

ORDINANCE #23-15:

AN ORDINANCE AMENDING ORDINANCE #22-05 APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2023, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (ADOPTION OF SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS REPORTING REQUIREMENTS UNDER GASB STATEMENT NO. 96)

THAT WHEREAS, the Governmental Accounting Standards Board (GASB) released Statement No. 96 entitled *Subscription-Based Information Technology Arrangements* which is effective for the fiscal year beginning July 1, 2022 (FY 2023); and

WHEREAS, this statement defines a subscription-based information technology arrangement (SBITA) as “a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction” and the underlying assumption is that a SBITA is a financing transaction; and

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

WHEREAS, an amendment is needed to record these “right-to-use” subscription assets and liabilities and account for them in the correct manner as debt service instead of departmental operating expenditures as they were originally appropriated;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the regular meeting assembled this 27th day of June, 2023, as follows:

SECTION 1. To amend the FY 2023 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>
10-00-220-7900	Capital Outlay: Subscription Asset - Administration	\$ 19,700	
10-00-230-7900	Capital Outlay: Subscription Asset - Financial Services	21,800	
10-00-240-7900	Capital Outlay: Subscription Asset - Human Resources	21,500	
10-10-310-7900	Capital Outlay: Subscription Asset - Police	65,300	
10-40-710-7900	Capital Outlay: Subscription Asset - Planning	254,900	
10-00-980-7900	Capital Outlay: Subscription Asset - IT	200,220	
10-00-190-3903	Other Financing Source: Subscription Liabilities Issued		\$ 518,120
10-00-980-5901	IT R&M: Equipment		148,900
10-60-910-8084	Principal - Subscription Asset	148,400	
10-60-910-8085	Interest - Subscription Asset	500	
10-00-980-3560	Charges to Other Departments - IT	148,900	
10-00-220-5911	IT Charges - Administration		9,900

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-00-230-5911	IT Charges - Financial Services		\$ 6,750
10-00-240-5911	IT Charges - Human Resources		7,300
10-10-310-5911	IT Charges - Police		65,300
10-40-710-5911	IT Charges - Planning		50,350
10-00-220-5911	IT Charges - Administration		10,430
10-00-230-5911	IT Charges - Financial Services		2,200
10-00-240-5911	IT Charges - Human Resources		3,000
10-10-310-5911	IT Charges - Police		17,900
10-10-320-5911	IT Charges - Fire		14,900
10-10-330-5911	IT Charges - Inspections		1,500
10-20-410-5911	IT Charges - Public Services Administration		4,500
10-20-420-5911	IT Charges - Streets & Grounds		3,000
10-30-510-5911	IT Charges - Solid Waste		1,500
10-80-610-5911	IT Charges - Recreation		4,500
10-80-615-5911	IT Charges - Library		2,200
10-80-620-5911	IT Charges - Harness Track		1,500
10-80-640-5911	IT Charges - Fair Barn		1,500
10-40-710-5911	IT Charges - Planning		5,220
10-40-720-5911	IT Charges - Community Development		750
10-00-980-3560	Charges to Other Departments - IT		200,220
10-00-220-7910	Capital Outlay: IT Subscription Charge - Administration	\$ 28,030	
10-00-230-7910	Capital Outlay: IT Subscription Charge - Financial Services	6,010	
10-00-240-7910	Capital Outlay: IT Subscription Charge - Human Resources	8,010	
10-10-310-7910	Capital Outlay: IT Subscription Charge - Police	48,055	
10-10-320-7910	Capital Outlay: IT Subscription Charge - Fire	40,045	
10-10-330-7910	Capital Outlay: IT Subscription Charge - Inspections	4,000	
10-20-410-7910	Capital Outlay: IT Subscription Charge - PS Admin	12,015	
10-20-420-7910	Capital Outlay: IT Subscription Charge - Streets & Grounds	8,010	
10-30-510-7910	Capital Outlay: IT Subscription Charge - Solid Waste	4,000	
10-80-610-7910	Capital Outlay: IT Subscription Charge - Recreation	12,015	
10-80-615-7910	Capital Outlay: IT Subscription Charge - Library	6,010	
10-80-620-7910	Capital Outlay: IT Subscription Charge - Harness Track	4,000	
10-80-640-7910	Capital Outlay: IT Subscription Charge - Fair Barn	4,000	
10-40-710-7910	Capital Outlay: IT Subscription Charge - Planning	14,020	
10-40-720-7910	Capital Outlay: IT Subscription Charge - Community Devel.	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 27th day of June, 2023.



VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: *John C. Strickland*
John C. Strickland, Mayor

Attest:

Kelly Chance
Kelly Chance, Village Clerk

Approved as to Form:

Michael J. Newman
Michael J. Newman, Village Attorney