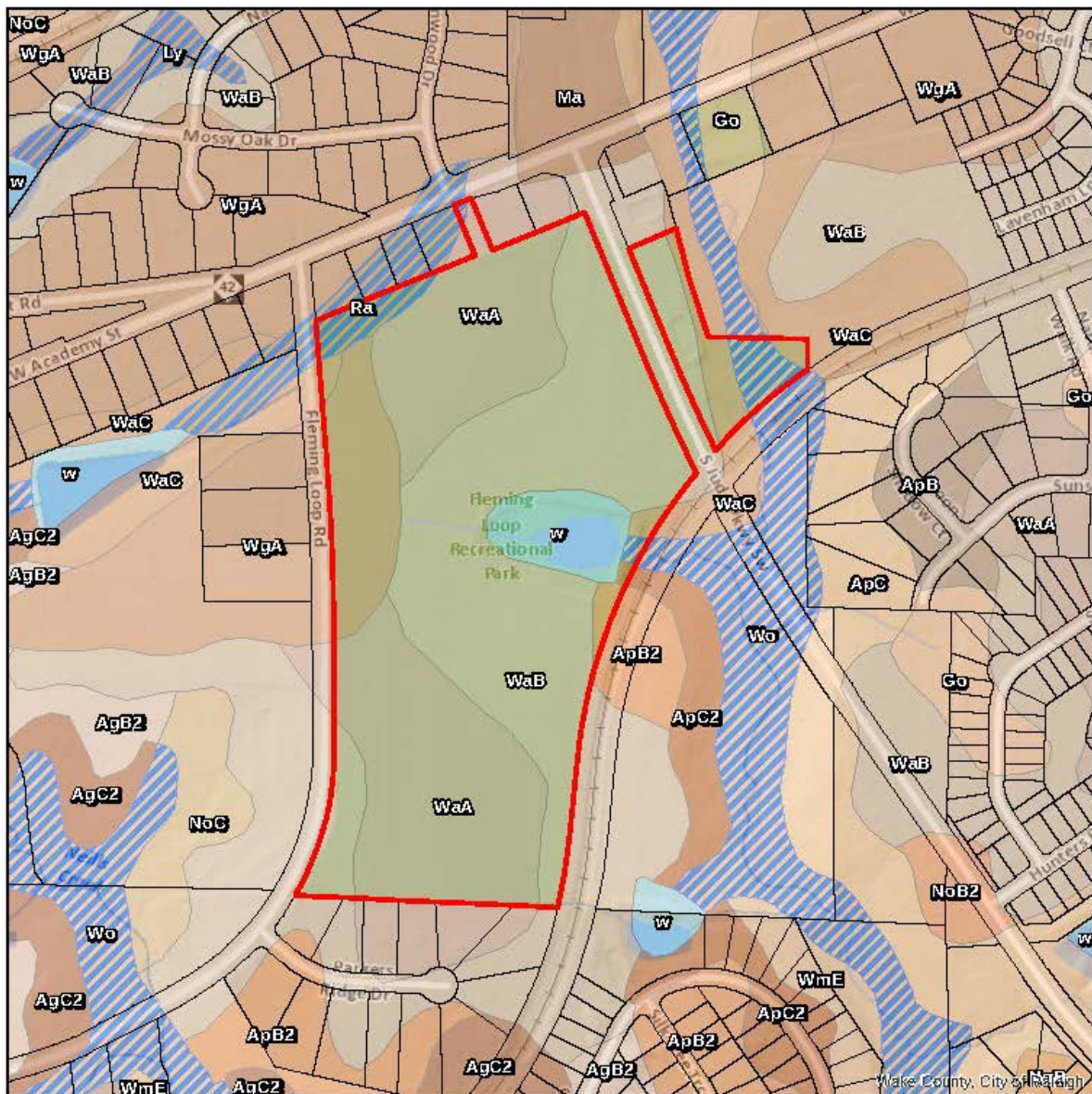




ZONING

R20 - RESIDENTIAL - AGRICULTURE
R15 - RESIDENTIAL - SINGLE FAMILY
R8 - RESIDENTIAL - MULTI-FAMILY
CH - HIGHWAY COMMERCIAL
I - INDUSTRIAL





SOIL ANALYSIS

Ra - Rains fine sandy loam

w - water

WaA - Wagram loamy sand, 0 to 2 percent slopes

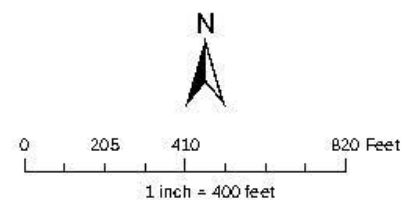
WaB - Wagram loamy sand, 2 to 6 percent slopes

WaC - Wagram loamy sand, 6 to 10 percent slopes

ApB2 - Appling sandy loam, 2 to 6 percent slopes

ApC2 - Appling sandy loam, 6 to 10 percent slopes, eroded

Wo - Wehadkee and Bibb soils



WETLAND AND FLOODPLAIN REVIEW

According to the Wake County GIS mapping information there are no designated wetlands or floodplains on the proposed project site. There is an existing stormwater pond located towards the east boundary of site. This pond sometimes dries up during dry periods of hot summer months. Based on topographic information from GIS, northern and western portion of the site drains into this pond. A small stream is located on the eastern portion of the site at the existing stormwater pond and connects to an unnamed tributary that eventually drains to Kenneth Creek in Cape Fear Watershed.

UTILITIES INVESTIGATION

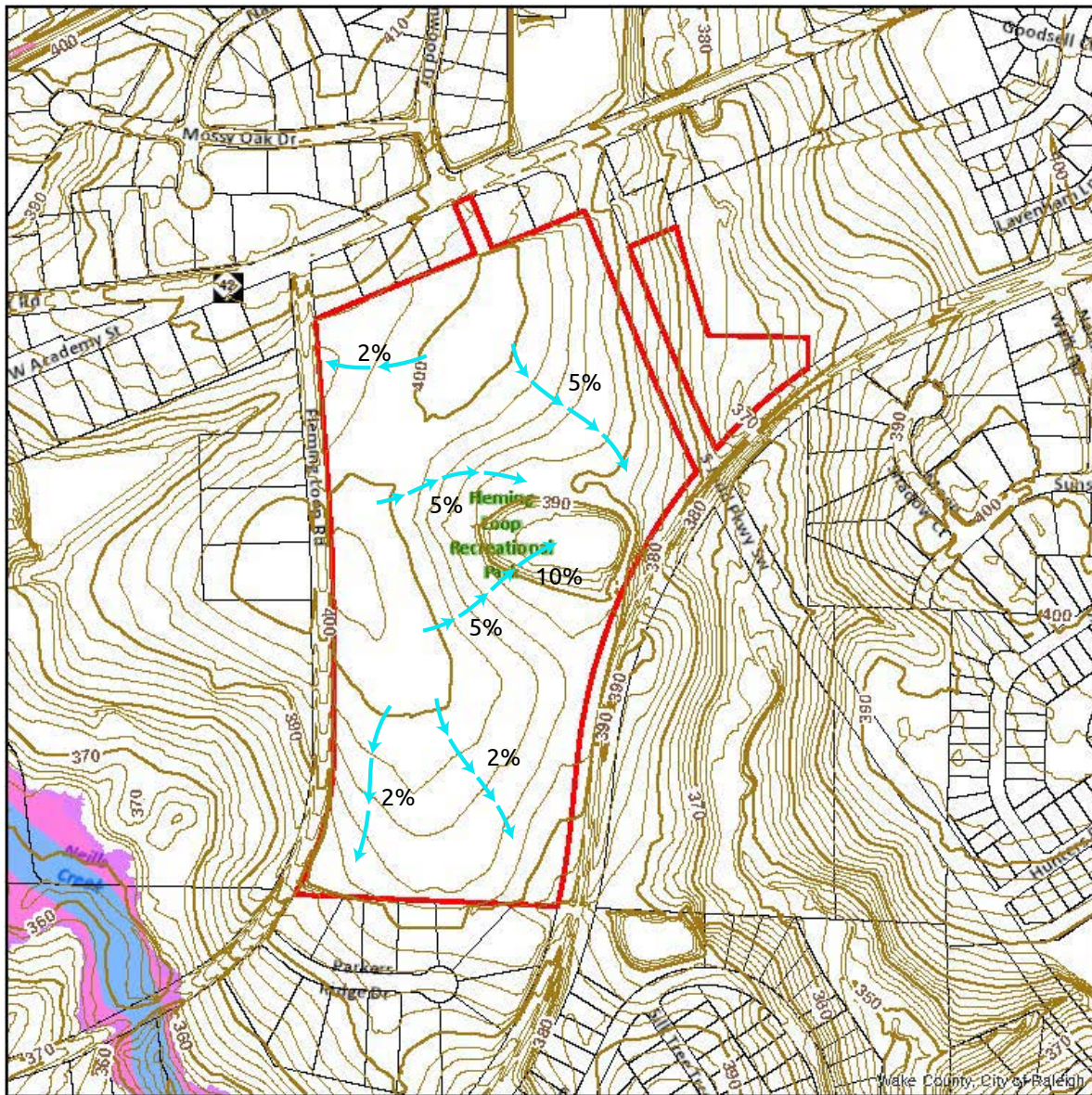
Based on the Wake County GIS data, there are no existing utilities or utility easements on site. Water, storm, and electrical lines run adjacent to the property along Fleming Loop Road and a gravity sewer line runs along West Academy Street. A connection to all of these utilities will need to be made in order to make the restrooms, shelters, and field lighting functional.

HISTORIC SITES INVENTORY

The North Carolina Division of Archives and History has no known information about any archaeological or historical sites of value and/or significance located in, or in proximity to, the project area that would be negatively impacted by the proposed site plan.

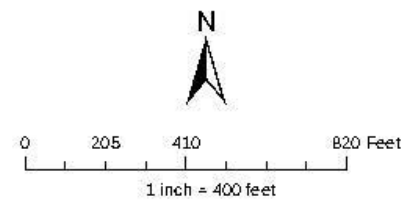
EXISTING SITE FEATURES

Presently, the site named as Fleming Loop Soccer Complex, caters to various Youth Sports. An existing sign marks the entrance coming from Fleming Loop Road. The one way gravel drive from main road curves around some large existing trees with parking located along the curve. There is no clear demarcation for designated parking area and the gravel lot has spread out as the site use has increased over the years. There is an existing removable restroom building located close to parking area. Sports fields are scattered throughout the rest of the park. In summary, there are no existing permanent structures on this site which gives the town flexibility for proposed program elements.



FLOODPLAIN & TOPOGRAPHY

- FLOODWAY
- 100-YR FLOOD
- 500-YR FLOOD
- WATER FLOW LINE







PUBLIC INVOLVEMENT

WithersRavenel had completed a master plan for Fleming Loop Park in 2009, just after the town had acquired the park property. At the time the park design was based on projections of future needs of the community. In 2014, the Comprehensive System-wide Parks & Recreation Master Plan for the town was updated to reflect most current needs and growing trends of the community, and started offering youth sports programs.

Based on participation rates from year 2013 to 2015, it is observed that the focus of sports groups has been shifted to soccer, flag football, and football instead of baseball, which is why the town decided to update the master plan to reflect current demands of the community.

The town staff hosted public input meeting on April 9th, 2016 to ensure the current recommendations proposed in the master plan were supported by the community and other stakeholders. The outcome of the public meetings is discussed in this section of the document.

1. 2014 FACILITIES MASTER PLAN UPDATE

The first step the Parks, Recreation & Cultural Resources Department (PRCRD) took to produce the Comprehensive System-wide Parks & Recreation Master Plan was to construct a survey to receive public input into park use and future facility desires. The survey was designed in-house and was reviewed by the Parks, Recreation, & Cultural Resources Advisory Board, Public Information Office, Recreation Resource Service (RRS), and Town Administration before dissemination to the public. Once the survey was approved by all parties, the survey was configured in Constant Contact and a web link was sent to all contacts within the PRCRD and Public Information Office database. In addition, the Public Information Office provided a link on the Town's website, and made several announcements via social media in order to increase public knowledge of the survey.

The survey was closed after a few weeks and the data was evaluated by the PRCRD and Advisory Board. The survey was completed by 757 people and yielded several significant pieces of information. Youth sports and playground use were the most popular reasons for visiting Town facilities. Accommodating the demands youth sports will place on facilities was reported as the number one challenge the public saw for the PRCRD, and respondents indicated that solutions to the problem consisted of constructing new baseball/softball/soccer fields and a new community center.

In addition, the survey highlighted recent demographic changes in Fuquay-Varina and how these changes have impacted athletics. In 2000, the Town had only 7,898 residents; by 2010, that number had risen to 17,937. At the time of the survey—only 4 years later—the population had increased to 23,655 residents. Between 2013 and 2015, participation in youth sports nearly doubled, from 2,759 to 4,078. With the population of Fuquay-Varina projected to increase another 10,000 people in the next five years, the Town can expect to see another 1,500 participants added to its programs by 2020. (Source: Comprehensive System-wide Parks & Recreation Master Plan Document, Town of Fuquay-Varina)



Existing gravel drive



No buffers between park boundary and existing residences



Existing temporary restrooms

The following table shows the number and schedule of meetings held by Parks, Recreation, & Cultural Resources Advisory Board during the Comprehensive System-wide Parks & Recreation Master Plan Update process. The development needs for Fleming Loop Park were discussed during these meeting as part of the overall five-year development plan.

Date	Venue	Group
October 14, 2013	F-V Community Center	Parks & Rec Advisory Board
November 18, 2013	F-V Community Center	Parks & Rec Advisory Board
December 9, 2013	F-V Community Center	Parks & Rec Advisory Board
January 13, 2014	F-V Community Center	Parks & Rec Advisory Board
February 10, 2014	F-V Community Center	Parks & Rec Advisory Board
March 10, 2014	F-V Community Center	Parks & Rec Advisory Board
April 14, 2014	F-V Community Center	Parks & Rec Advisory Board
May 12, 2015	F-V Community Center	Parks & Rec Advisory Board

2. BOARD OF COMMISSIONERS MEETING

In order to ensure that the master plan design was meeting the needs of the community and to continually assess the process, the updated master plan was presented at the regular Board of Commissioners meeting on February 16, 2016. The 2016 update to Fleming Loop Master Plan was approved at this meeting with recommendations regarding increasing width of peripheral trail to accommodate bikers and providing possible pedestrian connection from Judd Parkway.

3. PUBLIC INPUT MEETINGS

The April 9, 2016, meeting provided a particularly unique opportunity for soliciting comments and input from the citizens by exhibiting proposed master plan for the park. The illustrative plan exhibit demonstrated how the facilities could look with proposed program elements. The meeting was organized to create an atmosphere maximizing dialogue among the participants.

The meeting was held on a Saturday morning from 9.00 am to 10.30 am. Jonathan Cox presented the Fleming Loop Recreational Park project overview outlining all facets of the project and included upgrades/amenities as well as information on PARTF grant application. Maps of the site plan were provided to all attendees.

Considering the existing undeveloped status and increased use of the site, people were very receptive of new developments. Emphasis was evident on provision for permanent restrooms and designated parking area. In addition people liked peripheral walking/ biking trails and play area for younger children.

CONCEPT DESIGNS

The first concept for Fleming Loop Park was created in 2009 by WithersRavenel in order to accommodate the services provided by a private organization that was running the Town's sports programs. With involvement of that organization, the Comprehensive System-wide Parks & Recreation Master Plan proposed the construction of a signature baseball stadium with a grandstand, three baseball fields, batting cages, storage building, a playground, four soccer fields, parking, and a walking trail.

In 2012, the Town ended its partnership with the private organization and began offering its own youth sports program. In order to analyze the Town's athletic facility needs they created a Comprehensive System-wide Parks & Recreation Master Plan. Through the public involvement process for the Facilities Master Plan it was decided that there was a greater need for soccer, youth football, and flag football at the existing Fleming Loop Park. WithersRavenel revised the design for Fleming Loop Park in 2015 and it is for that design that PARTF funds are being requested.

1. 2009 FLEMING LOOP PARK MASTER PLAN

The original Fleming Loop Park Master Plan invested the facility improvements heavily into baseball with the construction of three youth fields and a signature stadium. The 2009 master plan included following the park amenities:

- ▶ Peripheral Trail
- ▶ (4) Soccer fields 180'x300' typ.
- ▶ (2) 250' baseball fields
- ▶ (1) T-ball field
- ▶ (1) signature baseball field with grandstand (restrooms, concessions, pressbox)
- ▶ (2) Batting cages
- ▶ (1) Equipment Storage
- ▶ (2) Large and small picnic shelter
- ▶ Parking for +/- 300 cars



2. 2016 FLEMING LOOP PARK MASTER PLAN UPDATE

In 2015, WithersRavenel was hired again to update the 2009 Master Plan for Fleming Loop Park. This decision was based on the extensive public input and Advisory Board meetings that were conducted for the 2014 Facilities Master Plan update. Fleming Loop Park was identified as a popular destination for the community's growing sports needs.

Since the inception of the Fuquay-Varina Youth Sports Program in 2013, overall participation has increased by nearly 50 percent. Programs offered through the Youth Sports programs are Baseball (ages 7–14), Softball (ages 6–12), T-ball (ages 5–6), Soccer (ages 3–14), Flag football (ages 5–10), Tackle Football (ages 7–13), Cheerleading (ages 6–13), Dance Troupe (ages 7–13), Basketball (ages 6–15) and Skills & Drills Basketball (ages 4–5). In preparation for significant investment in the development of Fleming Loop Park and in recognition of significant growth in youth sports programs in recent years, the staff identified a need to revisit the original Fleming Loop Master Plan. Based on athletics participation rates and trends, and the associated facility needs, it is clear the original Fleming Loop Master Plan does not reflect projected facility needs for Parks, Recreation & Cultural Resources programming. (Source: Administrative Report presented at Board of Commissioners Regular Meeting, February 16, 2016)

Sport	Spring 2013	Fall 2013	Spring 2014	Fall 2014	Spring 2015	Fall 2015
Soccer	448	459	621	702	808	872
Flag Football	108	45	116	42	134	59
Football	n/a	177	n/a	113	n/a	86
Adult Flag	90	n/a	114	n/a	150	n/a
Baseball	182	177	258	200	259	249

WithersRavenel consolidated input from the Parks, Recreation, & Cultural Resources Advisory Board and recommendations from the Board of Commissioners meetings to form a list of programmatic and design elements that were suggested for the site. The team then developed three concept plans to demonstrate general facility layout. The concept plans were presented to the Parks, Recreation, & Cultural Resources staff in order to receive feedback and direction before creating a Preliminary Master Plan to present to the Board of Commissioners on February 16, 2016.

The recommended program/design elements contained in all concepts:

- ▶ Focus on multi-use fields
- ▶ Playground central to park
- ▶ Perimeter trail
- ▶ Parking
- ▶ Picnic shelters
- ▶ Stormwater management

CONCEPT 1

The recommended program/design elements contained in Concept 1:

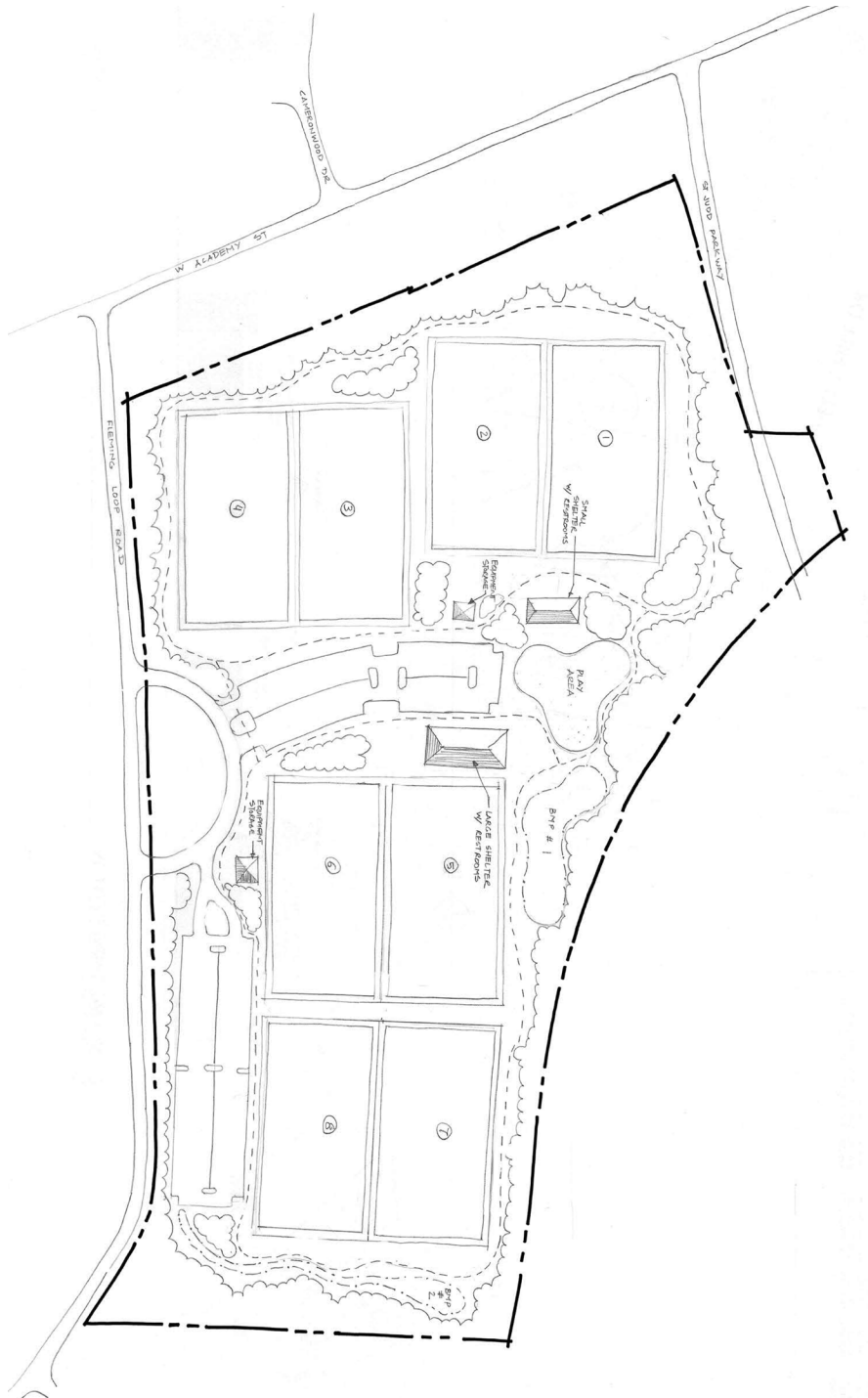
- ▶ (7) Multi-use fields, four of which have ideal solar orientation
- ▶ Parking is consolidated in the central area of the site
- ▶ Proposed constructed detention pond close to parking lot and existing pond
- ▶ Play area and large picnic shelter centrally located with direct access from parking lot



CONCEPT 2

The recommended program/design elements contained in Concept 2:

- ▶ (8) Multi-use fields, all have ideal solar orientation
- ▶ Parking is divided in two lots
- ▶ Proposed constructed detention pond and vegetated swale
- ▶ Play area located with direct access from parking lot
- ▶ (2) Large and small picnic shelters provided
- ▶ Peripheral trail similar to Concept 1



CONCEPT 3A

Concept 3A is derived from concept 2.
The changes include:

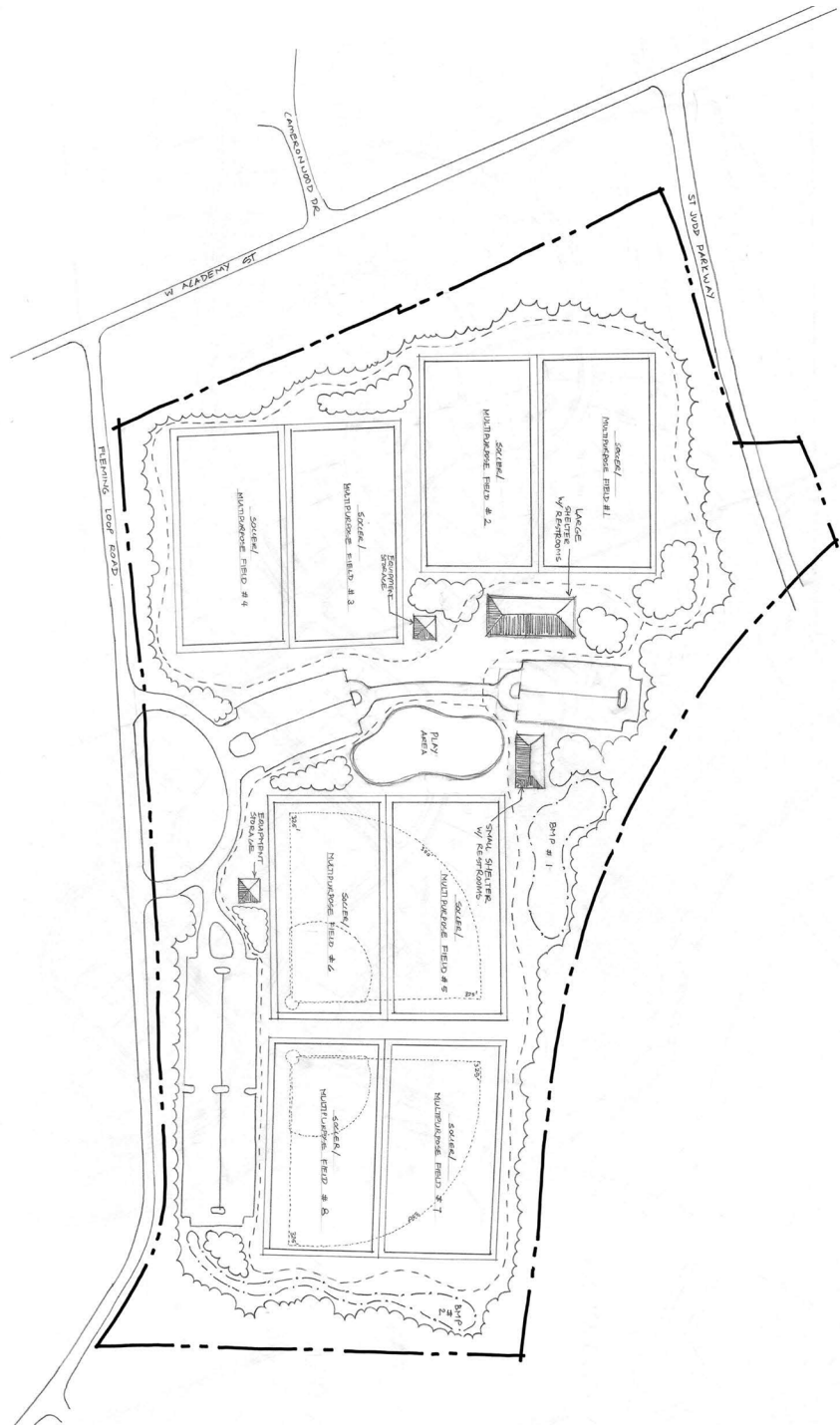
- Addition of baseball court lines on four of the Multi-use fields



CONCEPT 3B

Concept 3B is derived from concept 2.
The changes include:

- ▶ Addition of baseball court lines on four of the multi-use fields
- ▶ Relocated play area central to the site
- ▶ Central parking lot elongated to accommodate play area
- ▶ Relocated large and small shelters
- ▶ Peripheral trail aligned to respond to change in layout



FINAL MASTER PLAN

A preliminary master plan was developed based upon the feedback received on the four concepts presented to Town staff. The goal of this preliminary master plan was to create a design that cohesively implemented the programmatic elements chosen from all concepts and met the town's needs.

During the final master plan preparation stage, it was discovered that the as-built alignment of Judd Parkway had changed from what was represented in the GIS data base. It was noted that because Judd Parkway was realigned more towards the south, a major portion of the Fleming Loop Property was occupied by the road right-of-way. The northernmost multi-use field was eliminated to accommodate this change.

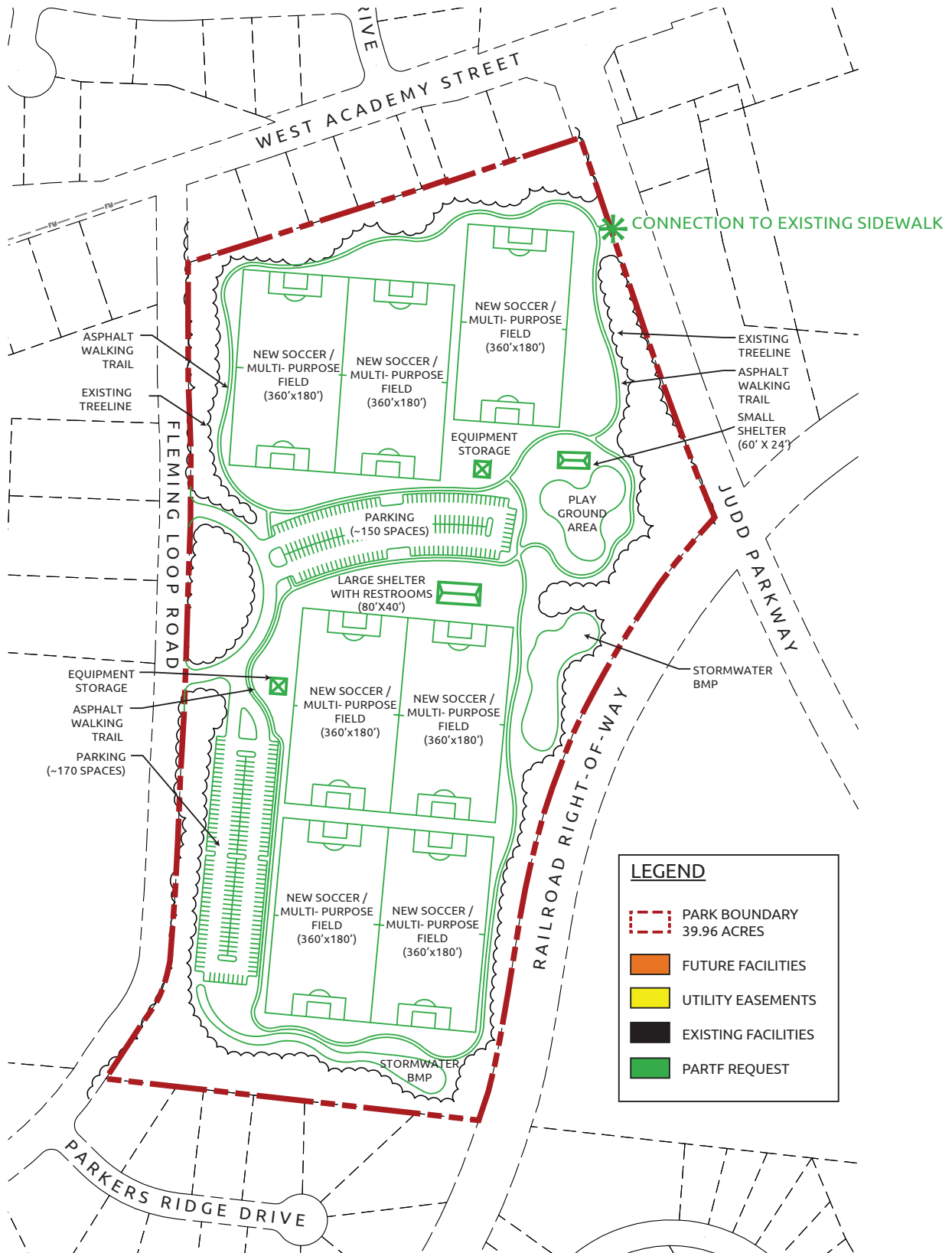
In addition, during the February 2016 meeting, the Town Manager advised that Fleming Loop Park will be the new host for the very popular WRAL Balloon Festival, which is visited by almost 70,000 visitors every year. The proposed large open play fields will be ideal for hosting large public gatherings at Fleming Loop Park site; however, it was recommended that the detail design of the site be evaluated for both athletics play and future festivals. In addition, a pedestrian connection was also recommended during this meeting that the peripheral trail should be widened to serve walkers and bikers. This change will also be reflected during the detail design of the park.

The program elements in the preliminary master plan included:

PROGRAM ELEMENTS

- ▶ Regulation size soccer fields: (7) 180'x360'
- ▶ Baseball field (325') lines marked on four of the multi-use fields
- ▶ Parking located near facilities in two lots: +/- 326 spaces
- ▶ Existing curved entrance road enhanced with landscape
- ▶ Two picnic shelters to encourage group gatherings
- ▶ Large shelter to accommodate concessions and restrooms
- ▶ Play area for 0-5 and 5-12 year olds
- ▶ Peripheral trail winding through open spaces and woodland setting connecting various site amenities
- ▶ Stormwater management through constructed detention pond and vegetated swale
- ▶ Park signage to be located at the main entrance of the site at Fleming Loop Road.





ESTIMATE OF PROBABLE COSTS

The following cost estimate for the Fleming Loop Park reflects the improvements previously outlined in this document. The costs are divided into main categories that relate to elements of the park site. If additional program items are constructed in the future then the cost estimate will need to be updated.

These prices are based on averages from similar projects constructed or currently in operation. The town is encouraged to employ professional contractors experienced in building parks that can offer added benefit for cost savings and construction techniques. The cost estimate continues on the next page.

Town of Fuquay-Varina has agreed to a prepaid lease with Capital Area Soccer League (CASL) for \$500,000 available till July, 2018. The Capital Improvement Plan for fiscal year 2017-2018 has accounted for \$ 1,332,549.00. In addition, the town has also applied for a Wake County Grant for 350,00 and is in process of applying for a Parks and Recreation Trust Fund (PARTF) Grant for \$ 500,000.

Item #	Description	QTY	Unit Price	Unit	Total
Site Work					
1	Mobilization (Max 5%)	1	\$62,000.00	LS	\$62,000.00
2	Concrete wash-out pit (includes removal)	1	\$1,800.00	EA	\$1,800.00
3	Construction Entrance	1	\$2,500.00	EA	\$2,500.00
4	Grade Staking/Surveying	1	\$25,000.00	LS	\$25,000.00
5	Clearing and Grubbing	5	\$5,000.00	AC	\$25,000.00
6	Existing Pond Demo	1	\$3,000.00	LS	\$3,000.00
7	Grading - Unclassified / Common Excavation *	3,575	\$3.50	CY	\$12,512.50
9	Erosion Control	1	\$20,000.00	LS	\$20,000.00
10	Matting	100	\$4.25	SY	\$425.00
11	Permanent Seeding of Site (include mulching)	10.0	\$2,250.00	AC	\$22,500.00
12	Topsoil Stripping/ Stockpiling / Re-spreading / haul off (assume 9" depth)	1,788	\$3.25	CY	\$5,811.00
13	Fine Grading (Parking lots, Ex. Pond Area Filling, Tot Lot, Shelters, Trails)	64,358	\$2.00	SY	\$128,716.00
14	Storm Drainage System	1	\$38,000.00	LS	\$38,000.00
15	Water and Sewer System	1	\$17,000.00	LS	\$17,000.00
16	Bioswale	24,180	\$2.25	SF	\$54,405.00
17	Wetland/Wetpond	24,877	\$2.65	SF	\$65,924.05
Site Work Subtotal					\$484,593.55

Paving					
18	8" ABC 2" S9.5B (travel aisles)	14,371	\$18.35	SY	\$263,707.85
19	24" Concrete Curb and Gutter	4,244	\$13.25	LF	\$56,233.00
20	Pavement Markings and Signage	1	\$6,800.00	LS	\$6,800.00
21	8' Asphalt Path (2 Type S9.5 B, 6" ABC)	5,242	\$16.10	SY	\$84,396.20
Paving Subtotal					\$411,137.05

Playground and Structures					
22	Play Surface - Loose Rubber Mulch	6,500	\$3.25	SF	\$21,125.00
23	Play Equipment	1	\$115,000.00	LS	\$115,000.00
24	Storage/Maintenance Building / shed (1200SF/EA)	2	\$36,000.00	LS	\$72,000.00
25	Small Shelter (30'x44' Material/Freight)	1	\$18,000.00	LS	\$18,000.00
26	Large Shelter (40'x68' Material/Freight)	1	\$36,000.00	LS	\$36,000.00
27	75' x 24' Restroom/Concession	1	\$157,000.00	LS	\$157,000.00
Playground Subtotal					\$419,125.00

Multi-Purpose Fields					
28	Re-Grading of Existing Fields	60,666	\$1.75	SY	\$106,165.50
29	Sod (All Soccer Fields)	546,000	\$0.24	SF	\$131,040.00
30	Irrigation System	7	\$8,500.00	Field	\$59,500.00
31	Soccer Field Lighting	7	\$112,500.00	per field	\$787,500.00
Field Subtotal					\$1,084,205.50

Landscaping					
32	Buffer	1	\$4,200.00	LS	\$4,200.00
33	Mulch	1	\$3,500.00	LS	\$3,500.00
34	Landscape (VUA Trees) (1/20 Spaces)(326 Spaces)	16	\$250.00	EA	\$4,000.00
35	Additional Aesthetic Landscaping	1	\$25,000.00	LS	\$25,000.00
Landscaping Subtotal					\$36,700.00

Project Summary	
Cost Estimate Subtotal =	\$2,435,761.10
5% Contingency =	\$121,788.06
Planning Costs =	\$125,000.00
Grand Total =	\$2,682,549.16

Sources of the Applicants Matching Funds

Type of Matching Funds	Amount of Funds	Funding Source	Availability
Recreation Unit Fees	\$1,332,549.00	Town's Budget or Capital Improvement Plan (CIP)	Town's Approved CIP FY 17/18
Pre-paid Lease	\$500,000	CASL	July 1, 2018
Wake County Grant	\$350,000	Wake County Hotel/Motel and Prepared Food Beverage Tax	March 1, 2017
Total Matching Funds	\$2,182,549.00		

CONCLUSION

Fleming Loop Recreation Park is increasingly becoming one of the well-used parks in the Town of Fuquay-Varina, but is in need of major upgrades in order to continue to meet the needs of the town and county residents. Although the park is well-used, most agree that the park is not meeting the current needs of park patrons without any park facilities and will not meet future needs in the way of new programs and facilities to attract new users or retain existing ones. In addition, the Town would like to create a first-class park that will attract people regionally and provide a source of pride for all of its citizens.

Recent development in selecting the park site for popular WRAL Freedom Balloon Festival will be a breakthrough in creating a destination place for the Town. The multi-day event held first time in 2015 at other park sites in the County attracted 85,000 people, surpassing the estimates of its organizers. Fleming Loop Park, with its adaptable open space plan, will be an ideal venue to host this and similar events that will be a big economic boost for Fuquay-Varina.

The updated Fleming Loop Park master plan incorporates all of the facilities and programs the Town and park patrons would most like to have, while also meeting the goals of consolidating facilities, opening up more land for play, improving circulation within the park, and creating a master plan that can be a major destination county-wide and a significant economic generator, not only for the Town but also nearby businesses located within walking distance in the downtown area.

Report of Independent Auditor

Honorable Mayor and Town Board of Commissioners
Town of Fuquay-Varina
Fuquay-Varina, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Fuquay-Varina, North Carolina (the "Town"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison of the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Town adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. As a result, net positions as of June 30, 2014 of the governmental and business-type activities, and fund balance of the proprietary fund have been restated. Our opinion is not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplemental financial data as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual fund statements and schedules, other schedules and statistical section as well as the schedule of expenditures of federal and state awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules, other schedules and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, other schedules and the schedule of expenditures of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory information and the statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2015, on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Channing R. Burchett LLP

Raleigh, North Carolina
October 21, 2015

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

As management of the Town of Fuquay-Varina, North Carolina (the "Town") we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2015. Please read it in conjunction with the Town's financial statements, which follow this section.

Financial Highlights

The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows at the close of the fiscal year by \$130 million (net position). Of this amount \$34 million (unrestricted net position) may be used to meet the government's ongoing obligations to the citizens and creditors.

At the end of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$29 million about 4% more than the prior fiscal year. The majority of this increase was due to an increase in the general fund and an increase in unassigned fund balance.

As of the close of the fiscal year, the Town's unassigned fund balance for the General Fund was \$15.4 million or 79% of total General Fund expenditures and transfers out for the fiscal year. This amount is considered available for spending at the government's discretion.

The Town's total debt decreased by \$2.7 million during the 2014-2015 fiscal year. Total debt decreased because no additional debt was issued during the fiscal year and payments were made as required. Shortly after the end of the fiscal year, the Town was notified that it had been upgraded to a Aa1 bond rating by Moody's Investor's Service. Its AAA rating by Standard and Poor's Corporation remained unchanged.

On a government-wide basis, the Town's program expenses exceeded revenues by just over \$18 million. Governmental activity expenses were \$18.3 million more than program revenues while business-type activities program revenues exceeded expenses by \$.23 million.

Overview of the Financial Statements

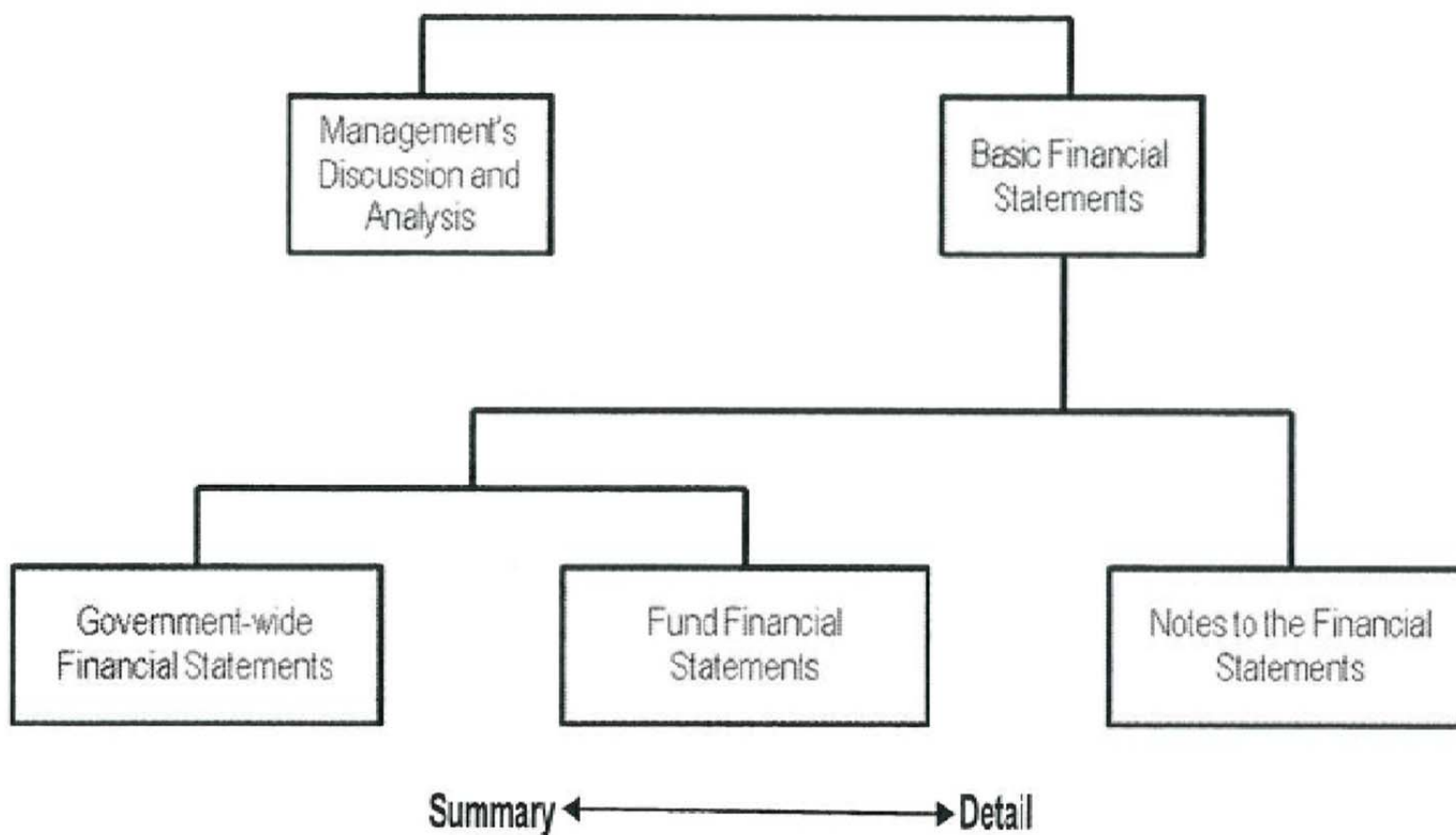
This discussion and analysis are intended to serve as an introduction to Fuquay-Varina's basic financial statements. The Town's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Fuquay-Varina.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Required Components of Annual Financial Report

Figure 1



TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the Government-wide Financial Statements. They provide both short and long-term information about the Town's financial status.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide financial statements

The first two statements are government-wide financial statements that provide both short and long-term information about the Town's financial status, using the full-accrual basis of accounting, in a manner similar to a private-sector business.

The two government-wide statements report the Town's net position and how they have changed. Net position is the difference between the Town's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. The Statement of Activities presents information showing how the Town's net position has changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flow.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the water and sewer services offered by the Town of Fuquay-Varina.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Fund financial statements

Traditional users of governmental fund financial statements will find the fund financial statements presentation more familiar. The fund financial statements provide a more detailed look at the Town's most significant activities.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Fuquay-Varina uses fund accounting to ensure and demonstrate compliance with finance related legal requirements, such as the North Carolina General Statutes, and the Town's budget ordinance. All funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Governmental funds are reported using an accounting method called modified accrual accounting. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains four individual governmental funds. They are the General Fund, the Capital Projects Fund, the Debt Service Fund, and the Capital Reserve Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each of these funds. The Town has two major funds (General Fund and Capital Projects Fund) and two non-major funds (Capital Reserve Fund and Debt Service Fund). As required by the General Statutes, the Town of Fuquay-Varina adopts an annual budget for its General Fund. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

The basic governmental fund financial statements can be found on pages 18-22 of this report.

Proprietary Funds – The Town of Fuquay-Varina has one proprietary fund to account for water distribution and wastewater collection. An *enterprise fund* is used to report the same functions presented as business-type activities in the government-wide financial statements. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. The proprietary funds financial statements can be found on pages 23-27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 28 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Fuquay-Varina's progress in funding its obligation to provide pension benefits to its law enforcement officers and other post-employment benefits to its retirees. Required supplementary information can be found on pages 66-70 of this report.

Combining and individual fund statements and schedules are presented immediately following the required supplementary information. The individual fund statements and schedules can be found on pages 71-85 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Town of Fuquay-Varina exceeded liabilities and deferred inflows by \$130 million as of June 30, 2015.

The largest portion (71%) reflects the Town's net investment in capital assets. Net investment in capital assets is defined as the Town's investment in Town owned capital assets (e.g. land, buildings, vehicles and equipment) less any related debt still outstanding that was issued to acquire those items. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the Town of Fuquay-Varina's net position, \$3.5 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$34.2 million is unrestricted.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

The following table reflects the condensed Statement of Net Position:

Net Position

June 30, 2015

With Prior Year Comparisons

	June 30, 2014 Governmental Activities	June 30, 2015 Governmental Activities	June 30, 2014 Business-Type Activities	June 30, 2015 Business-Type Activities	June 30, 2014 Total	June 30, 2015 Total
Current and other assets	\$ 27,937,836	\$ 28,799,188	\$ 8,528,377	\$ 11,889,878	\$ 36,466,213	\$ 40,689,066
Restricted assets	2,152,021	2,041,893	1,722,388	385,310	3,874,409	2,427,203
Capital assets	66,228,848	62,253,737	57,920,883	56,821,381	124,149,731	119,075,118
Net pension asset	-	966,836	-	91,995	-	1,058,831
Deferred outflows of resources	-	569,118	-	219,765	-	788,883
Total assets and deferred outflows of resources	<u>96,318,705</u>	<u>94,630,772</u>	<u>68,171,648</u>	<u>69,408,329</u>	<u>164,490,353</u>	<u>164,039,101</u>
Long-term debt outstanding	11,884,641	11,219,758	21,534,403	17,881,324	33,419,044	29,101,082
Other liabilities	1,320,079	1,841,363	733,875	740,587	2,053,954	2,581,950
Deferred inflows of resources	2,482	2,444,639	-	231,876	2,482	2,676,515
Total liabilities and deferred inflows of resources	<u>13,207,202</u>	<u>15,505,760</u>	<u>22,268,278</u>	<u>18,853,787</u>	<u>35,475,480</u>	<u>34,359,547</u>
Net Position:						
Net Investment in Capital Assets	56,031,662	52,606,606	39,976,593	39,319,851	96,008,255	91,926,457
Restricted for:						
Stabilization by State Statute	1,429,646	1,794,612	-	-	1,429,646	1,794,612
Powell Bill	1,611,031	1,738,405	-	-	1,611,031	1,738,405
Other purposes	3,900	3,900	-	-	3,900	3,900
Unrestricted	<u>24,035,264</u>	<u>22,981,489</u>	<u>7,913,435</u>	<u>11,234,691</u>	<u>31,948,699</u>	<u>34,216,180</u>
Total net position	<u>\$ 83,111,503</u>	<u>\$ 79,125,012</u>	<u>\$ 47,890,028</u>	<u>\$ 50,554,542</u>	<u>\$ 131,001,531</u>	<u>\$ 129,679,554</u>

At the end of the current fiscal year, the Town was able to report positive balances in all categories of net position. As noted earlier, net position may serve over time as one useful indicator of a government's financial condition.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

The Town's net position decreased by \$1.3 million during the current fiscal year. Governmental net position decreased by \$4.0 million while business-type net position increased by \$2.7 million. The decrease in governmental net position was due to the loss of disposal of capital assets. The increase in business-type net assets was due to an increase in charges for services. The following table summarizes the changes in net assets.

Changes in Net Position
June 30, 2015
With Prior Year Comparisons

	June 30, 2014 Governmental Activities	June 30, 2015 Governmental Activities	June 30, 2014 Business-Type Activities	June 30, 2015 Business-Type Activities	June 30, 2014 Total	June 30, 2015 Total
Revenues						
Program Revenues						
Charges for Service	\$ 2,964,159	\$ 3,326,087	\$ 6,696,485	\$ 7,801,923	\$ 9,660,644	\$ 11,128,010
Operating grants and contributions	2,136,588	2,375,604	314,743	388,602	2,451,331	2,764,206
Capital grants and contributions	4,971,380	2,287,342	-	-	4,971,380	2,287,342
General Revenues						
Property taxes	9,285,897	9,747,060	-	-	9,285,897	9,747,060
Other taxes	195,918	171,209	-	-	195,918	171,209
Grants and Donations Not Restricted to Specific Programs	4,631,873	5,460,908	-	-	4,631,873	5,460,908
Other	104,774	160,401	1,518,811	1,641,413	1,623,585	1,801,814
Donation of Capital Assets	-	-	2,177,181	1,110,309	2,177,181	1,110,309
Total revenues	<u>24,290,589</u>	<u>23,528,611</u>	<u>10,707,220</u>	<u>10,942,247</u>	<u>34,997,809</u>	<u>34,470,858</u>
Expenses						
General government	2,069,541	2,060,407	-	-	2,069,541	2,060,407
Public safety	7,195,651	7,778,442	-	-	7,195,651	7,778,442
Transportation	2,086,194	10,284,260	-	-	2,086,194	10,284,260
Economic and physical development	1,554,042	697,657	-	-	1,554,042	697,657
Environmental protection	1,548,259	1,576,257	-	-	1,548,259	1,576,257
Cultural and recreation	612,999	1,866,561	-	-	612,999	1,866,561
Central services	1,466,950	1,596,833	-	-	1,466,950	1,596,833
Special Contributions	104,800	106,500	-	-	104,800	106,500
Interest on long-term debt	343,709	298,504	-	-	343,709	298,504
Water and Sewer	-	-	7,290,560	7,961,699	7,290,560	7,961,699
Total Expenses	<u>16,982,145</u>	<u>26,265,421</u>	<u>7,290,560</u>	<u>7,961,699</u>	<u>24,272,705</u>	<u>34,227,120</u>
Increase in net position before Transfers	7,308,444	(2,736,810)	3,416,660	2,980,548	10,725,104	243,738
Transfers	180,000	180,000	(180,000)	(180,000)	-	-
Increase in net position	7,488,444	(2,556,810)	3,236,660	2,800,548	10,725,104	243,738
Prior period adjustment	213,706	(1,429,681)	-	(136,034)	213,706	(1,565,715)
Net Position July 1	<u>75,409,353</u>	<u>83,111,503</u>	<u>44,653,368</u>	<u>47,890,028</u>	<u>120,062,721</u>	<u>131,001,531</u>
Net Position June 30	<u>\$ 83,111,503</u>	<u>\$ 79,125,012</u>	<u>\$ 47,890,028</u>	<u>\$ 50,554,542</u>	<u>\$ 131,001,531</u>	<u>\$ 129,679,554</u>

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Changes in net position – Governmental activities. The Town's total governmental revenues were \$23.5 million. Forty-one percent of the Town's revenue comes from property taxes, with an additional thirty-three percent from grants and contributions. The vast majority of the grants and contributions category is infrastructure donated to the Town by developers and the operating funds for the fire station from Wake County.

Changes in net position – Business-type activities. The Town's total business-type revenues were \$10.9 million. Charges for services represented 71% of the business-type revenue.

The total cost of all programs and services was \$34.2 million. The cost of public safety programs (building inspections, police, fire and contracted rescue services) accounted for 23% of expenses. Water distribution and sewer collection costs accounted for another 23% of total government cost.

The following table presents the cost of each of the Town's programs, as well as each program's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial support provided by the Town's taxpayers.

Cost of Services

June 30, 2015

With Prior Year Comparisons

	Total Cost of Services June 30, 2014	Total Cost of Services June 30, 2015	Net Cost of Services June 30, 2014	Net Cost of Services June 30, 2015
General government	\$ 2,069,541	\$ 2,060,407	\$ 2,023,249	\$ 1,965,875
Public safety	7,195,651	7,778,442	5,014,015	5,335,442
Transportation	2,086,194	10,284,260	(3,460,154)	7,387,841
Environmental protection	1,554,042	1,576,257	60,536	(64,281)
Cultural and recreation	1,548,259	1,866,561	806,024	1,023,492
Economic and physical development	612,999	697,657	550,889	626,182
Central services	1,466,950	1,596,833	1,466,950	1,596,833
Special Contributions	104,800	106,500	104,800	106,500
Interest on Long-Term Debt	343,709	298,504	343,709	298,504
Water and Sewer	7,290,560	7,961,699	279,332	(228,826)
	<u>\$ 24,272,705</u>	<u>\$ 34,227,120</u>	<u>\$ 7,189,350</u>	<u>\$ 18,047,562</u>

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

The reported results for the fiscal year show that:

The cost of all program activities this year was \$34.2 million.

The amounts paid by those benefiting from the program or other governments and organizations that subsidized certain programs were \$16.2 million.

Program expenses exceeded program revenues by \$18 million. Water and sewer program revenues expenses revenue by \$.23 million while governmental program revenue fell short of expenses by approximately \$18.3 million.

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the Town's governmental funds reported a combined ending fund balance of \$29 million, an increase of 4%. The increase was due to an addition of fund balance in the General Fund. Approximately \$15.4 million (53%) constitutes unassigned fund balance. The remainder of fund balance is restricted, committed or assigned.

The General Fund is the chief operating fund of the Town. As of the close of the fiscal year, the Town's unassigned fund balance for the General Fund was \$15.4 million or 79% of total General Fund expenditures and transfers out for the fiscal year. This amount is considered available for spending at the government's discretion.

The fund balance of the Town's general fund increased approximately \$1.6 million during the current fiscal year. The increase was due to an increase in sales tax and property tax over the budgeted amount and spending by departments well under the budgeted level.

The difference between the original budget and the final amended budget was \$1.8 million. The majority of this was due to the Town's decision to fund an intersection upgrade for Main and Judd Parkway. Other small adjustments were also done during the course of the year.

The final budget variance of revenues over expenditures prior to other financing sources and uses was \$.4 million. Actual revenues exceeded anticipated revenues by \$2.3 million. Property tax, sales tax, and building permit revenue were the primary reason for this excess. Actual expenditures were \$1.3 million less than appropriated. Responsible spending by departments allowed the Town to add to fund balance during the fiscal year.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Proprietary Fund. The Town's proprietary fund provided the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to \$11.6 million, 46 percent more than the previous fiscal year. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town's business-type activities.

Capital Asset and Debt Administration

Capital assets. The Town's investment in capital assets as of June 30, 2015, amounts to \$119 million (net of accumulated depreciation). This investment in capital assets includes land, building improvements and equipment. The total net decrease in the Town's investment in capital assets for the current year was \$5 million.

	June 30, 2014 Governmental Activities	June 30, 2015 Governmental Activities	June 30, 2014 Business-Type Activities	June 30, 2015 Business-Type Activities	June 30, 2014 Total	June 30, 2015 Total
Land	\$ 19,624,483	\$ 20,474,157	\$ 406,716	\$ 410,709	\$ 20,031,199	\$ 20,884,866
Construction in Progress	9,795,044	3,149,796	1,989,196	467,365	11,784,240	3,617,161
Buildings	7,234,569	6,948,307	11,607	9,403	7,246,176	6,957,710
Other Improvements	773,104	1,153,460	43,968,596	44,409,530	44,741,700	45,562,990
Equipment	275,489	303,222	373,817	372,094	649,306	675,316
Vehicles	2,877,622	2,665,342	288,273	225,142	3,165,895	2,890,484
Infrastructure	25,648,537	27,559,453	-	-	25,648,537	27,559,453
Operating Plants	-	-	10,882,678	10,927,138	10,882,678	10,927,138
Total	<u>\$ 66,228,848</u>	<u>\$ 62,253,737</u>	<u>\$ 57,920,883</u>	<u>\$ 56,821,381</u>	<u>\$ 124,149,731</u>	<u>\$ 119,075,118</u>

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Additional information on the Town's capital assets can be found on pages 41-44 of the notes to the financial statements of this report.

Long-term debt. The Town did not issue any debt during the fiscal year.

At the end of the fiscal year, the Town had total general obligation debt outstanding of \$13.3 million. Of the general obligation debt, 40 percent was issued for water and sewer capital projects.

The Town's total debt decreased by \$2.4 million during the fiscal year. Following is a chart which illustrates the composition of the debt for the Town.

	June 30, 2014 Governmental Activities	June 30, 2015 Governmental Activities	June 30, 2014 Business-Type Activities	June 30, 2015 Business-Type Activities	June 30, 2014 Total	June 30, 2015 Total
General Obligation Bonds	\$ 8,525,000	\$ 8,025,000	\$ 6,030,000	\$ 5,265,000	\$ 14,555,000	\$ 13,290,000
Promissary Notes	1,500,000	240,000	12,063,235	11,135,294	13,563,235	11,375,294
Installment Purchases	600,000	1,580,000	1,400,000	1,300,000	2,000,000	2,880,000
Net OPEB Obligation	593,842	700,903	-	-	593,842	700,903
Compensated Absences	552,624	568,236	42,444	48,832	595,068	617,068
Total	<u>\$ 11,771,466</u>	<u>\$ 11,114,139</u>	<u>\$ 19,535,679</u>	<u>\$ 17,749,126</u>	<u>\$ 31,307,145</u>	<u>\$ 28,863,265</u>

State statutes limit the amount of general obligation debt a governmental entity may issue up to 8 percent of the total assessed value of taxable property. The current debt limitation for the Town is \$202 million. This is significantly more than the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in the notes to the financial statements on pages 57-64 of this report.

Economic Factors and Next Year's Budget

In preparing the 2015-2016 Budget, the Town's administration assumed moderate growth and reflected increases in property tax, sales tax and building permit revenues. A total of 10.5 additional positions were funded due to the increase in growth experienced during the 2014-2015 fiscal year.

TOWN OF FUQUAY-VARINA, NORTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2015

Budget Highlights for Fiscal Year Ending June 30, 2016

Governmental Activities: The approved FY 15-16 General Fund budget was approximately 16% more than the FY 14-15 budget ordinance adopted in June of 2014. The increase was due to an increase in capital project expenditures for the 2016 Fiscal Year and the staff additions added to the budget. The General Fund tax rate remained at \$.385. A growth of \$75 million in the local property tax base and a 3 percent increase in local sales taxes were used to develop the 2015-2016 Budget. A \$225,000 balance appropriation was included in the 2015-2016 budget to fund a fiber optic project for the Town.

Ten and a half positions were added as a part of the budget. This included 2 new police officers, 2 new firefighters, one person in engineering and information technology and two in recreation. A two percent cost of living increase was also included in the budget for all full-time employees.

Business Activities: The approved FY 15-16 Enterprise Fund Budget was approximately eight percent more than FY 14-15 Budget adopted in June of 2014. As in the General Fund, a two percent raise was included for employees and significant project expenditures were included in the budget. Two additional employees were included in the Enterprise Fund.

Request for Information

This financial report is designed to provide a general overview of the Town of Fuquay-Varina's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Finance Director, Town of Fuquay-Varina, 401 Old Honeycutt Road, Fuquay-Varina, North Carolina 27526.