

ORDINANCE #22-07:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2022, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (IMPLEMENTATION OF LEASE REPORTING REQUIREMENTS UNDER GASB STATEMENT NO. 87)

THAT WHEREAS, the Governmental Accounting Standards Board (GASB) released Statement No. 87 entitled “Leases,” which is effective for the fiscal year beginning July 1, 2021 (FY 2022); and

WHEREAS, this statement defines a lease as “a contract that conveys control of the right to use another entity’s nonfinancial asset for a period of time in an exchange or exchange-like transaction,” and the underlying assumption is that a lease is a financing transaction; and

WHEREAS, staff compiled and reviewed all lease agreements that meet the criteria listed in the statement and implemented lease tracking software to maintain these agreements going forward; and

WHEREAS, an amendment is needed to record these “right to use” assets and account for them in the correct manner within debt service;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the regular meeting assembled this 28th day of June, 2022, as follows:

SECTION 1. To amend the FY 2022 General Fund budget with regard to revenues and expenditures, the revenue and expenditure accounts are to be changed as follows:


<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-00-220-7800	Admin-Capital Outlay: Right to Use Asset	\$ 22,000	
10-00-230-7800	Finance-Capital Outlay: Right to Use Asset	6,000	
10-10-310-7800	Police-Capital Outlay: Right to Use Asset	3,000	
10-80-610-7800	Recreation-Capital Outlay: Right to Use Asset	3,000	
10-80-615-7800	Library-Capital Outlay: Right to Use Asset	8,000	
10-00-190-3904	Other Financing Sources		\$ 42,000
10-60-910-8082	Principal: Right to Use Asset	17,000	
10-60-910-8083	Interest: Right to Use Asset	1,000	
10-00-980-5300	IT: Contracted Services		18,000
10-00-980-3560	Charges to Other Departments	18,000	
10-00-220-5911	Admin-IT Charges		10,000
10-00-230-5911	Finance-IT Charges		2,000
10-10-310-5911	Police-IT Charges		1,000
10-80-610-5911	Recreation-IT Charges		3,000
10-80-615-5911	Library-IT Charges		2,000

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

THIS ORDINANCE passed and adopted this 28th day of June, 2022.

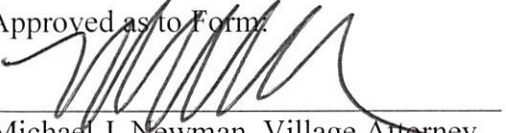


VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: 
John C. Strickland, Mayor

Attest:


Kelly Chance, Village Clerk

Approved as to Form: 
Michael J. Newman, Village Attorney