

VILLAGE OF PINEHURST

NORTH CAROLINA



2011-2012 Budget

VILLAGE OF PINEHURST

**Budget for the Fiscal Year
Ended June 30, 2012**



*Mayor Pro-Tem Joan M. Thurman, Council Member Mark W. Parson, Mayor Virginia F. Fallon,
Treasurer Douglas A. Lapins, Council Member Nancy R. Fiorillo*



VILLAGE OF PINEHURST

395 MAGNOLIA ROAD

PINEHURST, NC 28374

910.295.1900

www.villageofpinehurst.org

VILLAGE OF PINEHURST VISION

The Village of Pinehurst is committed to protect and enhance its character and lifestyle consistent with the history and tradition that is Pinehurst through progressive, responsive, and proactive community services.

The Village of Pinehurst values its employees, volunteers, and citizens and is committed to foster an environment of mutual trust and respect and to provide the necessary resources to achieve this vision.

VILLAGE SENIOR LEADERSHIP

Village Manager

Assistant Village Manager

Assistant Village Manager

Village Clerk

Director of Financial Services

Director of Human Resources

Police Chief

Fire Chief

Director of Planning and Inspections

Director of Public Services

Director of Parks & Recreation

Manager of Fleet Maintenance

Director of Information Technology

Andrew Wilkison

Natalie Dean

Jeff Batton

Linda Brown

John Frye

Angela Kantor

Ronnie Davis

Carlton Cole

Andrea Correll

Walt Morgan

Mark Wagner

Randy Kuhn

Jason Whitaker



Table of Contents

<i>Introduction</i>	
Introduction	iii
Organizational Chart	v
GFOA Distinguished Budget Presentation Award	vi
<i>Budget Message and Overview</i>	
Budget Overview	1
Budget Message	2
<i>Council Priorities and Initiatives</i>	
Council Priorities and Initiatives	12
<i>About Village Services</i>	
About Village Services	16
<i>Budget Guide</i>	
Budget Guide	26
Financial Policies	27
Budget Development Calendar	29
Budget Planning	30
Budget Requirements	31
Budget Format	33
<i>Annual Budget Ordinance</i>	
Annual Budget Ordinance	37
<i>Consolidated Budget Summary</i>	
Consolidated Revenues	42
Consolidated Expenditures	43
General Government	44
Public Safety	45
Transportation	46
Environmental Protection	47
Economic & Physical Development	48
Cultural & Recreation	49
Debt Service	50
Other Financing Uses	51
Contingency	52
Consolidated Fund Balance	53
<i>General Fund</i>	
Summary	54
General Fund Revenues	60
Governing Body	78
Administration	80
Financial Services	82
Human Resources	84
Police	86
Fire	88
Inspections	90
Public Services Administration	92



Table of Contents

Streets & Grounds	94
Powell Bill	96
Solid Waste	98
Planning	100
Community Development	102
Recreation	104
Harness Track	106
Fair Barn	108
Buildings & Grounds Maintenance	110
Fleet Maintenance	112
Information Technology	114
Contingency	116
Debt Service	117
Other Financing Uses	122
<i>Special Revenue Funds</i>	
Summary	123
Land Dedication	125
Residential Assurance-Interest	126
Municipal Service District	127
<i>Capital Project Funds</i>	
Summary	128
Public Services Facility	130
Community Center	131
Jackson Hamlet Sewer CDBG-R	132
<i>Capital Expenditures</i>	
Summary	133
Capital Improvement Plan FY 2012-2016	136
<i>Budget Glossary</i>	
Budget Glossary	154
<i>Supplementary Information</i>	
History	160
Demographic & Geographic Characteristics	163
Operating Indicators by Function	164
Demographic and Economic Statistics	165
Principal Property Tax Payers	166
Personnel Classification Schedule	167



Introduction

Welcome to the Village of Pinehurst! This budget document represents the plans of the Village Council and staff to improve the Village while preserving its rare and unique personality in support of our vision statement. We hope this document will prove to be a valuable tool for Village citizens, Council, visitors and staff.



The Pinehurst Village Hall, located at 395 Magnolia Road

Municipal budgets can be very complex and confusing. Should there be any further questions regarding information provided in this document, please contact the Financial Services Department at 910.295.1900.

The layout of the document is intended to take the reader from the broadest budget presentation (consolidated totals, etc.) to the more specific budget presentations (individual department budgets, specific projects, etc.). Realizing that information needs differ for every reader, the document is divided into sections to make the information easy to locate.

Budget Message and Overview: The Budget Overview provides an executive summary of the contents of the budget. It helps the reader quickly understand the key elements of the budget. In the Budget Message, the Village Manager discusses the proposed budget and any outside factors that were used in determining the budgeted expenditures and the revenues needed to cover these expenditures.

Council Priorities and Initiatives: This section outlines the major priorities and initiatives for the Village as set by the Village Council. These priorities and initiatives guide the Village departments in planning and requesting their individual budgets.

About Village Services: The description of the duties and responsibilities of the different Village departments and divisions are outlined in this section of the budget document.

Budget Guide: This section details the steps in preparing and adopting the annual budget. A summary of key financial policies affecting the budget process is given. This section also includes the budget calendar, the budget planning phases, and a description of how the process works. Finally, it has a brief description of fund accounting and an outline of all Village funds.



Introduction

Annual Budget Ordinance: The legally binding ordinance that establishes the new annual budget.

Consolidated Budget Summary: This section of the budget document breaks down the budget on a broader, functional level.

General Fund, Special Revenue Funds, and Capital Project Funds: Every Village department or division appears with individual presentations of performance measures, objectives and budgets. The major revenue sources for each fund are also presented. These are the most specific presentations within the budget document.

Capital Expenditures: This section summarizes information regarding capital expenditures for the Village. Information is provided on capital items contained in the current year budget along with planning information for future years. This future information is contained in a summary of the Village's separately adopted Five-Year Capital Improvement Plan.

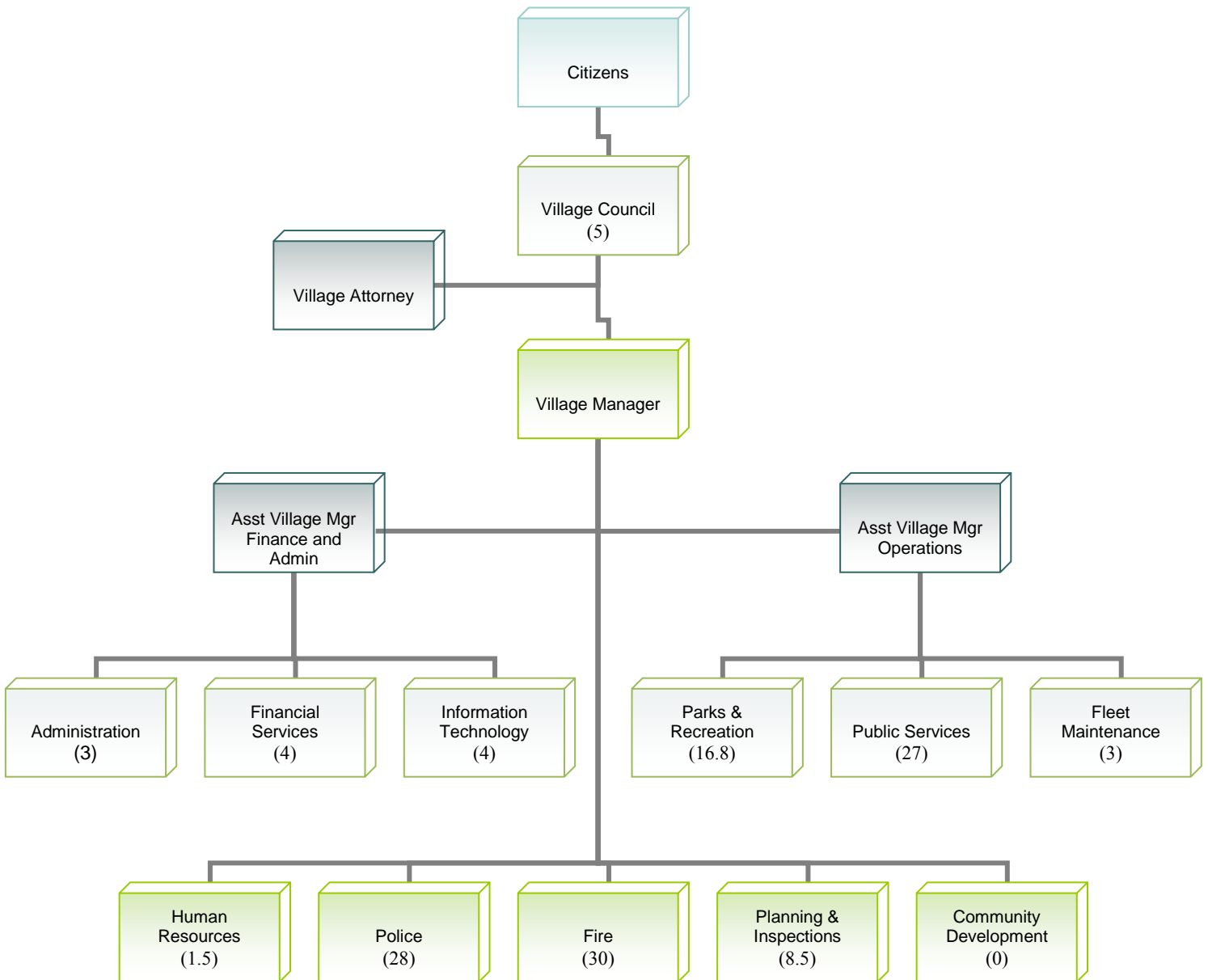
Budget Glossary: This section includes a list of common budget terms, acronyms and abbreviations. A detailed definition of these terms is provided to aid the reader in understanding the budget process.

Supplementary Information: This section includes miscellaneous information about the Village of Pinehurst, such as the history of the Village and the Personnel Classification Plan.

To find specific information addressed in individual sections, please refer to the *Table of Contents* in the front of the budget document.



Organizational Chart





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Village of Pinehurst
North Carolina**

For the Fiscal Year Beginning

July 1, 2010

President

Executive Director



The FY 2011-2012 Budget for the Village of Pinehurst was developed based on directives from the Village Council and other sound budgetary principles. These key directives included containing operating costs, investing in our infrastructure, maintaining basic Village services, maintaining the current tax rate, and funding Comprehensive Plan Initiatives equivalent to at least \$.03 of the tax rate. The budget also recommends maintaining fund balance in the range of 30% to 40% of budgeted expenditures, per the Village's Fund Balance Policy.

The FY 2011-2012 recommended Net Budget, which includes all funds less transfers between funds, totals \$15,904,650. This is a decrease of 0.70% below the prior year's amended Net Budget at February 28, 2011. In the General Fund, the current ad valorem tax rate of \$0.28 per \$100 valuation is maintained for the upcoming year. The General Fund Budget also maintains fund balance at 39% of FY 2011-2012 expenditures, which is well within the recommended range of 30%-40%.

Growth for most revenue sources is conservatively estimated based on current economic conditions. For FY 2011-2012 we have appropriated \$959,020 of the Village's fund balance as a revenue source. Historically, operating revenues come in at 101% of budget while operating expenditures typically fall 5% below budget. The amount of fund balance appropriated this year exceeds this budget variance amount by approximately \$152,000; however, the estimated ending fund balance complies with the Village's adopted fund balance policy.

Major initiatives of the recommended budget include enhancing the historic downtown business area with parking and streetscape improvements, studying the downtown business climate, containing operating costs, implementing automated collection of recyclables, improving the Village's transportation system, completion of storm water drainage control projects, and additions to our greenway system and parks.

For FY 2011-2012, the budgeted number of employees is 3.2 fewer FTE's than in the previous year's adopted budget. The budget does not recommend the elimination of any additional positions. Merit pay increases of up to 2% are provided for employees in the budget.

Capital outlays of \$1,884,600 are included in the recommended budget. This represents an increase of \$478,800 or 34% over the previous year. Some of the more notable items include Downtown parking and streetscape improvements, additions to the Village greenway system, and tennis courts and other improvements at Rassic Wicker Park.

Although the budget does not fund all the requests made by departments, it is set to maintain the provision of quality services for our citizens during these challenging economic times.

The annual budget as presented serves as a policy document, operations guide, financial plan and a communications device. We trust that the budget document provides you with a clear vision of the Village's operations for the upcoming fiscal year.



May 10, 2011

The Honorable Virginia F. Fallon, Mayor
Members of the Village Council
Pinehurst, North Carolina

Dear Mayor Fallon and Members of the Village Council:

Pursuant to Section 159-11 of the North Carolina General Statutes (NCGS), I am pleased to present the Recommended Budget for fiscal year (FY) 2011-2012 for your review and consideration. This document has been prepared in compliance with the requirements of the Government Finance Officers Association's Distinguished Budget Award program to provide a comprehensive view of the Village's budget for the upcoming year.

This year we have added a Budget Overview to help readers quickly understand the key elements of the budget. The Debt Service section now includes a table that illustrates principal and interest requirements to maturity for all Village debts. We have continued to improve our performance measures as directed by our Results Based Management Program. Finally, we have endeavored to indicate more clearly the monetary impact of major capital investments on the operating budget. This budget also reflects the renaming of the Engineering Department to Community Development, and it accounts for economic and community development activities.

The budget as presented was developed in conjunction with the Village's 2010 Comprehensive Long-Range Plan, Capital Improvement Plan (CIP), Results Based Management Program (RBM), Cost Containment Initiative, and the Village's ongoing organizational strategic planning process. The results of these planning processes are the foundation upon which the budget is developed to ensure that the recommended budget moves us toward our mission and vision.

The focus in this budget preparation process has been ensuring the long-term financial viability of our historic downtown retail center and maintaining our capital infrastructure investment in the current economic environment. Tourism, corporate travel in particular, continues to be down from historical averages, which has had a negative impact on our local businesses and the Pinehurst Resort, the Village's largest taxpayer and second largest employer.

Economic concerns include the unemployment rate, which is currently 9.4% in our County. This is slightly above the national rate of 9.2%. The Village has also not been immune to the national housing crisis. Although housing prices have remained somewhat stable, fewer new homes are being constructed with values considerably lower than in recent years. This has significantly reduced the growth rate of our tax base, which challenges the Village to determine how to provide high quality municipal services in times of slower revenue growth.

Besides the economy, other external factors have affected our budget planning process. The State of North Carolina is facing its largest budget deficit in history. This raises the concern that the state will seize all or a portion of the Village's state collected revenues. The impact of this may



not be fully known until the state adopts its budget later this summer. The 2010 Census will also impact the Village's revenues. With many state collected revenues distributed on a per capita basis, changes in the Village's population relative to other towns within the county could increase or decrease our projected revenue share. Towns have until June 2011 to contest their preliminary census data.

The Recommended Budget as presented provides a financial plan for the ensuing fiscal year and has been developed to the extent possible in accordance with the Village's Vision Statement, long term goals & objectives, and fiscal policies in mind. The key components of directives from the Village Council and the budgetary principles on which this document is based are:

- Maintain adequate funding levels to provide basic Village services,
- Maintain the current tax rate of \$0.28 per \$100 valuation,
- Fund Comprehensive Plan Initiatives equivalent to at least \$.03 on the tax rate,
- Uphold sound budgetary principles such as the inclusion of contingency funding, and conservative revenue estimates,
- Seek to contain operating costs while adequately funding infrastructure replacement, and
- Maintain a fund balance in the range of 30% to 40% of budgeted expenditures, per the Village's Fund Balance Policy.

The FY 2011-2012 Recommended Net Budget, which includes all funds less transfers between funds, totals \$15,904,650. This is a decrease of 0.70% below the prior year's amended Net Budget at February 28, 2011 of \$16,017,217. The Net Budget provides a more accurate revenue and expenditure picture because it does not include operating revenues and expenditures that come from other funds, which results in double counting.

The Village's FY 2011-2012 per capita expenditure is \$1,084 compared to our peer group's average per capita net budget of \$1,219. The Village's peer group consists of four comparable towns in North Carolina with similar populations and service demands. The Village's projected population is 14,674 while the peer group's population average is 19,477.

INITIATIVES

The budget includes new initiatives and several initiatives that are continuations from prior years. Significant funding is included in the Recommended Budget to implement higher priority strategies from the 2010 Comprehensive Long-Range Plan. Some of the more significant initiatives include:

- Enhancing the historic downtown business area with parking and streetscape improvements,
- Studying the downtown business climate,
- Containing operating costs,
- Implementing automated collection of recyclables,
- Additions to our greenway system and parks,
- Improving the Village's transportation system, and
- Completion of storm water drainage control projects.



Over the past two years, the Council has focused much attention on preserving and improving the downtown area of Old Town. Aesthetic improvements along with zoning adjustments have been made to ensure that the downtown historic business district remains a viable center of commerce and tourism. During the past year the Council has discussed various ways to improve the business climate downtown. The proposed budget provides funding to improve the streetscape downtown. The desired outcomes of the project are to make the area more visually attractive and walkable, while adding green space and additional parking.

In FY 2012, the Village will engage a Technical Assistance Team from the North Carolina Downtown Development Association to perform a study of the downtown business climate and recommend ways to enhance it. The evaluation and recommendations will be based on the National Main Street Program and will include a 3-day site visit where market and demographic data will be collected.

During FY 2011 management worked diligently to implement cost containment strategies to reduce operating costs in order to cope with declining revenues and to return capital investments to sustainable levels. For FY 2012 these initiatives reduced operating costs by approximately \$421,000. Over the next five fiscal years, the savings are estimated to be \$2.3 million. Below is a listing of some of the cost containment measures that have been implemented:

- Sought creative alternatives to filling vacant positions (eliminated 6.25 positions),
- Phased out certification pay increases,
- Reduced the size of the Village's vehicle fleet,
- Began disposing of recycling materials at an alternative facility to generate revenues,
- Adjusted Recreation fees for greater program cost recovery, and
- Evaluated alternative business models for the Harness Track operations.

We have continued our focus on conserving natural resources on several fronts. We recommend continuing the work of the Conservation Commission in the upcoming year. During FY 2011 the Village completed the final phase of its automated solid waste collection project. Currently the Village is in the process of implementing automated recyclables collection Village-wide. Making recycling more convenient should increase recycling participation, thus conserving natural resources.

In FY 2011 the Village expanded its greenway system by completing a trail from Pinehurst Elementary School to the Given Library. The proposed budget continues the greenway system expansion with an appropriation of \$225,000 to extend the greenway out Linden Road toward the Pinehurst Marina. In addition, funds are included to make additional improvements to Rassie Wicker Park.

In order to maintain an average life-cycle of 20 years for Village maintained streets, the budget contains funding to resurface approximately 5 miles of roadways. Our intent is to improve the overall serviceability of our streets by raising our pavement condition rating. A study to update



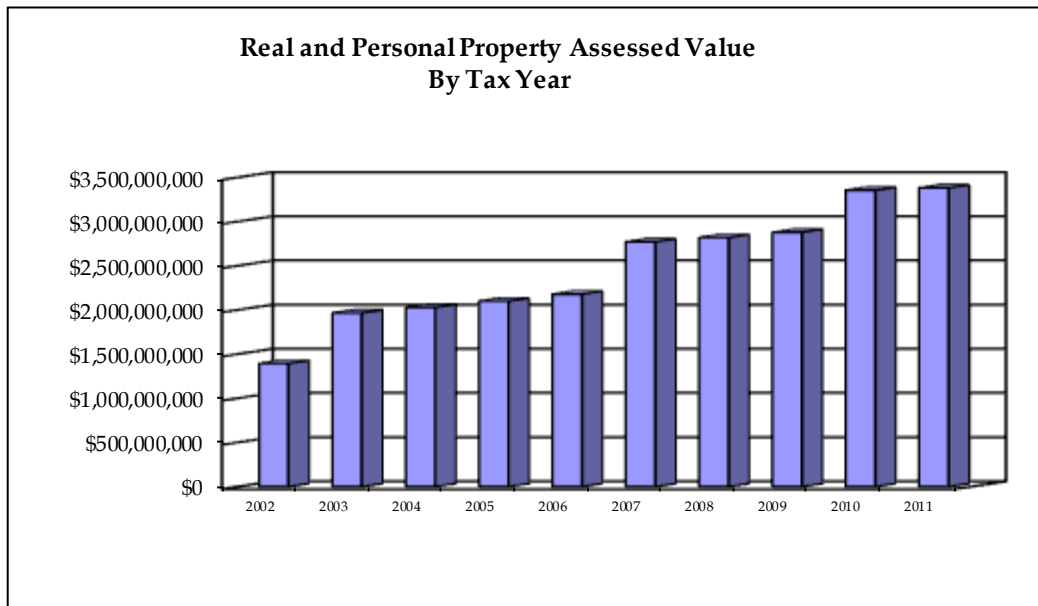
our pavement condition rating was completed last fall. Due to the Village's continued investment in resurfacing, our pavement condition rating improved from 78 in 2007 to 82 in 2010.

The Village also remains committed to continuing our efforts to correct storm water runoff problems. As many of the higher priority areas identified in our basin studies have been addressed, we are able to shift our focus to smaller areas of concern. The budget as presented contains \$150,000 to address these small drainage projects.

FUNDS OF THE RECOMMENDED BUDGET

General Fund

The General Fund is used to account for resources which are not required legally or by sound financial management to be accounted for in another fund. The FY 2011-2012 General Fund is balanced with a property tax rate of \$0.28 per \$100 valuation and is the lowest municipal tax rate in Moore County. This rate has remained unchanged since the revaluation in FY 2007-2008. This rate will provide approximately \$9,440,500 in property tax revenues based on an anticipated collection rate of 99.9% for real and personal property and 97.0% for motor vehicles. The Village has historically achieved one of the highest tax collection rates in the State of North Carolina. A penny on the tax rate is projected to generate approximately \$332,000 in revenue.



Our budget estimates assume an average growth in the real property tax base of 0.6%. This is considerably lower than previous growth estimates due to sharp reductions in residential and commercial development activity. During the ten-year period prior to 2008, an average of 230 new homes were constructed annually in the Village and its extraterritorial jurisdiction (ETJ). For 2008, 2009, and 2010 we have averaged 52 new homes per year and project approximately 50 new homes for the upcoming year.

The Village's second largest revenue source, Local Option Sales Tax, is expected to generate approximately 15% of the Village's total General Fund budget, or \$2,251,020 in FY 2011-2012.



This represents an increase of 5.7% from the previous year and is due in part to a higher than expected census count and the general economic recovery.

The FY 2011-2012 Recommended Budget for the General Fund totals \$15,900,470, which is \$108,667 or 0.70% less than the amended FY 2010-2011 Budget of \$16,013,137 as of February 28, 2011.

Overall, the Recommended Budget for the General Fund utilizes \$959,020 of appropriated fund balance. The Recommended Budget complies with the Village's Fund Balance Policy, resulting in a fund balance as a percentage of expenditures that is approximately 39%.

SOURCES OF REVENUE

The General Funds' primary sources of revenue include:

- Ad Valorem Taxes,
- Local Option Sales Taxes,
- Intergovernmental Revenues, and
- Permits and Fees.

Approximately 82% of all General Fund revenue comes from ad valorem taxes and local option sales taxes. In the past few years, the Village's revenue sources have become much less diversified due to the repeal of taxes at the state level and dependence on the ad valorem tax has increased as a result. This year the Village can expect little revenue growth due to the slow economic recovery.

Ad Valorem Taxes (Property Taxes)

Two characteristics of the property tax distinguish it from other forms of taxation and underlie the methods of determining tax liability and enforcing collection. The first characteristic is that the property tax is levied on property itself, not the owner. The second is that the tax is measured by the value of the property, not by the owner's ability to pay. Thus, it is often called an "ad valorem" tax, from the Latin phrase meaning, "according to value".

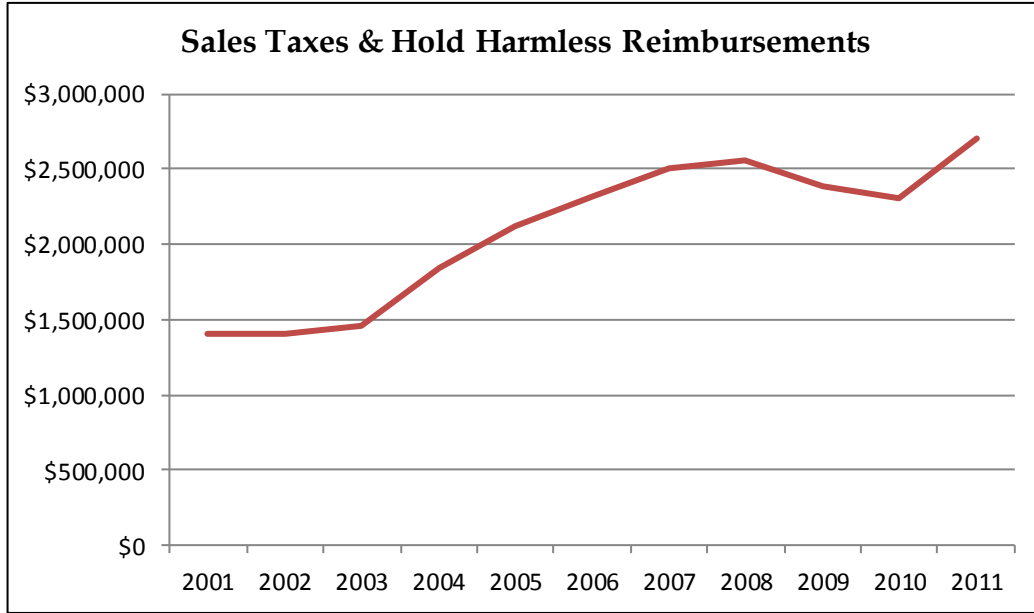
In North Carolina, property tax rates are customarily expressed in dollars per \$100 valuation. The maximum property tax rate allowed in North Carolina is \$1.50 per \$100 of valuation. This proposed budget recommends a property tax rate of \$0.28 per \$100 of valuation. This means that for every \$100,000 in value of property, \$280 is due. Total Ad Valorem Tax revenues are projected to be \$9,440,500 in FY 2011-2012. In North Carolina, the Ad Valorem tax is the only significant source of revenue that the State allows local governments to control. This revenue accounts for 63% of the General Fund's total revenues.

Local Option Sales Taxes

Two (2) cents of the seven and three-quarters (7 $\frac{3}{4}$) cents paid in sales tax on retail sales in North Carolina represents the local share of this tax. This tax consists of a one percent tax that was first levied in 1971, a one-half cent tax levied in 1983, and a one-half cent tax levied in 1986. In October 2009 the State of North Carolina replaced the Article 44 sales tax with a "hold harmless" reimbursement as part of the Medicaid funding relief program for counties. The state



collects the sales taxes and distributes them to the local governmental jurisdictions. Sales tax revenues are distributed on a proportional population basis to municipalities in Moore County. Local option sales tax revenues are projected to be \$2,251,020 in FY 2011-2012, which accounts for 15% of total revenues for the General Fund.



Intergovernmental Revenues

Intergovernmental revenues consist primarily of the Electricity Franchise Tax, Hold Harmless Sales Tax Reimbursements, and the Powell Bill Allocation. The Electricity Franchise Tax is collected by the State and is distributed to the Village based on the actual receipts from the providers of electricity within the Village's limits. Hold Harmless Sales Tax Reimbursements were granted to municipalities after the Article 44 Sales Tax was repealed by the State. The Powell Bill Allocation from the State is restricted to maintaining, repairing, or constructing Village owned streets and rights-of-way. Total intergovernmental revenue is estimated to be \$2,037,300 for FY 2011-2012.

Permits and Fees

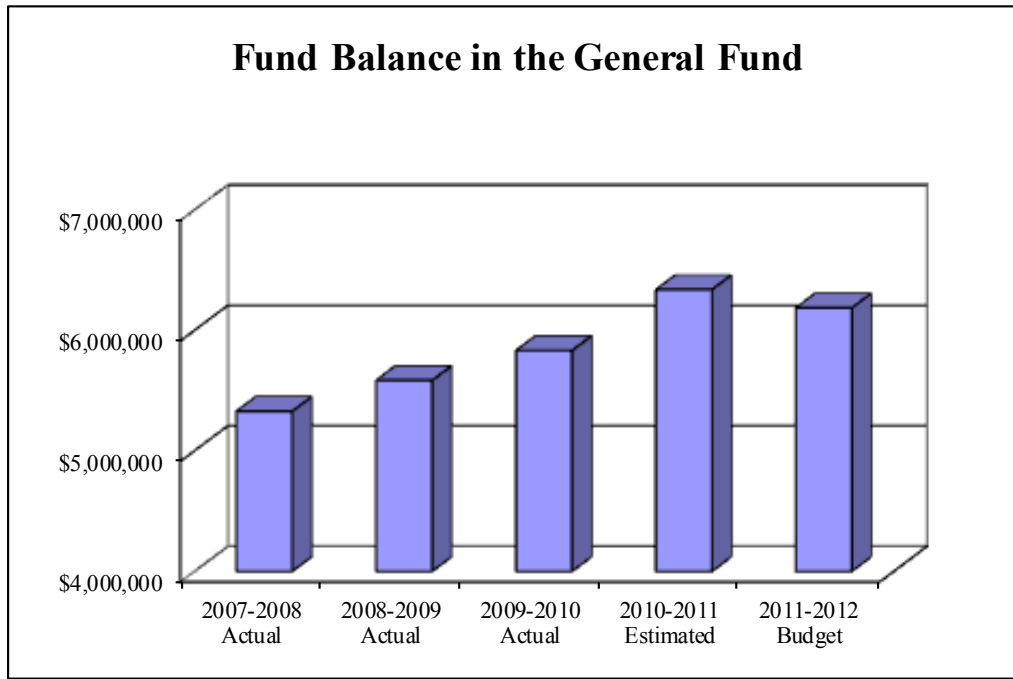
Permits and Fees consist primarily of planning and inspection fees associated with residential and non-residential development within the Village and its extraterritorial jurisdiction (ETJ). In addition, Fire District Revenues are included with Permits and Fees. Fire District Revenue comes from Moore County and Taylortown, a neighboring community, for the Village's fire department providing fire protection services to areas outside of the Village's municipal limits. Total Permits and Fees revenue is expected to approximate \$487,950 in FY 2011-2012, or approximately 3.3% of total General Fund revenues.

FUND BALANCES

On June 30, 2011, the Village's fund balance in the General Fund is projected to be approximately \$6,339,170, or 39% of the FY 2010-2011 Budget. This is near the upper end of the Village's targeted range of 30%-40% of budgeted expenditures. Management is proposing to



maintain this level in the proposed budget. The Village’s peer group typically maintains an average fund balance available for appropriation around 53% of expenditures.



A summary of all funds and their estimated fund balances as of June 30, 2011 are as follows:

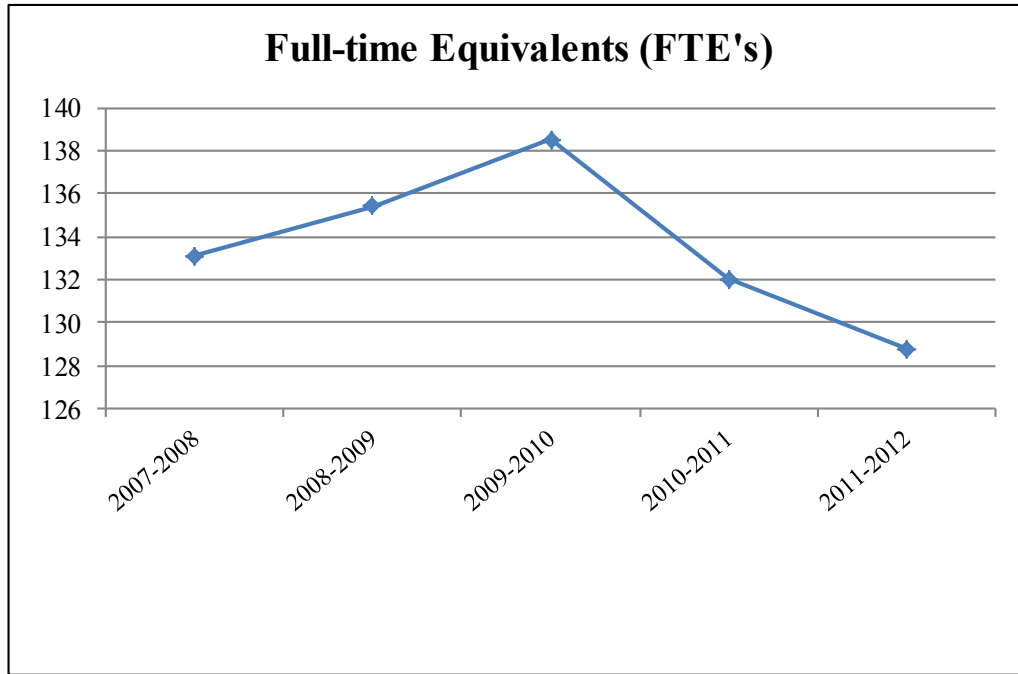
<u>FUND</u>	<u>ESTIMATED AMOUNT</u>
General Fund	\$ 6,339,170
Land Dedication Fund	2,871
Residential Assurance Fund – Interest	7,529
Municipal Service District Fund	13,215
	<u>\$ 6,362,785</u>

EXPENDITURES BY CATEGORY

Salaries and Wages

Salaries and wages, excluding benefits, for the Village’s 128 full-time equivalents (FTEs) accounts for \$5,382,685 or 34% of the total Net Budget. This percentage has decreased slightly compared to prior years. The Village’s peer group spends on average 35% of its consolidated budget (including capital project funds) on salaries and wages, excluding benefits. The budgeted number of employees is 3.2 fewer FTE’s than in the previous year’s adopted budget.

The FY 2011-2012 General Fund budget does not recommend the elimination of any additional positions. Several positions, however, have been identified for elimination as vacancies occur throughout the Village as part of our ongoing cost containment program.



A total of \$84,000 has been included in the recommended budget to fund the Village's merit pay system. The merit pay raises available to employees range from 0%-2% and are prorated based on staggered review dates. This is the same range as provided in the previous year.

Operating Costs

This category of expenditures accounts for \$7,767,570 or 49% of the total Net Budget. These expenditures include all costs other than salaries and wages, debt service, and capital costs. Benefit costs, such as insurance and retirement are included in operating costs. The Village's peer group typically spends 45% of its Budget on operating costs. Notable operating costs include the funding for items included in the Village's updated Comprehensive Plan and annual resurfacing funds for approximately 5 miles of Village-owned streets.

Group insurance costs have historically escalated at a very rapid pace. This past year, the Village received a 7% increase at renewal. The Village's Risk Management Committee evaluates the group insurance plan each year and recommends an insurance program for the next calendar year. This year's budget again assumes a 10% increase in group insurance costs at our January 2012 renewal. Also, the appropriation for workers' compensation insurance has been increased by 25% in the proposed budget due to negative claims experience in the previous year.

Capital

This category of expenditures accounts for \$1,884,600, or 12% of the total Net Budget. This represents an increase of \$478,800 or 34% over the previous year. Comparatively, our peers spend approximately 20% of their budgets on capital. The Village tends to spend more on resurfacing and less on capital than its peers due to our high number of street miles per capita. This budget does not contain any significant non-routine capital expenditures such as a new building that would significantly impact operating costs of the Village in the future.



Capital expenditures are for the purchase of vehicles, equipment and other items that are too permanent to be considered expendable at the time of purchase, have a value greater than \$5,000, and have a life expectancy of at least one year. Detailed information on capital purchases for FY 2011-2012 can be found in the Capital Expenditures section of the budget document. The list below highlights some of the more notable items:

- Downtown parking and streetscape improvements,
- Additions to the Village greenway system,
- Tennis courts and other improvements at Rassic Wicker Park,
- Police patrol vehicle replacements,
- Radio system upgrades,
- All-weather show rings at the Harness Track facility,
- Parking improvements at the Fair Barn, and
- Stormwater projects.

Debt Service

This category of expenditures accounts for \$865,615, or 5% of the total Net Budget. This represents a decrease of \$169,875 or 16% over the previous year. Comparatively, our peers spend approximately 8% of their budgets on debt service.

In FY 2012, the Village will make the final debt payment on the Village Hall loan and a firetruck loan. No new debt issuances are included in the FY 2012 budget.

BALANCED RECOMMENDED BUDGET

As required by the North Carolina General Statutes the Recommended Budget is balanced, or total revenues equal total expenditures. I have presented a budget that maintains an ad valorem tax rate of \$0.28 per \$100 valuation for the General Fund. The Recommended Budget will result in a fund balance of 39% of FY 2011-2012 General Fund expenditures, which is well within our policy range of 30% to 40%.

The Recommended Budget for FY 2011-2012 incorporates several items identified in the Village's 2010 Comprehensive Long-Range Plan. These initiatives equate to \$0.036 of the Village's \$0.28 tax rate. Of the funding provided, \$1,000,000, or \$0.03, is for capital items such as downtown parking and streetscape improvements, additional greenways, park improvements, and storm drainage projects. More significant operating items that address the 2010 Comprehensive Long-Range Plan include funding for community events, aesthetic improvements to downtown and right of ways, and conservation initiatives.

Departmental requests were reduced by approximately \$400,000 in order to balance the budget. Although the budget does not fund all the requests made by departments or external groups, it is set to maintain the provision of quality services for our citizens and in some instances improve current service levels.



Budget Message

The following table is a summary of the balanced Recommended Budget for each of the Village's funds for FY 2011-2012:

Function	Fund					Total
	General	Land	Dedication	Residential Assurance	Municipal Service District	
Revenues	\$ 14,927,850	\$ 10	\$ 390	\$ 17,380	\$ 14,945,630	
Other Financing Sources	13,600				13,600	
Fund Balance Appropriated	959,020				959,020	
Total Revenues	\$ 15,900,470	\$ 10	\$ 390	\$ 17,380	\$ 15,918,250	
General Government	\$ 2,041,350				\$ 2,041,350	
Public Safety	5,236,280				5,236,280	
Transportation	2,591,880				2,591,880	
Environmental Protection	1,334,340			3,780	1,338,120	
Economic & Physical Development	1,417,530				1,417,530	
Cultural and Recreation	2,363,475				2,363,475	
Debt Service	865,615				865,615	
Reserve for Future Expenditures	-	10	390		400	
Other Financing Uses	-			13,600	13,600	
Contingency	50,000				50,000	
Total Expenditures	\$ 15,900,470	\$ 10	\$ 390	\$ 17,380	\$ 15,918,250	
Less transfers between funds *					(13,600)	
Net Budget					\$ 15,904,650	

* The transfers between funds are subtracted from the totals to eliminate the inflation of revenues and expenditures caused by a straight budgetary transfer from one fund to another.

A Public Hearing to receive public comment on the Recommended Budget is set for 9:00 am in the Council Conference Room of the Pinehurst Village Hall on Tuesday, May 24, 2011. A copy of the proposed budget is available for inspection at Village Hall and on the Village's website www.villageofpinehurst.org.

I wish to express my thanks to the Mayor and the Village Council for their support and recognition of all the Village employees who have accomplished so much this past year. Please let me know if I can be of any further assistance as you review this proposal.

Respectfully Submitted,

Andrew M. Wilkison
Village Manager



Council Priorities and Initiatives

In January, 2005, the Village Council and Senior Leadership jointly adopted the Village's Vision Statement.

The Village of Pinehurst is committed to protect and enhance its character and lifestyle consistent with the history and tradition that is Pinehurst through progressive, responsive, and proactive community services.

The Village of Pinehurst values its employees, volunteers, and citizens and is committed to foster an environment of mutual trust and respect and to provide the necessary resources to achieve this vision.

This vision statement guides the Village. In addition, the Council's philosophy and long-term priorities are described in detail in the Village's Comprehensive Long-Range Plan that was originally adopted in April 2003 and updated in May 2010. This plan is divided into a Strategic Element and an Implementation Element.

The Strategic Element indicates the 2010 Comprehensive Long-Range Plan is based on the following goal:

“The Village of Pinehurst intends to:

- Preserve and enhance the unique character and ambience of the entire community, especially the historic Village Center,
- Enhance the quality of life for present and future residents,
- Guide growth or change in ways that complement the unique character and ambience of the community,
- Address community needs in the most efficient and cost-effective manner, and
- Maintain the legacy of Pinehurst for future residents and visitors to enjoy.”



In October 2010, the Village Council held a retreat to prioritize the initiatives included in the Implementation Element of the 2010 Comprehensive Long-Range Plan that would have an impact on the Village's five year *Capital Improvements Plan*. During this retreat, the Council considered the current economic environment and the projected revenues and expenditures of the Village. All capital expenditures indicated in the 2010 Comprehensive Long Range plan were discussed and slated in one of the next five years or beyond the planning horizon. The FY 2011-12 Recommended Budget includes funding for those capital items the Village Council indicated they wanted to be completed in FY 2011-12.

Listed below are the Council's priorities and initiatives contained in the Village's 2010 Comprehensive Long-Range Plan. In addition, both capital and operating funding included in the FY 2011-2012 Recommended Budget for various initiatives is also included below.



Enhance Character & Ambience

- Maintain and Enhance Community Character and Ambience
 - *\$500,000 is included in the budget for implementation of Village Center streetscape and parking improvements.*
 - *The proposed budget provides \$25,000 to continue downtown beautification projects.*
 - *Funding of \$600 is included for the Historic Preservation Commission.*
 - *\$3,000 is budgeted for the Community Appearance Commission's Commercial Appearance Incentive Program.*
- Preserve and Enhance Landscaping
 - *Funding of \$7,500 is included for the Arborculture program and \$6,000 for right-of-way tree planting programs.*
 - *Beautification grants of \$4,000 for home owner associations are included.*
- Implement Other Strategies to Enhance Character and Ambience

Enhance Quality of Life

- Promote Special Events/Activities
 - *The budget includes funding of \$27,300 for Village sponsored community events.*
 - *Funding of \$36,500 is included to support Arboretum and Fair Barn special events.*
- Utilize Other Ways To Enhance Quality of Life
 - *The budget includes \$11,450 for the production of 4 Village Newsletters.*

Enhance Image/Reputation

- Maintain and Strengthen The Image/Reputation
- Enhance External Presentation of Pinehurst
 - *\$8,000 of funding is included to operate the Village Welcome Center.*
- Develop A Distinctive Mark or Image

Preserve Open Space

- Expand The Greenway Trail System
 - *Funding of \$225,000 is included to construct additional greenways.*
- Add New Open Space
- Preserve Existing Open Space
- Increase Open Space Connectivity

Preserve Natural Resources

- Protect Water Quality
 - *The budget includes \$9,200 for Household Hazardous Waste collection events.*
- Enhance Water Quantity
- Protect Biologic Resources
 - *The budget includes \$2,700 for the Greenway Wildlife Habitat Committee.*



Preserve Sustainability

- Encourage Sustainability
 - *Funding of \$20,580 is included to support the efforts of the Conservation Commission.*
- Reduce Water Use
 - *Funding of \$600 is included for the Water Committee of the Conservation Commission.*
- Reduce Energy Use
 - *Funding in this budget for the Alternative Energy Committee of the Conservation Commission totals \$15,100.*

Guide Village Center

- Expand/Improve the Village Center
 - *Funding for the Village Center Enhancement Committee totals \$10,000 in this budget.*
- Expand Along An Organizing Spine
- Proceed Incrementally
- Revise Regulations To Accomplish The Vision
- Provide For Parking
 - *\$500,000 is included in the budget for implementation of Village Center streetscape and parking improvements.*
- Address Traffic Circulation
- Plan Out The Approach and Schedule
- Nurture The Village Center

Guide Extra-Territorial Areas

- As Appropriate, Expand Pinehurst's Jurisdiction and Corporate Limits
- Maintain Annexation Agreements With Adjacent Communities
- Apply New Residential Development Concepts in the ETJ Area
- Review Business Development Locations in the ETJ Area
- Undertake Special Studies



Guide Residential Development

- Protect Existing Residential Neighborhoods
 - *The budget includes funding for neighborhood beautification grants of \$4,000.*
 - *There is \$6,000 included in the budget for street tree planting.*
- Guide Residential Development To Address Housing Needs



Business/Institution Development

- Review Existing Business Zones
- Establish New Business Zones
- Enhance The Character of Development In Business Zones

Utility Infrastructure

- Establish Reliable Sources of Water Within A Regional Framework
- Enhance Community Drainage Systems
 - *Funding of \$150,000 is included in Community Development for expenditures related to small drainage projects.*
- Continue to Manage Wired Utilities
- Enhance Wireless Communications Coverage
- Establish a Dependable Sewage Disposal System
- Expand The Natural Gas System In Pinehurst
- Address Street Lighting

Vehicular Transportation

- Retain Community Character When Addressing Transportation Issues
- Increase Regional Connectivity/Mobility
- Manage Improvements To Major Roadways
- Manage Other Transportation Issues
 - *Funding of \$900,000 is included to resurface approximately 5 miles of roadways.*
 - *The proposed budget contains \$15,000 to complete a traffic survey.*

Community Facilities

- Address Current Needs
 - *Funding for Rassie Wicker Park development totals \$125,000 in this budget*
- Prepare for Mid-Range Needs
- Plan For Possible Long-Range Needs
- Support Other Entities
 - *Operating support of \$20,000 is provided for the Given Memorial Library.*

Other Transportation

- Prepare A Pedestrian/Bicycle Master Plan
- Promote Pedestrian Circulation
- Provide For Bicycle Circulation
- Evaluate Provision of Other Transportation Services



Visit the Village of Pinehurst's web site: www.villageofpinehurst.org

The Village of Pinehurst is known for its award-winning golf resorts and quaint, idyllic charm, but many people don't realize that our local government is comprised of 18 different departments and divisions working to maintain the high expectations of the Village's citizens and visitors. As such, it is often difficult to know who to contact for more information about the Village of Pinehurst's available services.



Historic Downtown Business District

This section was created to aid the reader in learning the duties and responsibilities of each department and division. You may also get additional information about the budget through the "Citizen Service Desk" on our web site. This service will direct your request for information to the appropriate staff member and track its progress to fulfillment. We have also provided an email address for each department and a phone list at the end of this section for common requests and services.

GENERAL GOVERNMENT

GOVERNING BODY (lbrown@villageofpinehurst.org)

The Governing Body of the Village consists of a five-member council that includes a directly elected Mayor. The Council provides overall policy guidance for all municipal operations. To affect this, the Council considers and adopts local ordinances and resolutions to provide for the health, safety and overall quality of life for the citizens of Pinehurst. The Council determines the level of service the Village will provide to its citizens. The governing body of the Village makes appointments to various volunteer boards and commissions that act in an advisory and quasi-judicial role for the Village. The Council also selects and contracts with the Village Manager and Village Attorney for services. All Council actions are made with the primary goals of preservation of the quiet, tranquil and unusually attractive village atmosphere and retaining and enhancing the quality of life for its present and future residents and their visitors.

ADMINISTRATION (awilkison@villageofpinehurst.org)

The Administration Department provides top-level support to the Village Council and Village Manager. It also serves as a support and liaison to the 17 other departments of the Village to ensure that services



are provided to Village residents in an efficient, responsive, and cost efficient manner. The office of the Village Manager is responsible for the overall operations of the Village.

FINANCIAL SERVICES (jfrve@villageofpinehurst.org)

The Director of Financial Services reports directly to the Assistant Village Manager of Finance and Administration and serves as a member of the senior leadership team. The Financial Services Department oversees the fiscal operation of the Village, which includes cash and investment management, debt management, financial reporting, financial forecasting and preparation of the annual budget. The Financial Services Department's mission is to provide financial expertise and promote fiscal responsibility in a challenging and rewarding environment.

HUMAN RESOURCES (akantor@villageofpinehurst.org)

The Human Resources department provides the traditional personnel services for both management and staff, but also extends that role to include the design and implementation of services and programs to enhance employee job satisfaction, retention, and a balanced family/work life. Reward and recognition of both the employees and volunteers are also critical to the success of our organization. All activities are performed in direct support of the Vision Statement to ensure a progressive, responsive, and proactive environment for our employees and for those with which we build external relationships.

PUBLIC SAFETY

FIRE (jccole@villageofpinehurst.org)

The Fire Chief reports directly to the Village Manager and serves as a member of the senior leadership team. The Fire Department as directed by the Village of Pinehurst's Vision Statement is responsible for providing protection of life, property, and environment of the Village and the surrounding area through public education, fire prevention, fire inspection, fire suppression, and related services in addition to the department's obligation to train all personnel in modern fire safety practices and technologies.



Police & Fire vehicles purchased in 2011



POLICE (rdavis@villageofpinehurst.org)

The Police Department is responsible for the protection of life and property of the citizens and visitors of the Village. Patrol officers respond to police related calls for service at the request of citizens or other persons, initiate service calls when necessary, direct traffic when needed and conduct follow up investigations on reported and non-reported crimes. Dispatcher personnel monitor, receive, and dispatch emergency and routine police calls for service through interface with the County E911 system. Investigative personnel are responsible for the investigation of criminal activity in the Village by means of interviews and gathering physical evidence. The Police Department provides dedicated and compassionate assistance by promoting leadership, cooperation and creativity and aspires to improve the quality of life in partnership with the community.

INSPECTIONS (acorrell@villageofpinehurst.org)

The Chief Building Official reports directly to the Director of Planning and Inspections. It is the mission of the Inspection Department to assure that State standards of building are met within the jurisdiction of the Village of Pinehurst. This mission contributes to the Vision of the Village of Pinehurst through progressive, responsive and proactive community service. The Inspections Department serves not only the residents of Pinehurst but the residents of the extra territorial jurisdiction. Inspectors assure that all new homes and businesses are built to standards thereby serving the interest of citizens they will never meet because their work is done prior to the individual moving into the home.



FirstHealth Heart Institute opened in 2011

TRANSPORTATION

PUBLIC SERVICES (wmorgan@villageofpinehurst.org)

The Director of Public Services reports directly to the Assistant Village Manager of Operations and is a member of the senior leadership team. The Public Services Department provides administrative and technical functions for the public services divisions. Its responsibilities include establishing priorities for the departments, training and supervising staff, developing plans and specifications for infrastructure, and interacting with citizens and governmental regulatory agencies.



STREETS AND GROUNDS (wmorgan@villageofpinehurst.org)

The Streets and Grounds Division of the Public Services Department reports directly to the Director of Public Services. The Streets and Grounds Division is responsible for keeping all public transportation routes open and in a safe traveling condition. This department maintains 105 miles of paved streets in the Village, which is the largest amount of any local government in Moore County. In addition to maintaining the streets, this department also maintains certain off-street drainage facilities and affects minor construction activities of the same nature. Routine tasks include pot hole and utility cut patching, installing storm drain pipe and other improvements, installing and maintaining traffic and street name signs, repairing brick and sand/clay sidewalks, street sweeping and cleaning, and tree trimming and removal. This division also provides the manpower, supplies and management for the maintenance of the Village owned right of ways and common areas.

ENVIRONMENTAL PROTECTION

SOLID WASTE (wmorgan@villageofpinehurst.org)

The Solid Waste Division of the Public Services Department reports directly to the Director of Public Services. The Solid Waste Division provides residents with weekly pickup of household garbage, recyclables, and yard debris. In addition to this, the department operates a recycling drop-off site five days a week.

ECONOMIC & PHYSICAL DEVELOPMENT

PLANNING (acorrell@villageofpinehurst.org)

It is the mission of the Planning Department to preserve and enhance the unique character of the Village of Pinehurst and to manage and guide growth in ways that complement the quality of life. This mission contributes to the Vision of the Village of Pinehurst through progressive, responsive and proactive community service. The Planning Department serves not only the residents of Pinehurst but the residents of the extra territorial jurisdiction. The Planning Department assures that all activities are in compliance with the Pinehurst Development Ordinance and other applicable Village codes.



Village Welcome Center dedicated in 2011



COMMUNITY DEVELOPMENT (jbatton@villageofpinehurst.org)

The Community Development Department is the primary agency for ensuring that the quality and quantity of infrastructure is sufficient to provide for the current and anticipated needs of the community in order to protect the character and quality of lifestyle associated with the Village. The department works to accomplish and facilitate this vision by ensuring that roadway, drainage, pedestrian, and utility improvements are planned for, constructed, and completed in a manner that will enhance the quality of life for our residents.

CULTURAL AND RECREATION

RECREATION (mwagner@villageofpinehurst.org)

The Recreation Department is charged with providing the citizens of Pinehurst with a variety of recreational pursuits that permit the participants to truly enrich the quality of their lives. Leisure services provided give the participants the opportunity to learn and respect their abilities, strengths and weaknesses as they move toward self-fulfillment and self-actualization of their expected potentials in life. Year-round programming includes classes, workshops, special events, facility rentals, athletic leagues, and camps.



Vince Gill performs at Village Arboretum

FAIR BARN (aowen@villageofpinehurst.org)

The Fair Barn Division of the Parks and Recreation Department provides the management for the operations and maintenance of the Fair Barn. The Fair Barn is the oldest surviving early twentieth-century fair exhibition hall in North Carolina. It was built in 1917 and has been renovated to serve as a multi-purpose community gathering place. The division also manages varying capital improvements to the facility and surrounding grounds, provides marketing and promotion for the Fair Barn and provides on-site supervision and services to rental clients.



HARNESS TRACK (rskellington@villageofpinehurst.org)

The Harness Track Division of the Parks and Recreation Department provides the manpower, supplies, expertise, equipment and management for the operations and maintenance of the Harness Track facility. This division affects light capital improvements and manages significant capital improvements while providing services to the standardbred trainers and other equine and non-equine related clients of the property.



Village Harness Track – Matinee Races

INTERNAL SERVICE DEPARTMENTS

BUILDINGS & GROUNDS MAINTENANCE (mwagner@villageofpinehurst.org)

The Buildings & Grounds Division is responsible for providing regular and preventative maintenance for all buildings owned by the Village and also for the grounds maintenance in the various parks and other facilities. This division coordinates repairs for all heating systems, electrical systems and any other building systems as needed. The Buildings and Grounds Division is also responsible for miscellaneous building maintenance, such as replacing light bulbs, routine cleaning of system filters, mowing turf areas, upkeep of parks and greenway trails, and maintaining trees and shrubs.



Cannon Park parking lot improvements



BOARDS AND COMMISSIONS

HISTORIC PRESERVATION COMMISSION (acorrell@villageofpinehurst.org)

The Historic Preservation Commission recommends design guidelines for the Local Historic District to the Village Council. The Commission recommends to Council areas to be designated as “Historic Districts”; and individual structures, buildings, sites, areas, or objects to be designated as “Landmarks”. They also review and act upon requests for major work requiring a certificate of appropriateness (COAs) for alterations, demolitions, or new construction within the historic district. They also review requests for signage in the Historic District.



Historic District signage

BOARD OF ADJUSTMENT (acorrell@villageofpinehurst.org)

The Zoning Board of Adjustment hears and decides applications for approval of variances from the terms of the Pinehurst Development Ordinance, appeals from any order, requirement, permit, decision, or determination issued or made by an administrative officer of the Village in enforcing any provision of the Pinehurst Development Ordinance, and applications for special use permits. The Board of Adjustment also considers requests for variances and appeals of administrative decisions or interpretations of the Ordinance.

COMMUNITY APPEARANCE COMMISSION (acorrell@villageofpinehurst.org)

The Community Appearance Commission reviews and makes recommendations regarding plans for Single Family homes and fences. In reviewing these requests, the Commission works with the builder to ensure that both site and building design are appropriate for Pinehurst and will enhance the Village. The Commission also performs final inspections on Single Family home sites to see that development is carried out as indicated in the plans approved by the Planning and Inspections Department. The Commission also works on long-term projects that impact the appearance of the Village.

CONSERVATION COMMISSION (acorrell@villageofpinehurst.org)

The Conservation Commission was started in 2003 as part of the Village’s Comprehensive Long-Range Plan to meet the conservation goals of Pinehurst. It has now grown into a large entity with six



About Village Services

committees and many members. Over the past several years, the commission has performed a number of activities including: educational workshops, Arbor Day celebration, and promoting conservation by participating in community events. The subcommittees identify plants along the greenway, and promote recycling, tree planting, water conservation, open space preservation, and energy conservation.



Greenway trail to Given Library

PLANNING AND ZONING BOARD (acorrell@villageofpinehurst.org)

The Planning and Zoning Board reviews all amendments to the Pinehurst Development Ordinance, all proposed rezoning of property under the Pinehurst Development Ordinance, all proposed master land use plans for planned developments, all proposed major preliminary plats of subdivision, all proposed major site plans, and makes recommendations to the Village Council for final action. They also review and approve all applications for signage (outside the Historic District) prior to the issuance of a development permit.



Need More Information?

The best source for additional information is our web site www.villageofpinehurst.org.

You can also call the numbers in the telephone listing below to get answers to specific questions.

ATHLETICS.....	910.295.2817
BILL INQUIRIES.....	910.295.1900
BROKEN WATER AND SEWER LINES (MOORE COUNTY UTILITIES).....	910.947.6315
BUDGET.....	910.295.1900
BUILDING CODE REQUIREMENTS.....	910.295.2581
BUILDING INSPECTIONS.....	910.295.2581
BUILDING PERMITS.....	910.295.2581
CURB CUTS.....	910.295.5021
CUSTOMER SERVICE.....	910.295.1900
DRIVEWAY PERMITS.....	910.295.2581
ECONOMIC DEVELOPMENT.....	910.295.1900
FAIR BARN RENTALS.....	910.295.0166
FENCING REQUIREMENTS.....	910.295.2581
FINANCIAL SERVICES.....	910.295.1900
FIRE EMERGENCIES.....	911
FIRE DEPARTMENT – NON-EMERGENCY.....	910.295.5575
FIRE DEPARTMENT PUBLIC EDUCATION SERVICES.....	910.295.5575
FIRE PREVENTION.....	910.295.5575
GARBAGE AND TRASH COLLECTION.....	910.295.5021
GENERAL VILLAGE INFORMATION.....	910.295.1900
GEOGRAPHIC INFORMATION SYSTEM (GIS).....	910.295.1900
HARNESS TRACK.....	910.295.4446
HISTORIC PROPERTIES.....	910.295.2581
HUMAN RESOURCES.....	910.295.1900



About Village Services

JUNK CARS.....	910.295.2581
MAPS.....	910.295.1900
NEIGHBORHOOD WATCH PROGRAM.....	910.295.3141
NOISE.....	910.295.3141
OCCUPANCY PERMITS.....	910.295.2581
PARKS AND RECREATION.....	910.295.2817
POLICE EMERGENCIES.....	911
POLICE – NON EMERGENCY.....	910.295.3141
PUBLIC INFORMATION.....	910.295.1900
RECYCLING.....	910.295.5021
REZONING MATTERS.....	910.295.2581
SETBACK REQUIREMENTS.....	910.295.2581
SEWER TAPS (MOORE COUNTY UTILITIES).....	910.947.6315
SIGN REQUIREMENTS.....	910.295.2581
STREET RESURFACING.....	910.295.5021
TAXES (MOORE COUNTY TAX OFFICE).....	910.947.2255
TRAFFIC.....	910.295.1900
UNKEMPT LOTS/YARDS.....	910.295.2581
VILLAGE CLERK.....	910.295.1900
VILLAGE MANAGER.....	910.295.1900
VOTING (MOORE COUNTY BOARD OF ELECTIONS).....	910.947.3868
WATER AND SEWER LINE MAINTENANCE (MOORE COUNTY UTILITIES).....	910.947.6315
WATER TAPS (MOORE COUNTY UTILITIES).....	910.947.6315
WATERSHED REQUIREMENTS.....	910.295.2581
ZONING.....	910.295.2581



The *Budget Guide* is designed to aid the reader in understanding the information in the budget document, how it is formatted and the processes needed to create an annual balanced budget. The subsequent sections of the budget document dive into the detailed budget working plan for Village operations and this guide will provide explanations for the vast amount of data that follows.

Because this section is intended to provide mostly background information, the reader is invited to exercise judgment when reading it. The veteran budget reader may wish to skip the *Budget Format* pages as they describe the basic structure of the Village's budget. However, the novice reader will find these pages a good starting point for developing an understanding of information in the rest of the document.

What's New in the Budget This Year?

The Village of Pinehurst's FY 2010-2011 Budget earned the Government Finance Officer's Distinguished Budget Award. The award represents a significant achievement by the Village. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the Village had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well the Village's budget serves as a policy document, financial plan, operations guide, and communications device. This is the fourth consecutive year the Village has received this award.

This year we have added a Budget Overview to help readers quickly understand the key elements of the budget. The Debt Service section now includes a table that illustrates principal and interest requirements to maturity for all Village debts. We have continued to improve our performance measures as directed by our Results Based Management Program. Finally, we have endeavored to indicate more clearly the monetary impact of major capital investments on the operating budget.

The Village of Pinehurst continues to develop its results-based management process. For the past four years, the Village has worked to include meaningful performance measures for all departments. This year we have continued to build upon this effort and improve our performance measures. We have also attempted to strengthen the link between the goals and objectives of each department to the overall goals of the village. If performance measure data was not available for previous years, it is marked "n/a" in the performance measures table. In addition, performance data presented in the table for FY 2010-2011 are estimated and for the upcoming budget year they are a goal. We hope that this aids the reader in seeing trends related to specific performance measures. A summary of operating indicators by function can also be found in the supplementary information section.

We hope that you find these enhancements useful. If there is additional information that you would like to see presented in future editions, please forward your request to the Financial Services Department.



Village of Pinehurst Financial Policies Summary

The Village of Pinehurst's budgetary and financial policies set forth basic guidance for the fiscal management of the Village. Most of the policies represent long standing principles and traditions with its legal framework outlined in both the North Carolina General Statutes (NCGS) and the Village's Ordinances. These policies though general in statement contribute to the Village's financial stability. The major financial policies of the Village are summarized below.

Operating Budget Policies

Pursuant to the North Carolina General Statutes Article 159-11 the Village will adopt a balanced budget, which provides a work program and an operational plan for the ensuing year. **A balanced budget as defined by the North Carolina Local Government Budget and Fiscal Control Act is when the sum of estimated net revenues and appropriated fund balance in each fund is equal to appropriations in that fund.**

The Village will maintain a program of budgetary controls to ensure adherence to the budget. Monthly financial statements will be prepared for department heads and management with quarterly reports prepared for the Village Council to assist in the monitoring of actual revenues, expenditures, and budgeted amounts. Comprehensive financial data will be compiled to include capital improvement programs and forecasting or projections of financial status. These reports are imperative for long-term financial planning.

The Village will retain an independent accounting firm to perform an annual financial and compliance audit in accordance with general accepted accounting practices and by the Governmental Accounting, Auditing, and Financial Reporting (GAAFR) standards. In conjunction with the independent audit, internal reviews will be conducted periodically to determine if the Village is managing and utilizing its resources in an economical and efficient manner. These internal reviews will also determine if the desired program goals are being achieved and if the objectives established by the Village Council are being met.

Revenue Policy

The Village will maintain a diversified and stable revenue program to protect it from short-term fluctuations of any one-revenue source. As a part of the normal budget process, the Village will review and estimate revenues in an objective and realistic manner. Attempts will be made to secure additional revenue sources to offset any reductions of federal, state or local funding. The Village's Fees and Charges Policy that has been adopted by the Village Council requires the Financial Services staff to evaluate annually all user fees at a level related to the cost of providing these services.

Investment Policy

The Village will continue to monitor the cash flow of all funds on a regular basis to insure maximum investment of idle cash. The criteria for selecting an investment will include safety, liquidity and yield. The Village will invest only in quality issues that comply with the North Carolina Budget and Fiscal Control Act and the Village's Investment Policy that has



been adopted by the Village Council. Management reports on its investment portfolio to the Village Council on a quarterly basis.

Fund Balance Policy

The Village will maintain operating reserves by maintaining a healthy fund balance. The Village's Fund Balance Policy that has been adopted by the Village Council requires the fund balance (or operating reserves) in the General Fund to be maintained at an amount equal to 30% to 40% of General Fund expenditures.

Debt Policy

The Village takes a planned approach to the management of its long-term debt issuances. The Village will consider the use of long-term debt financing only when it meets the following criteria:

- The financing period is no longer than the estimated life of the improvement, and
- The improvement will benefit both current and future citizens of the Village.

The Village strives to limit total debt service to no more than 15% of General Fund expenditures, with a general goal of 10% of General Fund expenditures. By state law the Village must limit the total of all debt issued to no more than eight percent of the total assessed valuation. The Village follows a policy of full disclosure on every financial report. The Village may utilize the authority granted within the General Statutes for lease or installment purchases when deemed appropriate.

Capital Improvement Policy

The Village will maintain a Five-Year Capital Improvement Program (CIP), which will be reviewed and updated annually. Since capital improvements involve large sums of capital and long-term commitments, each capital project will be carefully analyzed before it becomes a component of the program. The Village takes a systematic approach to capital improvement programming to ensure that any personnel services or operating costs affected by capital spending decisions are included in the appropriate operating budget. The Village will protect and maintain its capital investments in order to reduce replacement cost. As part of the CIP, the Village will project its revenues and expenses from operations for a five-year planning horizon. The approved CIP is the foundation upon which the capital outlay budget is developed each year. Departments which request capital items in their annual budget that were not approved in the CIP are required to submit additional information justifying the request.



Budget Development Calendar

The Village has utilized the following schedule in preparing and adopting the budget for the fiscal year ending June 30, 2012:

Wednesday, February 9, 2011	Financial Services Department released the 2011-2012 Budget Manual to department heads
Friday, March 11, 2011	Department heads submit budget requests to the Financial Services Department
Months of March and April	Financial Services Department estimates revenues in conjunction with Department Head input and consolidates departmental budget requests
March 31 – April 1, 2011	Village Manager and Assistant Village Managers hold budget review meetings with Human Resources and Internal Service Department Heads
April 4 – April 8, 2011	Village Manager and Assistant Village Managers hold budget review meetings with all other Department Heads
Friday, May 6, 2011	Village Manager and Assistant Village Manager submit the draft budget to the Village Council
Tuesday, May 10, 2011	Village Manager presents the budget to the Village Council at a Council work session
May 11 – May 20, 2011	Village Council holds budget work sessions
Tuesday, May 24, 2011	Village holds a public hearing on the 2011-2012 Budget
Tuesday, June 14, 2011	Village Council adopts the 2011-2012 Budget
Friday, July 1, 2011	Budget implemented
Friday, July 8, 2011	Financial Services Department publishes the final budget and distributes it to department heads



Budgeting Process

Strategic Planning

The Village Council provides the Vision for the community via the Vision Statement and the Comprehensive Long-Range Planning Process. Retreats with Council and staff are held to determine specific directives that support the Village's Comprehensive Long-Range Plan. Council directives and environmental scan feedback are taken into account when staff prepares the Village's internal organizational Strategic Plan in odd numbered years. The initiatives included in the internal organizational Strategic Plan are then budgeted for accordingly.

Phase I – Long-Range Capital Planning

In November and December of each year, projections of personnel, operating and capital expenditures are estimated for the remainder of the current fiscal year and projected for the next five fiscal years. This is done to prepare the *Capital Improvements Plan (CIP)* for the next five year period. The CIP and internally prepared staffing projections aid departments in creating their annual budget requests. The approved CIP is the foundation upon which the capital outlay budget is developed each year. Departments which request capital items in their annual budget that were not approved in the CIP are required to submit additional information justifying the request.

Phase II-Budget Requests Solicited

In January, the Financial Services Department compiles the Budget Manual and worksheets used by departments in making their budget requests. All capital items that were approved the CIP are pre-loaded into the departmental capital worksheets. In February, the Financial Services Department releases the 2011-2012 Budget Manual to all department heads.

Phase III – Budget Review Committee Meets

In March, Financial Services consolidates departmental requests. The Village Manager and members of the Senior Management Team meet with each Department Head to discuss their request and their goals for the upcoming year.

Phase IV – Budget Finalized

In April, the Senior Management Team balances the budget and the Financial Services Team prepares the Budget for review by the Village Council.

Phase V – Budget Presented for Adoption

The Budget is presented to Council for review in May. They hold one or more budget work sessions and conduct a public hearing on the budget proposal to allow for public comment. Before June 30th of each year, a balanced budget is adopted.



Budget Requirements

Basis of Accounting and North Carolina Local Government and Fiscal Control Act

The budget is prepared using the modified accrual method of accounting for all funds. This approach to accounting recognizes revenues when they become measurable and expenditures at the time liability is incurred. All revenues and expenditures must be included in the annual budget ordinance or the appropriate capital and/or grant project ordinances. Any operational appropriations that are not expended or encumbered shall lapse. The Village of Pinehurst uses the modified accrual method as the basis for budgeting and for accounting.

The North Carolina Local Government Budget and Fiscal Control Act (LGBFCA) controls how municipalities budget and spend money. The major effects of the LGBFCA on the budgetary process are as follows:

Budget Calendar

The LGBFCA establishes the dates by which each stage in the annual budget process is to be completed (G.S. 159-10 through 13). These dates are as follows:

- Departmental requests must be submitted to the Budget Officer by April 30.
- Revenue requests must be submitted to the Budget Officer by April 30.
- The recommended annual budget must be submitted to the Governing Board by June 1.
- The Governing Board must adopt the annual budget ordinance by June 30.

Budget Forms and Procedures

The Budget Officer (Village Manager) must prescribe the forms and procedures for the departments to use in preparing their requests; in the words of G.S. 159-10, requests “shall be made in such form and detail, with such supporting information and justifications, as the budget officer may prescribe.” G.S. 159-10 also requires that a budget request show actual expenditures for the prior year, estimated ones in the current year, and requested ones for the coming budget year.

Departmental Requests

G.S. 159-10 requires that the budget request for a department include revenues or fees that it will collect in the budget year.

Recommended Budget

G.S. 159-11 requires that the budget officer’s recommended budget be balanced unless the Governing Board insists that an unbalanced budget be submitted. **A balanced budget as defined by the North Carolina Budget and Fiscal Control Act is when the sum of estimated net revenues and appropriated fund balance in each fund is equal to appropriations in that fund.** It is also required that the budget be submitted to the Governing Board with a budget message. G.S. 159-11(b) states that the message should include:

- A concise explanation of the governmental goals fixed by the budget for the budget year.



Budget Requirements

- Important features of the activities anticipated in the budget.
- The reasons for stated changes from the previous year in program goals, programs, and appropriation levels.
- Any major changes in fiscal policy.

Board Review

Once the Recommended Budget is presented to the Governing Board, several general legal provisions apply to Board review and adoption of the budget ordinance.

- At least 10 days must pass between the submission of the Recommended Budget and adoption of the budget ordinance.
- On the same day the budget is submitted to the Governing Board, the Budget Officer must file a copy of it in the Village Clerk's Office where it is made available to the public and press.
- The Village Clerk must publish a notice that the budget has been delivered to the Governing Board and is available for public inspection. This advertisement must also note the time and place of the required public hearing.
- During the time between submission and adoption, the Governing Board may conduct its review at both regular and special meetings. At least one of these dates must be a public hearing at which any person who wishes to comment may.
- The Open Meeting Law (G.S. 143-318.9 through 318.18) applies to the budget preparation and adoption process.

Adoption of the Budget Ordinance

The budget ordinance must contain the appropriations, the estimated revenues, and the property tax levy as well as rate.

Budget Adoption and Amendment

The operations conducted by the Village are guided by the annual budget ordinance adopted in accordance with the provisions of the North Carolina Local Government Budget and Fiscal Control Act. The Budget Ordinance must be balanced and adopted prior to the beginning of the Fiscal Year. Adoption of the budget by the Village Council establishes the legal authority to incur expenditures in the ensuing fiscal year.

After the adoption of the Budget Ordinance, the Budget Officer (Village Manager) is authorized to transfer appropriations between line-item expenditures within a department without making an official report to the Village Council. He may also transfer amounts not to exceed \$10,000 between functional areas, including contingency appropriations, within the same fund. These transfers, however, require an official report at the next regular meeting of the Village Council. All other revisions or budget amendments must be approved by the Village Council through legislative action.



The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Fund accounting segregates funds according to the intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

A fund is one of two types: an operational fund or a project fund. Council appropriates operational funds on an annual basis and an activity's funding lapses at the close of the fiscal year. Project funds continue for the life of each specific capital or grant project with appropriations continuing until the project is finished.

It has been established that budgets, while managed by funds, are also managed by functions. The functions designate the actual use of the funds. For example, the function of the Police Department is Public Safety and the function of the Financial Services Department is General Government.

How do the individual departments fit into the functional and fund accounting process? Each department is a subsection of both a function and a fund. Each department or division belongs to one fund and one function. A fund can include any number of departments, including departments of different functions. A function can include departments from many funds.

About the Document Presentation

The budget document contains a wealth of diversified information. This information can be found on a departmental, functional, or fund level. This document places a distinct emphasis on the Village's departments and divisions because these pages represent the plans of the men and women who are charged with the duty of providing services to citizens.

The departmental presentations are summaries of all expenditures and revenues associated with each department's activities. These summaries also include the personnel classifications for the department. As the Village's accounting structure contains hundreds of individual budget line items, it can be difficult to present each one in the budget document. Therefore, the Village has consolidated these items into major classifications for a summarized presentation. For example, the department summary expenditures are grouped into three categories: Salaries & Benefits, Operating, and Capital. This consolidation facilitates comparisons between different groups of data and aids the reader in making comparisons between the different functions. Acknowledging that the reader does not have access to each individual line item, the "Budget Highlights" section attempts to explain any significant changes. Please contact the Village of Pinehurst Financial Services Department at 910.295.1900 if further detail is needed.



Budget Format

In the General Fund the reader will find the individual departments and divisions. In these sections, the departments detail the major accomplishments for the preceding fiscal year, as well as the goals and objectives for the upcoming year. A table of performance measures is provided to show progress toward the stated goals and objectives. The following illustration is an example of the expenditure tables that can be found throughout the document:

Adopted budget for the the current fiscal year, as amended through February 28. The fiscal year begins July 1 of each calendar year.

Audited data from the last completed fiscal year.

Amounts the Village expects to expend for the entire fiscal year.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 169,085	\$ 150,000	\$ 146,585	\$ 155,000	3.3%
Operating	289,076	300,000	296,540	310,500	3.5%
Capital	34,650	30,000	29,950	30,000	0.0%
Expenditures Total	\$ 492,811	\$ 480,000	\$ 473,075	\$ 495,500	3.2%

The budget for the new fiscal year which begins on July 1.

The percentage of change between the estimated prior year amounts and next year's budgeted amounts.



Budget Format

Please note that all tables in the budget document present the same three-year format. Listed below is the information included in the summaries:

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 169,085	\$ 150,000	\$ 146,585	\$ 155,000	3.3%
Operating	289,076	300,000	296,540	310,500	3.5%
Capital	34,650	30,000	29,950	30,000	0.0%
Expenditures Total	\$ 492,811	\$ 480,000	\$ 473,075	\$ 495,500	3.2%

Includes salaries, wages, and fringe benefits (FICA, insurance, et al.)

All expenditures not directly related to Salaries & Benefits or Capital.

Includes expenditures for land, buildings, equipment, vehicles, and other expenditures exceeding \$5,000, with a life expectancy of more than 1 year.

Some departments do not have activity in all categories and the reader will note that they are not included in the summary. For example, the Powell Bill department does not have any employees and therefore, does not show any Salaries & Benefits. The same is noted for revenues as each department is funded by different revenue sources.

The table of performance measures is in the same three year format as expenditure information. The goal for the upcoming year has been added to provide the reader a clear picture of the trend involved with the particular measure. Below is an example explaining the column headings:

Performance Measures	FY 2009-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of inspections completed next bus. day	n/a	90%	90%	95%
# of days to review building plans	n/a	15	10	10
Inspection compliance rate	n/a	n/a	n/a	70%
# of builder's workshops conducted	0	3	4	4

Specific performance outcome that is being measured.

The level of performance the Village expects to achieve for the fiscal year.

Historical performance data is provided whenever available.

The level of performance the Village expects to achieve in the upcoming fiscal year.



All of the individual department revenues and expenditure totals are consolidated for each fund, which present the “bottom line” of the budget. The following information details the types of funds the Village has and a list of the various funds within each fund type:

General Fund

The **General Fund** is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. This fund is established at the inception for a government and exists throughout the government’s life. The General Fund is appropriated annually and is included in the budget document.

Special Revenue Funds

Special Revenue Funds are used to account for special revenues that are legally restricted to expenditure for particular purposes. The **Land Dedication Fund**, **Residential Assurance-Interest Fund**, and **Municipal Service District** combine to account for all special revenue fund activity. These funds are appropriated annually and are included in the budget document.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities, other than those financed by proprietary funds and trust funds. The Village has three capital project funds at this time; the **Public Services Facility Project Fund**; **Recreation Center Capital Project Fund** and the **Jackson Hamlet Sewer CDBG-R Fund**. Funds for these projects were previously appropriated by the Village Council but are still included in the budget document.

Agency Fund

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The **Residential Assurance Fund** is the only agency fund for the Village at this time. Agency funds are not appropriated and therefore are not included in the budget document. Information on the Residential Assurance Fund is available in the Village’s Comprehensive Annual Financial Report (CAFR).



VILLAGE OF PINEHURST Budget Ordinance Fiscal Year 2011-2012

BE IT ORDAINED AND ESTABLISHED by the Village Council of Pinehurst, North Carolina, in Regular Session assembled this 14th day of June 2011 as follows:

SECTION 1. The following amounts are hereby appropriated in the General Fund for the operation of Village government and its activities for the fiscal year beginning July 1, 2011 and ending June 30, 2012, in accordance with the chart of accounts heretofore established for this Village:

OPERATING EXPENDITURES:

Governing Body	\$ 191,700
Administration	974,120
Financial Services	583,300
Human Resources	280,030
Police	2,500,200
Fire	2,344,380
Inspections	222,200
Public Services	339,990
Streets & Grounds	1,035,290
Powell Bill	908,200
Solid Waste	1,274,340
Planning	640,030
Community Development	127,500
Recreation	937,335
Harness Track	487,430
Fair Barn	254,210
Contingency	50,000
Debt Service	<u>865,615</u>

Total Operating Expenditures \$ 14,015,870



Annual Budget Ordinance

CAPITAL EXPENDITURES:

Human Resources	\$ 12,200
Police	112,000
Fire	57,500
Public Services	26,400
Streets & Grounds	282,000
Solid Waste	60,000
Community Development	650,000
Recreation	415,000
Harness Track	189,500
Fair Barn	<u>80,000</u>
Total Capital Expenditures	\$ <u>1,884,600</u>
TOTAL EXPENDITURES	\$ <u>15,900,470</u>

SECTION 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

Ad Valorem Tax Revenue	\$ 9,440,500
Other Taxes and Licenses	2,251,020
Unrestricted Intergovernmental Revenue	1,562,800
Restricted Intergovernmental Revenue	474,500
Permits and Fees	487,950
Sales and Services	474,080
Other Revenues	184,000
Investment Income	53,000
Other Financing Sources	13,600
Appropriated Fund Balance	<u>959,020</u>
TOTAL REVENUES	\$ <u>15,900,470</u>

SECTION 3. The following amounts are hereby appropriated in the Land Dedication Special Revenue Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012 in accordance with the chart of accounts heretofore approved for the Village:

Reserve for Future Use	\$ <u>10</u>
------------------------	--------------

SECTION 4. It is estimated that the following revenues will be available in the Land Dedication Special Revenue Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012:

Investment Income	\$ <u>10</u>
-------------------	--------------



Annual Budget Ordinance

SECTION 5. The following amounts are hereby appropriated in the Residential Assurance Interest Special Revenue Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012 in accordance with the chart of accounts heretofore approved for the Village:

Reserve for Beautification \$ 390

SECTION 6. It is estimated that the following revenues will be available in the Residential Assurance Interest Special Revenue Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012:

Investment Income \$ 390

SECTION 7. The following amounts are hereby appropriated in the Municipal Service District Special Revenue Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012 in accordance with the chart of accounts heretofore approved for the Village:

Operating Expenditures \$ 3,780
Transfer to General Fund 13,600

TOTAL EXPENDITURES \$ 17,380

SECTION 8. It is estimated that the following revenues will be available in the Municipal Service District Special Revenue Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012:

Ad Valorem Tax Revenue \$ 3,680
Assessments 13,600
Investment Income 100

TOTAL REVENUES \$ 17,380

SECTION 9. There is hereby levied a tax at the rate of twenty-eight cents (\$0.28) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2011, for the purpose of raising revenue in the General Fund in Section 2 of this ordinance. This rate is based on a total valuation of property for the purposes of taxation of \$3,382,000,000 and an estimated collection rate of 99.9% for real and personal property and 97.0% for motor vehicles.

There is hereby levied a tax at the rate of five cents (\$0.05) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2011, for the purpose of raising revenue in the Municipal Service District Fund in Section 8 of this ordinance. This rate is based on a total valuation of property for the purposes of taxation of \$7,291,960 and an estimated collection rate of 100.0%.



Annual Budget Ordinance

SECTION 10. The Village Manager is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line item expenditures within a department without limitation and without a report being required.
- b. He may transfer amounts up to \$10,000 between departments, including contingency appropriations, within the same fund. He must make an official report on such transfers at the next regular meeting of the Village Council.
- c. He may not transfer any amounts between funds, except as approved by the Village Council in the Budget Ordinance as amended.

SECTION 11. The Village Manager or his designee is hereby authorized to execute the necessary agreements within funds included in the Budget Ordinance for the following purposes:

- a. Purchase of apparatus, supplies, and materials where formal bids are not required by law;
- b. Leases of normal and routine business equipment;
- c. Construction or repair work where formal bids are not required by law;
- d. Consultant, professional, or maintenance service agreements up to an anticipated contract amount of \$25,000;
- e. Agreements for acceptance of State and Federal grant funds; and
- f. Grant agreements with public and non-profit agencies.

SECTION 12. Copies of this Budget Ordinance shall be furnished to the Clerk of the Village Council and to the Village Manager and Assistant Village Manager of Finance and Administration to be kept on file by them for their direction in the disbursements of the funds.



Annual Budget Ordinance

ADOPTED this 14th day of June, 2011.



VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: Virginia F. Fallon
Virginia F. Fallon, Mayor

Attest:

Linda S. Brown
Linda S. Brown, Village Clerk

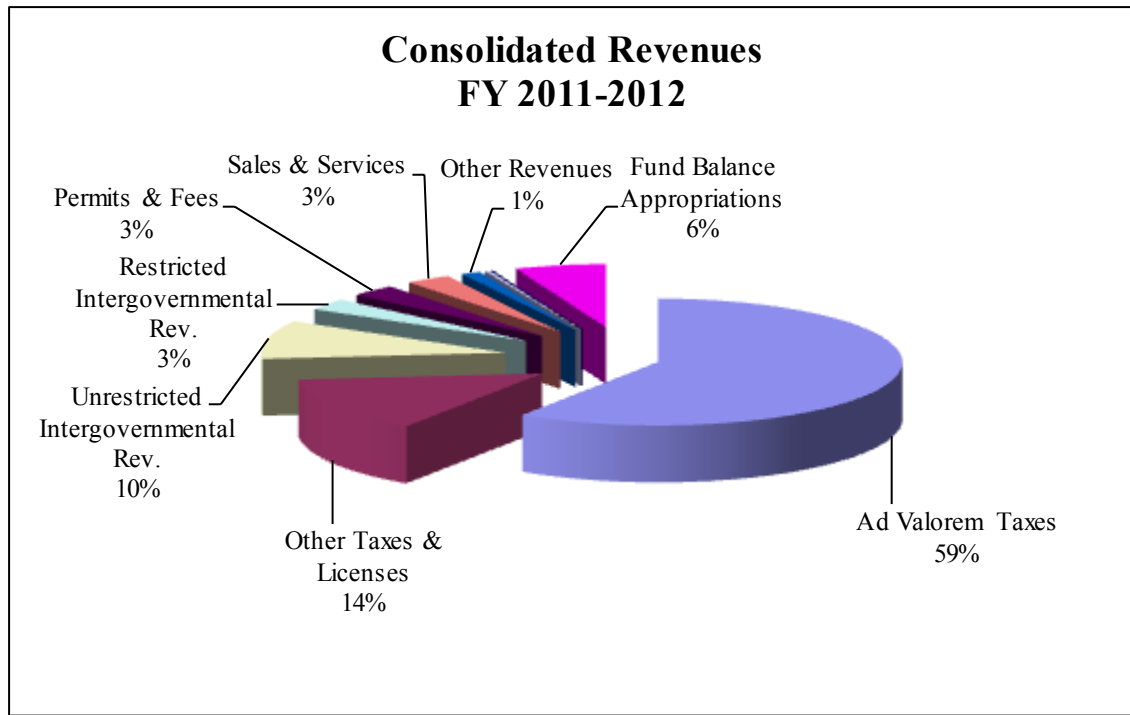
Approved as to Form.

Michael J. Newman
Michael J. Newman, Village Attorney



Consolidated Budget Summary

The Consolidated Budget Summary begins the budget presentation by examining the budget at the broadest level. Later sections will provide further detail about the individual funds and departments. The graphs and information presented in this section include all annually budgeted funds (the General Fund and all Special Revenue Funds), including all transfers between funds.

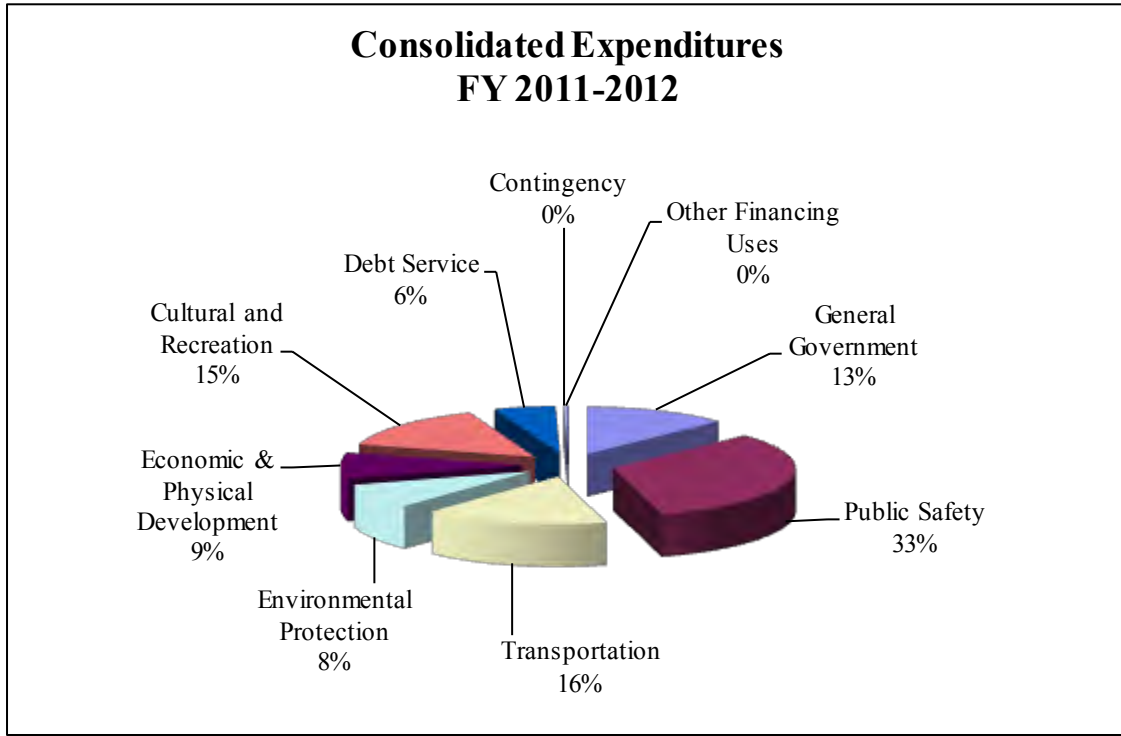


Consolidated Revenues	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Ad Valorem Taxes	\$ 8,070,137	\$ 9,683,580	\$ 9,683,580	\$ 9,444,180	-2.5%
Other Taxes & Licenses	1,960,353	2,173,300	2,166,000	2,251,020	3.9%
Unrestricted Intergovernmental Rev.	1,316,410	1,470,400	1,491,500	1,562,800	4.8%
Restricted Intergovernmental Rev.	474,774	436,981	452,100	474,500	5.0%
Permits & Fees	914,383	378,750	452,850	487,950	7.8%
Sales & Services	468,903	407,830	448,930	474,080	5.6%
Other Revenues	218,857	196,795	215,423	197,600	-8.3%
Investment Income	36,269	36,200	36,150	53,500	48.0%
Operating Revenues	13,460,086	14,783,836	14,946,533	14,945,630	0.0%
Other Financing Sources	1,432,446	15,620	34,648	13,600	-60.7%
Fund Balance Appropriations	-	1,233,381	-	959,020	100.0%
Total Revenues	\$ 14,892,532	\$ 16,032,837	\$ 14,981,181	\$ 15,918,250	6.3%
Per Capita	\$ 1,263	\$ 1,179	\$ 1,101	\$ 1,085	



Consolidated Budget Summary

The consolidated expenditure graph and table are broken down by functional area and include expenses for all annually budgeted funds (the General Fund and all Special Revenue Funds) and all transfers between funds.



Consolidated Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Government	\$ 1,863,769	\$ 2,098,510	\$ 1,865,087	\$ 2,041,350	9.5%
Public Safety	5,365,546	5,276,471	5,193,415	5,236,280	0.8%
Transportation	1,577,762	2,546,341	2,160,316	2,591,880	20.0%
Environmental Protection	1,041,943	1,530,958	1,452,363	1,338,120	-7.9%
Economic & Physical Development	1,234,439	1,344,141	1,263,270	1,417,920	12.2%
Cultural and Recreation	1,706,863	2,133,907	2,022,846	2,363,485	16.8%
Debt Service	1,009,698	1,042,490	1,035,490	865,615	-16.4%
Contingency	-	44,399	-	50,000	100.0%
Operating Expenditures	13,800,020	16,017,217	14,992,787	15,904,650	6.1%
Other Financing Uses	840,620	15,620	34,648	13,600	-60.7%
Total Expenditures	\$ 14,640,640	\$ 16,032,837	\$ 15,027,435	\$ 15,918,250	5.9%
Per Capita	\$ 1,294	\$ 1,378	\$ 1,292	\$ 1,350	

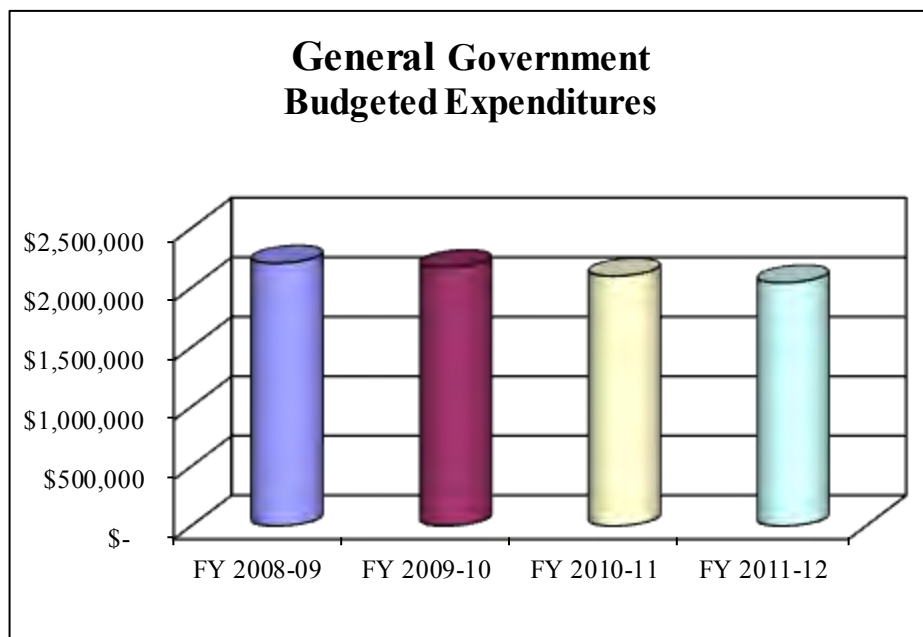


Consolidated Budget Summary

Functional Expenditure Trend Summary

While the Village of Pinehurst’s budget contains multiple departments and divisions, each conducts Village government activities as part of a functional area. For example, the Fire Department and the Police Department are part of the functional area known as Public Safety, as both share the common theme of protecting citizens. Grouping activities by these themes (functions), allows the decision-making process to be managed at a broader, more comprehensive level.

The following charts and graphs present the trends for all of the Village of Pinehurst’s different functions and include the General Fund and all Special Revenue Funds.



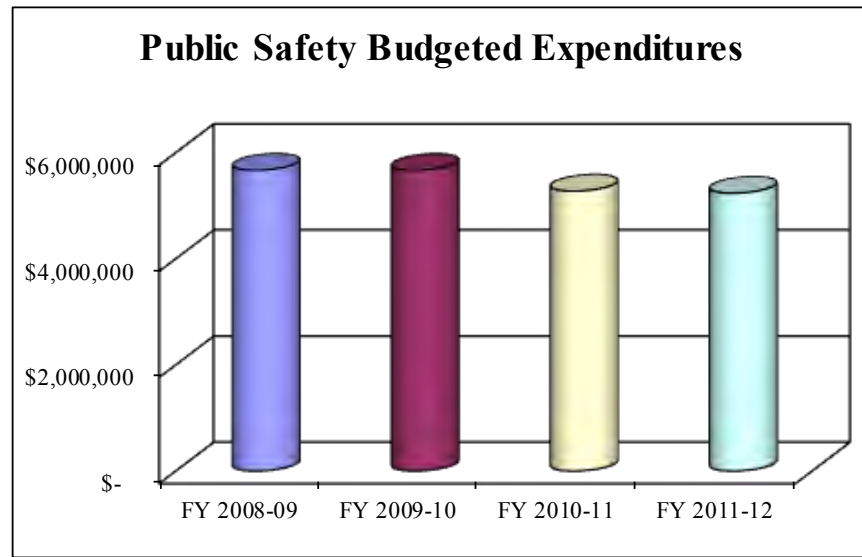
General Government	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 2,206,890	\$ 2,170,540	\$ 2,098,510	\$ 2,041,350
Dollar Change	149,115	(36,350)	(72,030)	(57,160)
Percent Change	7.2%	-1.6%	-3.3%	-2.7%

General Government Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Wages	\$ 869,413	\$ 890,100	\$ 864,400	\$ 878,500	1.6%
Operating	985,356	1,181,410	1,000,687	1,150,650	15.0%
Capital	9,000	27,000	-	12,200	100.0%
Total Expenditures	\$ 1,863,769	\$ 2,098,510	\$ 1,865,087	\$ 2,041,350	9.5%

General Fund Departments/Divisions: Governing Body, Administration, Financial Services and Human Resources



Consolidated Budget Summary



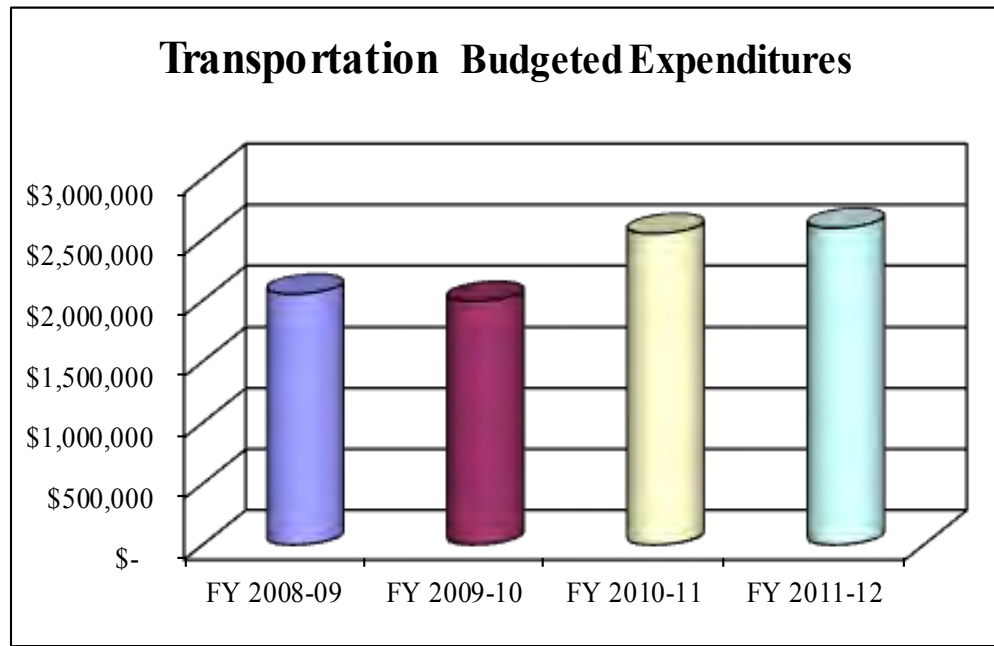
Public Safety	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 5,669,231	\$ 5,668,440	\$ 5,276,471	\$ 5,236,280
Dollar Change	632,289	(791)	(391,969)	(40,191)
Percent Change	12.6%	0.0%	-6.9%	-0.8%

Public Safety Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Wages	\$ 2,804,636	\$ 2,843,809	\$ 2,848,660	\$ 2,889,560	1.4%
Operating	1,927,137	2,142,662	2,054,755	2,177,220	6.0%
Capital	633,773	290,000	290,000	169,500	-41.6%
Total Expenditures	\$ 5,365,546	\$ 5,276,471	\$ 5,193,415	\$ 5,236,280	0.8%

General Fund Departments/Divisions: Police, Fire and Inspections



Consolidated Budget Summary



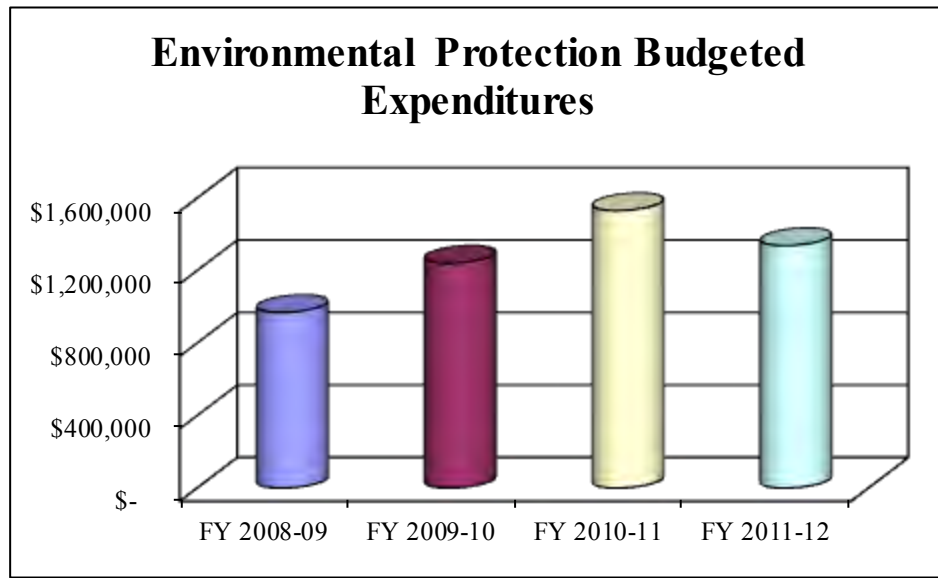
Transportation	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 2,052,475	\$ 1,992,950	\$ 2,546,341	\$ 2,591,880
Dollar Change	(78,240)	(59,525)	553,391	45,539
Percent Change	-3.7%	-2.9%	27.8%	1.8%

Transportation Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Wages	\$ 499,845	\$ 532,992	\$ 494,400	\$ 581,000	17.5%
Operating	1,058,992	1,931,549	1,584,116	1,702,480	7.5%
Capital	18,925	81,800	81,800	308,400	277.0%
Total Expenditures	\$ 1,577,762	\$ 2,546,341	\$ 2,160,316	\$ 2,591,880	20.0%

General Fund Departments/Divisions: Public Services, Streets & Grounds and Powell Bill



Consolidated Budget Summary



Environmental Protection	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 969,260	\$ 1,241,138	\$ 1,530,958	\$ 1,338,055
Dollar Change	(225,390)	271,878	289,820	(192,903)
Percent Change	-18.9%	28.1%	23.4%	-12.6%

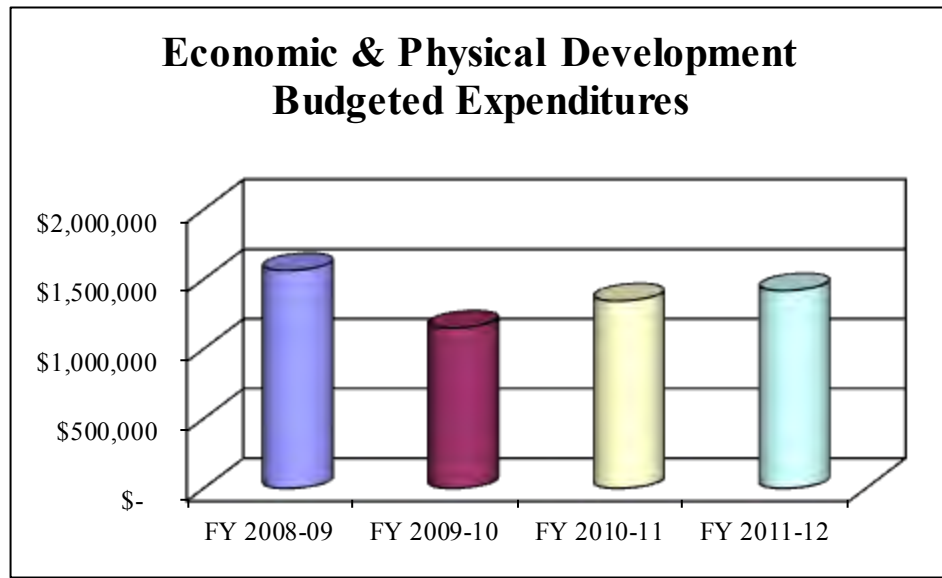
Environmental Protection Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Wages	\$ 276,964	\$ 264,083	\$ 238,400	\$ 278,000	16.6%
Operating	656,047	1,126,875	1,073,898	1,000,055	-6.9%
Capital	108,867	140,000	140,000	60,000	-57.1%
Total Expenditures	\$ 1,041,878	\$ 1,530,958	\$ 1,452,298	\$ 1,338,055	-7.9%

General Fund Departments/Divisions: Solid Waste

Other Funds Included: Municipal Service District



Consolidated Budget Summary



Economic & Physical Dev	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 1,562,485	\$ 1,150,125	\$ 1,344,141	\$ 1,417,920
Dollar Change	91,450	(412,360)	194,016	73,779
Percent Change	6.2%	-26.4%	16.9%	5.5%

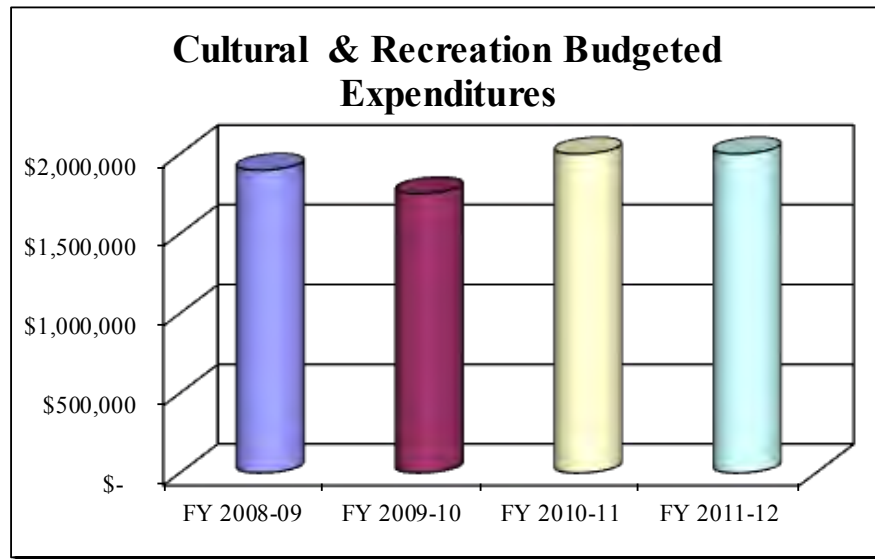
Economic & Physical Dev. Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Wages	\$ 529,716	\$ 434,675	\$ 422,500	\$ 346,000	-18.1%
Operating	577,480	666,766	578,770	421,920	-27.1%
Capital	127,243	242,700	262,000	650,000	148.1%
Total Expenditures	\$ 1,234,439	\$ 1,344,141	\$ 1,263,270	\$ 1,417,920	12.2%

General Fund Departments/Divisions: Planning and Community Development

Other Funds Included: Residential Assurance Fund – Interest



Consolidated Budget Summary



Cultural & Recreation	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 1,897,866	\$ 1,751,115	\$ 2,133,907	\$ 2,363,485
Dollar Change	82,916	(146,751)	382,792	229,578
Percent Change	4.6%	-7.7%	21.9%	10.8%

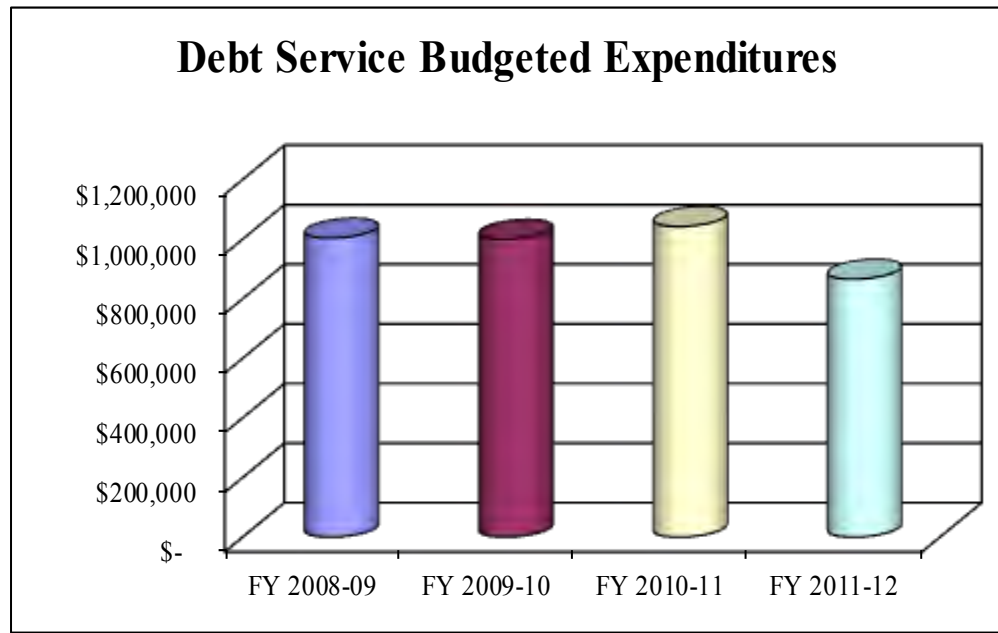
Cultural & Recreation Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Wages	\$ 421,009	\$ 433,250	\$ 425,900	\$ 409,625	-3.8%
Operating	1,138,519	1,223,057	1,141,846	1,269,360	11.2%
Capital	147,335	477,600	455,100	684,500	50.4%
Total Expenditures	\$ 1,706,863	\$ 2,133,907	\$ 2,022,846	\$ 2,363,485	16.8%

General Fund Departments/Divisions: Recreation, Harness Track and Fair Barn

Other Funds Included: Land Dedication Fund



Consolidated Budget Summary



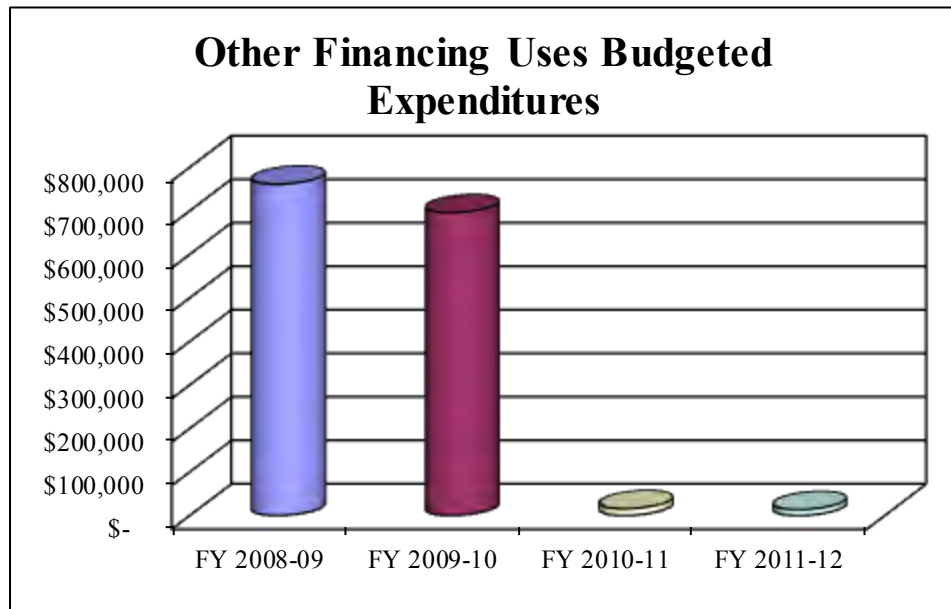
Debt Service	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 1,003,354	\$ 999,762	\$ 1,042,490	\$ 865,615
Dollar Change	(15,426)	(3,592)	42,728	(176,875)
Percent Change	-1.5%	-0.4%	4.3%	-17.0%

Debt Service Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Operating	\$ 1,009,698	\$ 1,042,490	\$ 1,035,490	\$ 865,615	-16.4%
Total Expenditures	\$ 1,009,698	\$ 1,042,490	\$ 1,035,490	\$ 865,615	-16.4%

Funds with Debt Service: General Fund



Consolidated Budget Summary



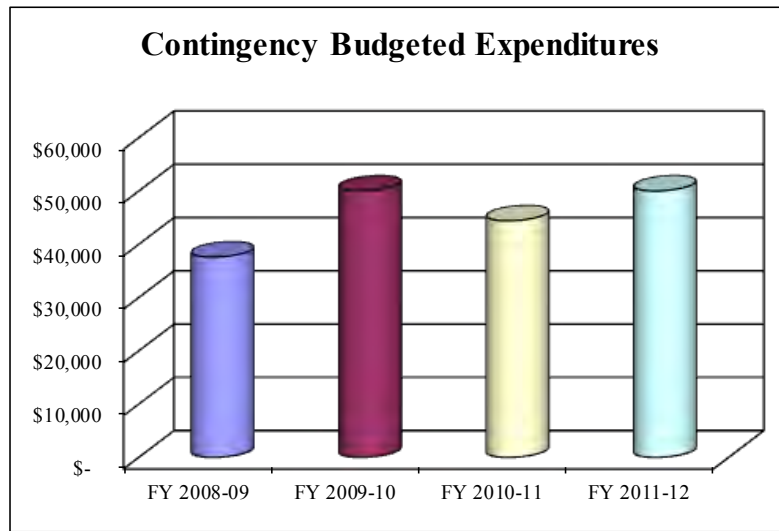
Other Financing Uses	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 761,192	\$ 695,620	\$ 15,620	\$ 13,600
Dollar Change	22,036	(65,572)	(680,000)	(2,020)
Percent Change	3.0%	-8.6%	-97.8%	-12.9%

Other Financing Uses Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Operating	\$ 840,620	\$ 15,620	\$ 34,648	\$ 13,600	-60.7%
Total Expenditures	\$ 840,620	\$ 15,620	\$ 34,648	\$ 13,600	-60.7%

Funds with Other Financing Uses: General Fund, Residential Assurance Fund – Interest and Capital Reserve Fund



Consolidated Budget Summary



Contingency	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Total Budgeted Amount	\$ 37,600	\$ 50,000	\$ 44,399	\$ 50,000
Dollar Change	(5,400)	12,400	(5,601)	5,601
Percent Change	-12.6%	100.0%	-11.2%	12.6%

Contingency Expenditures	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Operating	\$ -	\$ 44,399	\$ -	\$ 50,000	100.0%
Total Expenditures	\$ -	\$ 44,399	\$ -	\$ 50,000	100.0%

Funds with Contingency: General Fund



Consolidated Budget Summary

Consolidated Fund Balance Discussion

Fund balance is the amount of assets in excess of liabilities in a fund. It is also referred to as surplus funds. The North Carolina Local Government Commission recommends that units of government retain an amount of unreserved fund balance in the General Fund of at least equal to 8% of appropriations of the fund. The Village of Pinehurst Council has a financial policy recommending that the total fund balance in the General Fund remain between 30% and 40% of budgeted expenditures to avoid cash flow interruptions, generate investment income, eliminate the need for short-term borrowing, and have a reserve available for emergencies or opportunities.

For all Village of Pinehurst annually budgeted funds, the fund balance trends are as follows:

Fund Balances	FY 2007-08 Actual	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated
General Fund	\$ 5,328,960	\$ 5,585,496	\$ 5,833,296	\$ 6,339,170
Land Dedication Fund	5,934	84	2,861	2,871
Residential Assurance - Interest Fund	4,602	6,908	7,279	7,529
Municipal Service District Fund	12,710	12,116	13,070	13,215
Capital Reserve Fund	209,420	87,473	-	-
Fund Totals	\$ 5,561,626	\$ 5,692,077	\$ 5,856,506	\$ 6,362,785

The following schedule outlines the percentage increase or decrease for each of the Village's annually appropriated funds. Historically in the General Fund operating revenues come in at 101% of budget while operating expenditures typically fall 5% below budget. The amount of fund balance that is appropriated this year in the General Fund exceeds this budget variance amount by \$152,000. If this historical trend continues for FY 2010-11, the current fund balance level will decrease approximately 2.4%. The remaining amount of fund balance is equivalent to 38.5% of budgeted expenditures in accordance with the Village's Fund Balance Policy. Also, the Residential Assurance Interest Fund balance is increasing by 5.2% due to additional funds being available for investment.

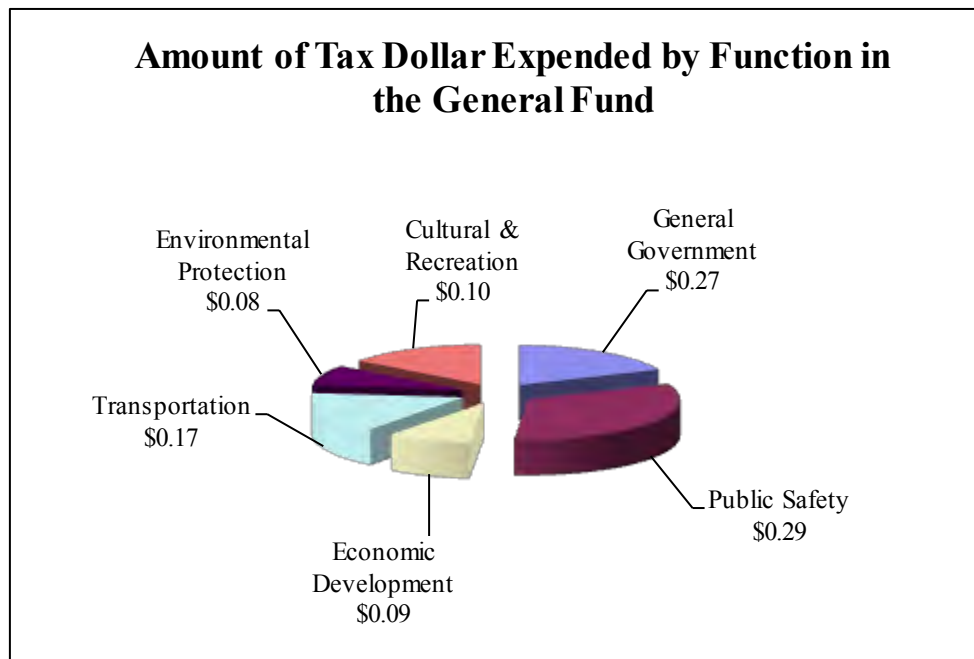
Fund Balances	FY 2010-11 Estimated	Increases/ (Decreases)	FY 2011-12 Estimated	% Increase/ (% Decrease)
General Fund	\$ 6,339,170	\$ (152,229)	\$ 6,186,941	-2.4%
Land Dedication Fund	2,871	10	2,881	0.3%
Residential Assurance - Interest Fund	7,529	390	7,919	5.2%
Municipal Service District Fund	13,215	-	13,215	0.0%
Capital Reserve Fund	-	-	-	0.0%
Fund Totals	\$ 6,362,785	\$ (151,829)	\$ 6,210,956	-2.4%



Description

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. The following functional areas are included in the General Fund:

- ❖ General Government
- ❖ Public Safety
- ❖ Transportation
- ❖ Environmental Protection
- ❖ Economic and Physical Development
- ❖ Cultural and Recreation



Summary

The General Fund continues to reflect the overall economy with slowing revenue growth from both locally generated revenues to statewide intergovernmental revenues. The recession in the national housing market continued to suppress new home construction and this budget reflects slower growth in the related revenues.

The proposed General Fund budget for FY 2011-2012 is approximately \$15,900,500, a decrease of 0.70% over the previous year's budget. This decrease includes an overall decrease in operating revenues and expenditures and requires the use of fund balance to maintain the current level of services that are described in greater detail on the following pages.



General Fund Summary

The following table indicates the Village's results from operations before any other financing sources or uses for the past five years:

	<u>Operating Revenues</u>	<u>Operating Expenditures</u>	<u>Income (Loss)</u>
6/30/07 Actual	\$ 12,597,606	\$ 12,394,667	\$ 202,939
6/30/08 Actual	13,811,328	13,663,457	147,871
6/30/09 Actual	13,653,666	13,331,365	322,301
6/30/10 Actual	13,436,914	13,796,560	(359,646)
6/30/11 Estimate	14,979,984	14,989,152	(9,168)
6/30/12 Budgeted	14,927,850	15,900,470	(972,620)

The FY 2011-2012 Budget recommends maintaining the current ad valorem tax rate of \$0.28 per \$100 valuation. This is expected to generate \$9,440,500 in ad valorem tax revenues. After adding other financing sources of \$13,600 and appropriated fund balance of \$959,020 to revenues, the Village's FY 2011-2012 Recommended Budget is balanced in accordance with North Carolina General Statutes.

Revenues

General Fund Revenue by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Ad Valorem Taxes	\$ 8,065,797	\$ 9,679,900	\$ 9,679,900	\$ 9,440,500	-2.5%
Other Taxes & Licenses	1,960,353	2,173,300	2,166,000	2,251,020	3.9%
Unrestricted Intergovernmental Rev.	1,316,410	1,470,400	1,554,400	1,562,800	0.5%
Restricted Intergovernmental Rev.	474,774	436,981	461,329	474,500	2.9%
Permits & Fees	914,383	378,750	452,850	487,950	7.8%
Sales & Services	468,903	407,830	448,930	474,080	5.6%
Other Revenues	200,471	181,175	180,775	184,000	1.8%
Investment Income	35,823	35,800	35,800	53,000	48.0%
Operating Revenues	13,436,914	14,764,136	14,979,984	14,927,850	-0.3%
Other Financing Sources	1,432,446	15,620	34,648	13,600	-60.7%
Fund Balance Appropriations	-	1,233,381	-	959,020	100.0%
Total Revenues	\$ 14,869,360	\$ 16,013,137	\$ 15,014,632	\$ 15,900,470	5.9%

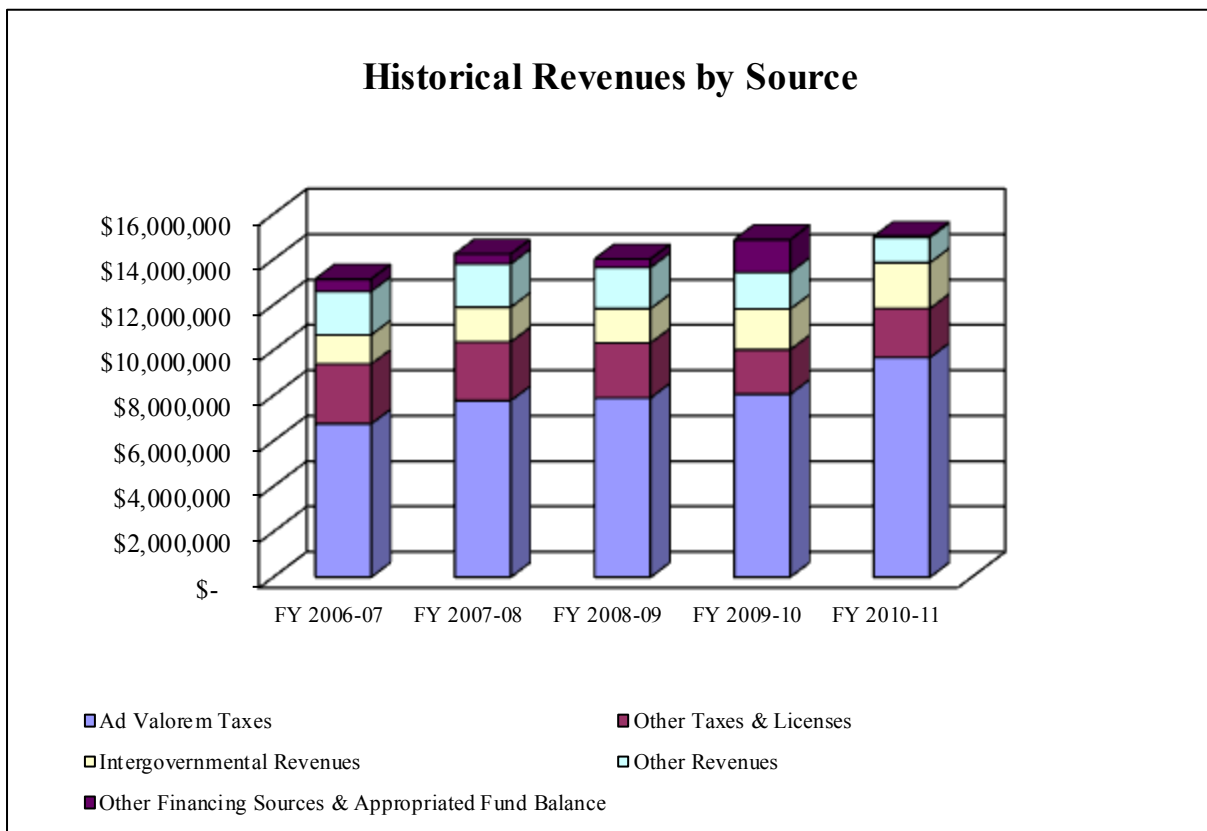
Budget Highlights:

The approved budget for FY 2011-2012 represents a 0.7% decrease over the FY 2010-2011 amended budget. Operating revenues are estimated to decrease by approximately 0.3% over FY 2010-2011. Ad Valorem taxes, which represent roughly 59.4% of total revenues, have historically increased by a rate of



General Fund Summary

approximately 4.0% annually. However, Ad valorem tax revenue decreased by 2.5% because the Village received four months of tax revenue in FY 2010-11 that will not be received in FY 2011-12 due to the annexation of a large residential area known as Pinewild that was effective March 31, 2010. An increase in the Village's 2010 Census count combined with a modest recovery in retail sales is reflected in the 3.9% increase in Other Taxes & Licenses. The construction of new homes remains flat while commercial projects are expected to increase as the economy slowly recovers which is reflected in the 7.8% increase in Permits & Fees revenue expected in FY 2011-2012. Interest rates for the upcoming year are expected to remain low but the funds available to invest are rising causing investment income to increase 48.0%. The low investment rates are due to the continued reduction in short-term interest rates by the Federal Reserve.





General Fund Summary

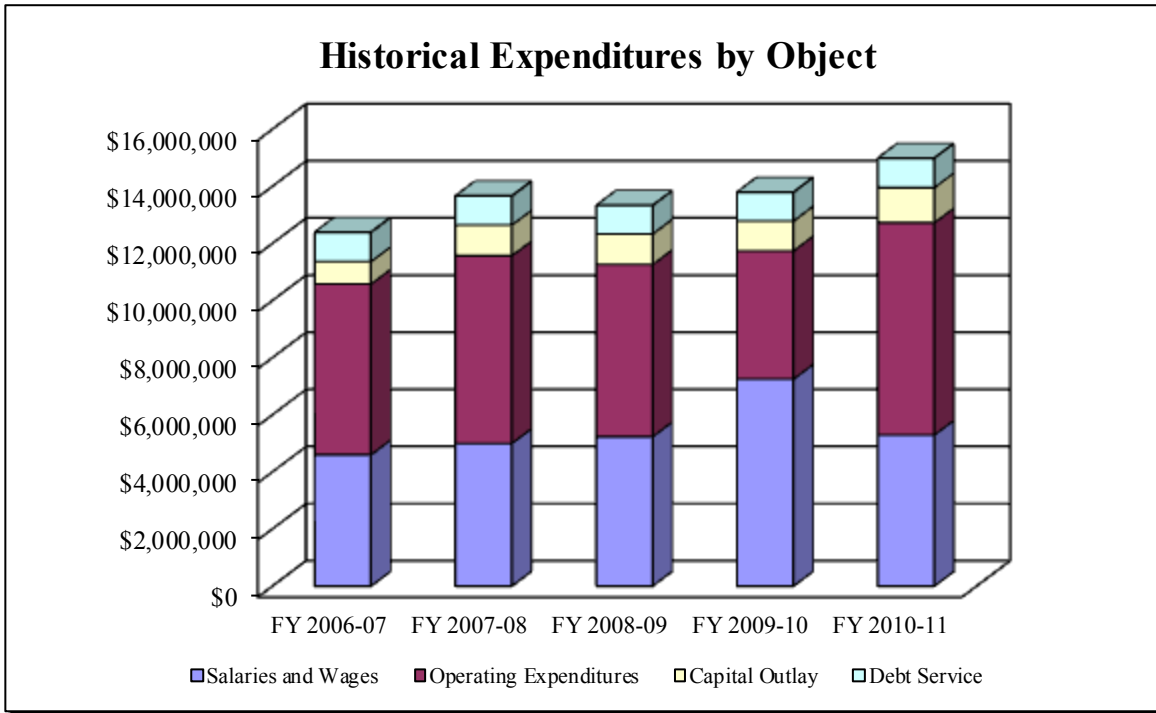
Expenditures

General Fund Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 7,251,833	\$ 7,432,459	\$ 7,220,493	\$ 7,480,935	3.6%
Operating	4,489,886	6,279,088	5,504,269	5,669,320	3.0%
Capital	1,045,143	1,259,100	1,228,900	1,884,600	53.4%
Debt Service	1,009,698	1,042,490	1,035,490	865,615	-16.4%
Operating Expenditures	13,796,560	16,013,137	14,989,152	15,900,470	6.1%
Other Financing Uses	825,000	-	-	-	0.0%
Total Expenditures	\$ 14,621,560	\$ 16,013,137	\$ 14,989,152	\$ 15,900,470	6.1%

Budget Highlights:

The increase in Salaries & Benefits in FY 2011-2012 is the combination of several factors. Management has worked diligently to develop cost containment strategies to help reduce operating costs and as a result, there are 3.2 full-time equivalent (FTE) positions that are unfunded in the FY 2011-2012 budget. Mitigating these cost reductions are an average merit increase for employees of 2%, a state-mandated increase in the employer retirement contributions, a projected 10% increase in group insurance, and a 25% increase in Workers' Compensation insurance. The increase in Operating Expenditures is due to general inflation and rising fuel prices.

Capital spending in the General Fund has increased by 53.4%. A majority of the capital appropriations are for Comprehensive Plan initiatives. Included in these capital appropriations are \$500,000 for downtown improvements, \$150,000 for drainage projects, \$225,000 for greenway construction and \$125,000 for Rassie Wicker Park improvements. Also included in capital expenditures are \$80,000 for parking lot improvements at the Fair Barn, \$75,000 for all-weather show rings at the Harness Track and radio replacements for the Fire, Police and Public Service departments. The balance of the funding is for routine replacement of capital items.

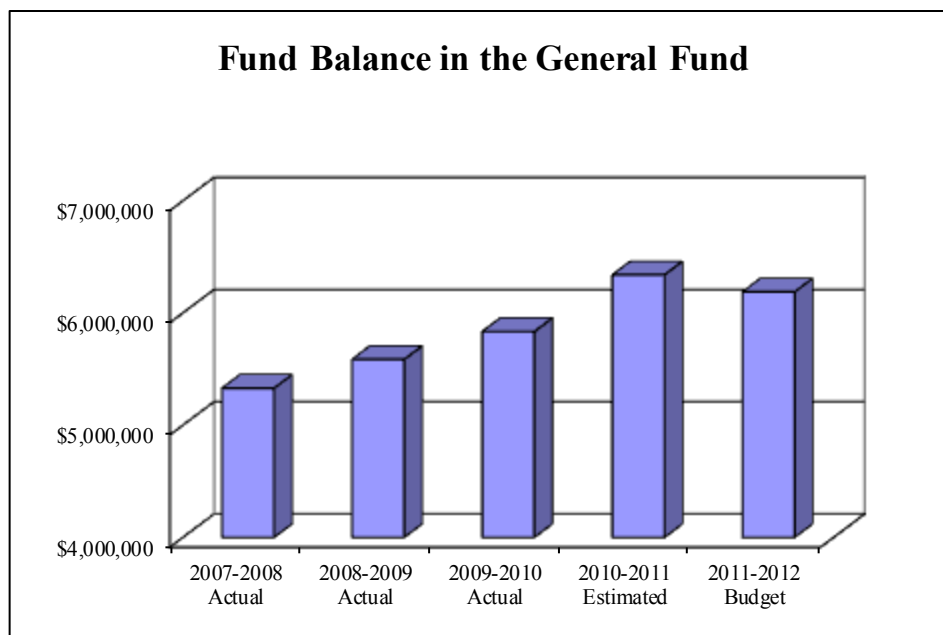




Fund Balance

N. C. General Statutes require that municipal budgets be balanced. They also require that expenditure budgets not be overspent, even by a small amount. A common way that municipalities deal with these requirements is to over-budget expenditures slightly and appropriate some of their savings (fund balance) as an off-setting revenue source. Revenues are conservatively estimated as well. For FY 2011-2012 we have appropriated \$959,020 of the Village's fund balance as a revenue source. This amount is 22% lower than the previous fiscal year.

Fund balance is estimated to be \$6,339,170 at June 30, 2011. This is 39.59% of the budgeted FY 2010-2011 expenditures of \$16,013,137. The Village's fund balance policy is to maintain 30%-40% of expenditures in fund balance. Fund balance at June 30, 2012 is estimated to be \$6,186,941 or 38.91% of budgeted expenditures.





Description of Revenue Source

Ad Valorem Taxes are taxes paid on real and personal property located within the Village’s corporate limits. Taxes for real and personal property, excluding motor vehicles, are levied based upon the preceding January 1 valuations of the property and the tax rate established by the Village Council in the Budget Ordinance. These taxes are levied each year and are due on January 6 of the year following the levy. Real and personal property is revalued by the Moore County Tax Department at least every eight years, with the last revaluation completed in the 2007 tax year, or FY 2007-2008.

Motor vehicles are either registered in North Carolina under the annual system or the staggered system. Taxes for vehicles that are registered under the staggered system are due the first day of the fourth month after the vehicles are registered. For those motor vehicles registered under the annual system, taxes are due on May 1 of each year.

The Village contracts with the Moore County Tax Department to levy and collect ad valorem taxes on behalf of the Village. Amounts collected by Moore County on behalf of the Village are remitted to the Village on a monthly basis.

Historically, ad valorem taxes have comprised approximately one-half of all Village General Fund revenues. With the annexation of Pinewild, this revenue source has increased to 63.0% of all General Fund revenues. This includes current year’s collections, prior year’s collections, penalties and interest, and refunds.

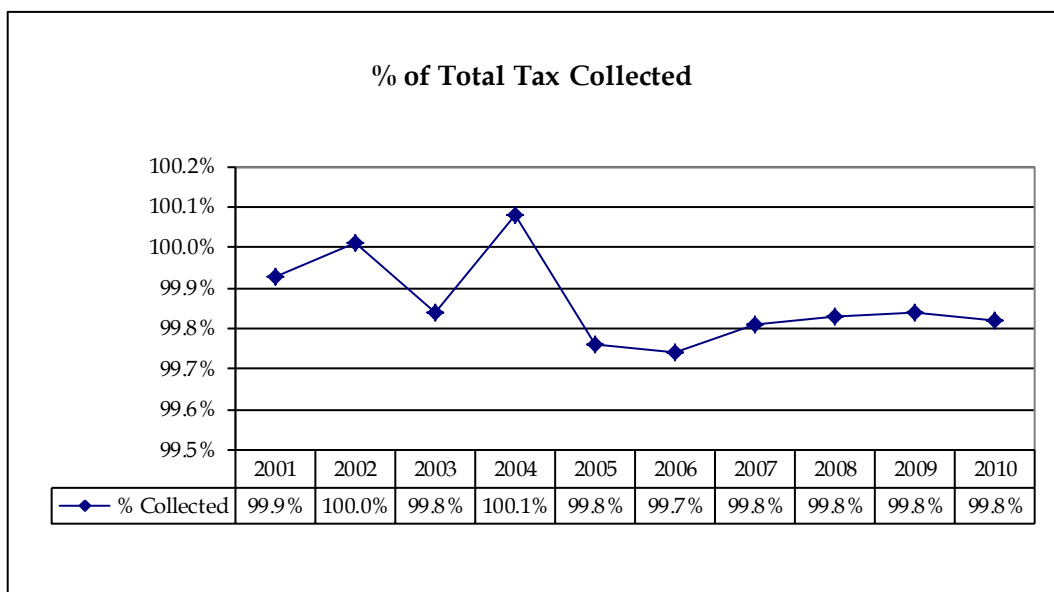
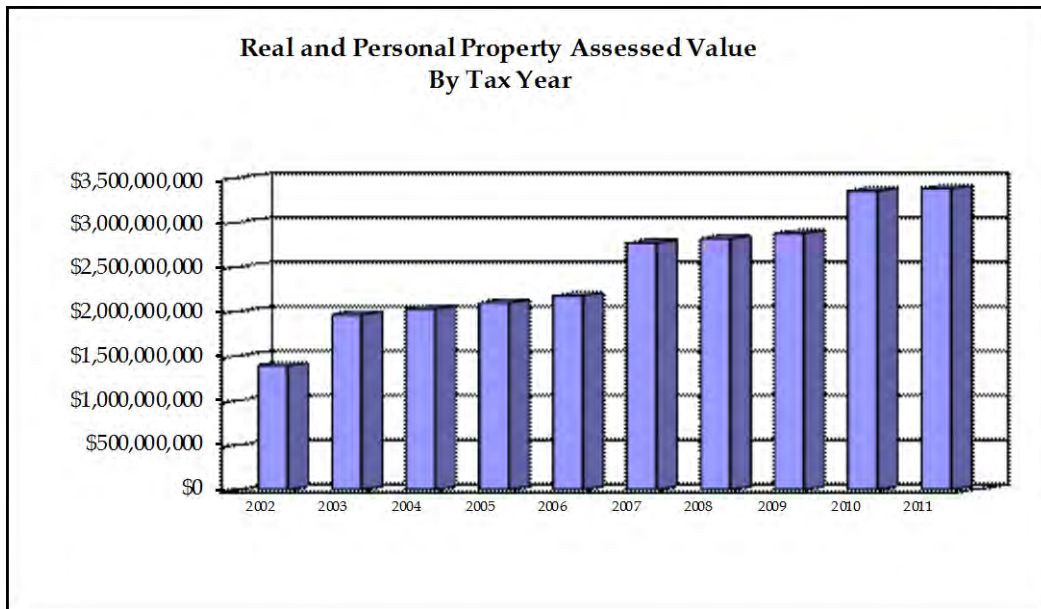
Ad Valorem Taxes	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Real & Personal - Current Year	\$ 7,700,730	\$ 9,238,750	\$ 9,238,750	\$ 9,010,000	-2.5%
Real & Personal - Prior Years	4,118	5,000	5,000	5,000	0.0%
Motor Vehicles - Current Year	345,202	430,650	430,650	420,000	-2.5%
Motor Vehicles - Prior Years	7,310	8,000	8,000	8,000	0.0%
Discounts/Reliefs/Refunds	(3,630)	(5,000)	(5,000)	(5,000)	0.0%
Tax Interest	12,067	2,500	2,500	2,500	0.0%
Total Ad Valorem Tax Revenue	\$ 8,065,797	\$ 9,679,900	\$ 9,679,900	\$ 9,440,500	-2.5%

Revenue Assumptions

- The ad valorem tax rate for the Village of Pinehurst will remain at a rate of \$0.28 per \$100 valuation for the fiscal year ending June 30, 2012. This is expected to generate \$9,010,000 in ad valorem tax revenue. Ad valorem tax revenue decreased by 2.5% because the Village received four months of tax revenue in FY 2010-11 that will not be received in FY 2011-12 due to the annexation of a large residential area known as Pinewild that was effective March 31, 2010.
- The total estimated valuation of real and personal property is \$3,382,000,000, of which \$3,224,000,000 is real property valuation and \$158,000,000 is motor vehicle valuation. The Moore County Tax Administrator provides the Village with estimates of valuation annually.



- The growth factor used to estimate the total real property valuation is 0.6%. The number of new homes constructed in the Village over the past two years has remained consistent at 50 but the value of the homes constructed has declined. We are expecting the same growth level and value in the residential tax base in fiscal year 2011-2012. The historical growth factor for the motor vehicles valuation has been 1% and we are expecting it to be the same in the next fiscal year.
- The historical collection rates used to determine actual ad valorem tax revenue are 99.9% for real and personal property and 97.0% for motor vehicles. These have historically been some of the highest tax collection rates in the State.





Description of Revenue Source

Other Taxes and Licenses consist of Local Option Sales Tax and Cablevision Franchise Fees.

The Local Option Sales Tax is levied by the Moore County Board of Commissioners and is collected by the State of North Carolina on behalf of the County. The local option sales tax rate of \$0.02 consists of three separate taxes that are authorized by the North Carolina General Statutes: Article 39 at \$0.01, Article 40 at \$0.005, and Article 42 at \$0.005. This local government sales and use tax is applied to sales made in the county and is allocated among the county and the local government jurisdictions within the county based upon a per capita basis. The State of North Carolina distributes this tax to the Village on a monthly basis.

Cablevision Franchise Fees are franchise taxes that are levied by the Village on cable television franchises equal to 5.0% of gross revenues, excluding those revenues from video services that are now taxed under the North Carolina Video Programming Sales Tax. The Village granted Time Warner Entertainment a cable television franchise in the Village and has levied a 5.0% tax that is remitted to the Village on a quarterly basis. The cable television franchise agreement expired March 27, 2011, eliminating this funding source from the budget. The Video Programming Sales Tax will be the only tax levied on video programming going forward.

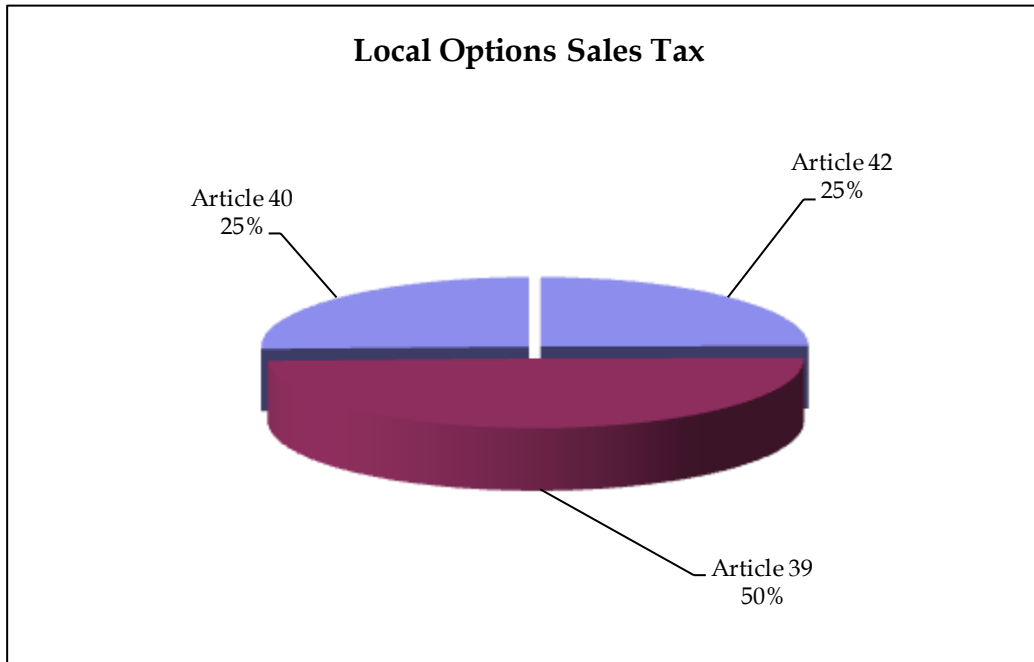
Other Taxes & Licenses	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Local Option Sales Tax	\$ 1,917,162	\$ 2,130,000	\$ 2,130,000	\$ 2,251,020	5.7%
Cablevision Franchise Fees	43,191	43,300	36,000	-	-100.0%
Total Other Taxes & Licenses	\$ 1,960,353	\$ 2,173,300	\$ 2,166,000	\$ 2,251,020	3.9%

Revenue Assumptions

- Local Option Sales Tax estimates are based on a combination of the expected statewide growth or loss factor for Articles 39, 40, and 42 adjusted for local economic conditions. The statewide rates are estimated by the North Carolina League of Municipalities in conjunction with economists from the North Carolina General Assembly. These estimates are communicated to all municipalities to aid them in budgeting state-collected revenues. Locally, tourism is up slightly and as a result we estimate that local option sales taxes will increase by approximately 3.0%. In addition, the Village's distribution amount will increase by an estimated 2.7% based on an increase in our population in relation to the other local government jurisdictions within the county according to the 2010 Census figures.



The distribution of the local options sales tax revenue by tax type is depicted in the following graph.





Unrestricted Intergovernmental Revenues

Description of Revenue Source

Unrestricted Intergovernmental Revenue consists of Telecommunications Tax, Electricity Franchise Tax, Video Programming Sales Tax, Hold Harmless Sales Tax and Wine & Beer Tax. All five of these taxes are state-shared revenues.

The Telecommunications Tax represents a 6.0% sales tax on telecommunications sales within the Village's corporate limits. The State of North Carolina distributes a percentage of this tax collected to the Village based upon the Village's past share of the old telephone franchise tax that was repealed.

Electricity Franchise Tax represents 3.09% of the taxable gross receipts of the sales of electric power derived within the Village's corporate limits. The State of North Carolina distributes this tax to the Village on a quarterly basis.

Video programming sales tax is applied to the gross receipts of cable service and direct-to-home satellite service retailers on the video programming provided to subscribers in the State. Programming provided by, or generally considered comparable to programming provided by, a television broadcast station, regardless of the method of delivery is subject to the tax. Gross receipts are taxed at the combined general sales tax rate.

The Hold Harmless Reimbursement is based on taxable sales made in the county and is allocated among the county and the local government jurisdictions within the county based upon a per capita basis. These Hold Harmless Reimbursements were granted to municipalities to replace the Article 44 sales tax that was repealed as part of the Medicaid relief program for counties. The State of North Carolina distributes these funds to the Village on a monthly basis.

The Wine & Beer Tax is levied by the State of North Carolina on the sale of malt beverages, fortified wine and unfortified wine. A percentage of the tax on the sales of these beverages that are generated from within the Village's corporate limits is distributed to the Village by the state on an annual basis.

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Unrestricted Intergovernmental Revenue					
Telecommunications Tax	\$ 141,445	\$ 143,000	\$ 129,000	\$ 126,000	-2.3%
Electricity Franchise Tax	541,658	615,000	615,000	615,000	0.0%
Video Programming Sales Tax	263,023	259,000	283,100	280,000	-1.1%
Hold Harmless Reimbursement	353,461	400,000	477,000	491,000	2.9%
Wine & Beer Tax	16,823	53,400	50,300	50,800	1.0%
Total Unrest. Intergovernmental Rev.	\$ 1,316,410	\$ 1,470,400	\$ 1,554,400	\$ 1,562,800	0.5%

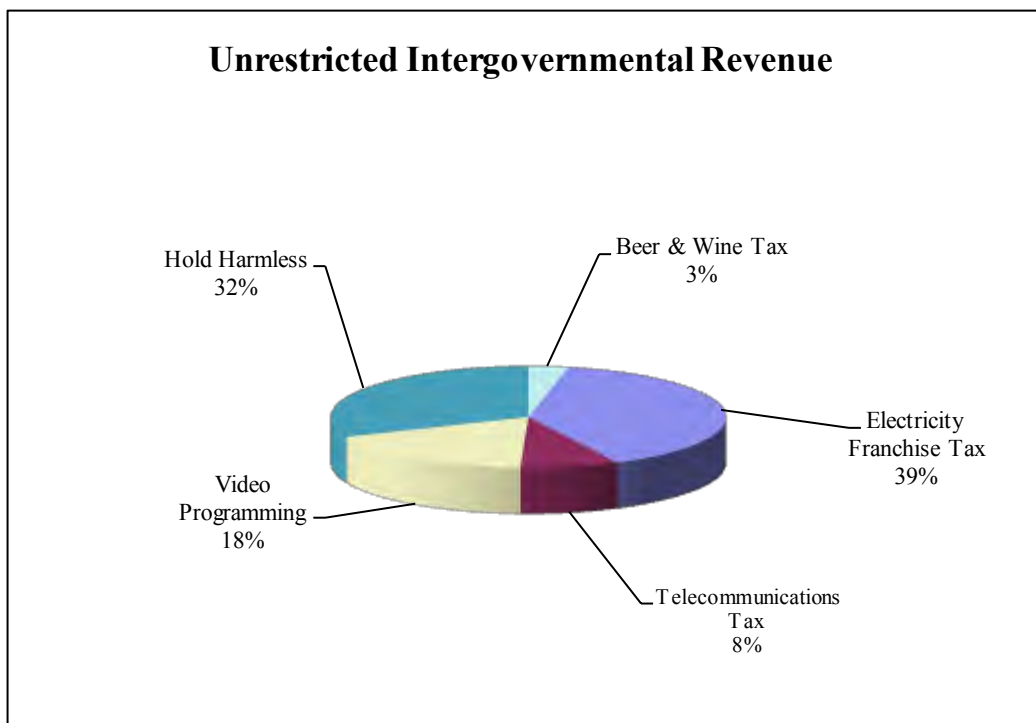


Unrestricted Intergovernmental Revenues

Revenue Assumptions

- Telecommunications Taxes are projected based upon growth assumptions provided by the North Carolina League of Municipalities. Based on these estimates, we are expecting a 2.3% decrease in revenue for Telecommunications Taxes in FY 2011-12 as the revenue trend reflects the increasing use of wireless phone service and declining prices for wireless.
- Electricity Franchise Taxes are also projected based upon growth assumptions provided by the North Carolina League of Municipalities. Applying these conservative statewide revenue growth assumptions, revenue for Electricity Franchise Taxes is estimated to remain flat in FY 2011-2012.
- Video Programming Sales Taxes are estimated to decrease by 1.1% based upon growth assumptions provided by the North Carolina League of Municipalities. This revenue source has declined as a result of the recession and is not expected to rebound in fiscal year 2011-2012.
- The State reduced the local share of Beer and Wine tax revenue by 2/3 in FY 2009-2010. For FY 2010-2011, the 2/3 reduction ended, and beer and wine sales are expected to increase by 3.0%. Beer and Wine Tax revenues are projected to increase by 1.0% in FY 2011-2012.

The following graph shows that the Village receives approximately 71% of unrestricted intergovernmental revenue from electricity franchise taxes and hold harmless payments.





Restricted Intergovernmental Revenues

Description of Revenue Source

Restricted Intergovernmental Revenues include Powell Bill funds and may include other miscellaneous federal or state grants that are restricted for a specific purpose. Powell Bill revenue is the annual appropriation from the State Highway Fund for the proceeds from a one and three-fourth (1 ³/₄) cents tax on each gallon of motor fuel sold within the state. The Village's annual distribution of Powell Bill revenue is calculated based upon two factors; a per capita rate and the number of street miles maintained within the Village's corporate limits.

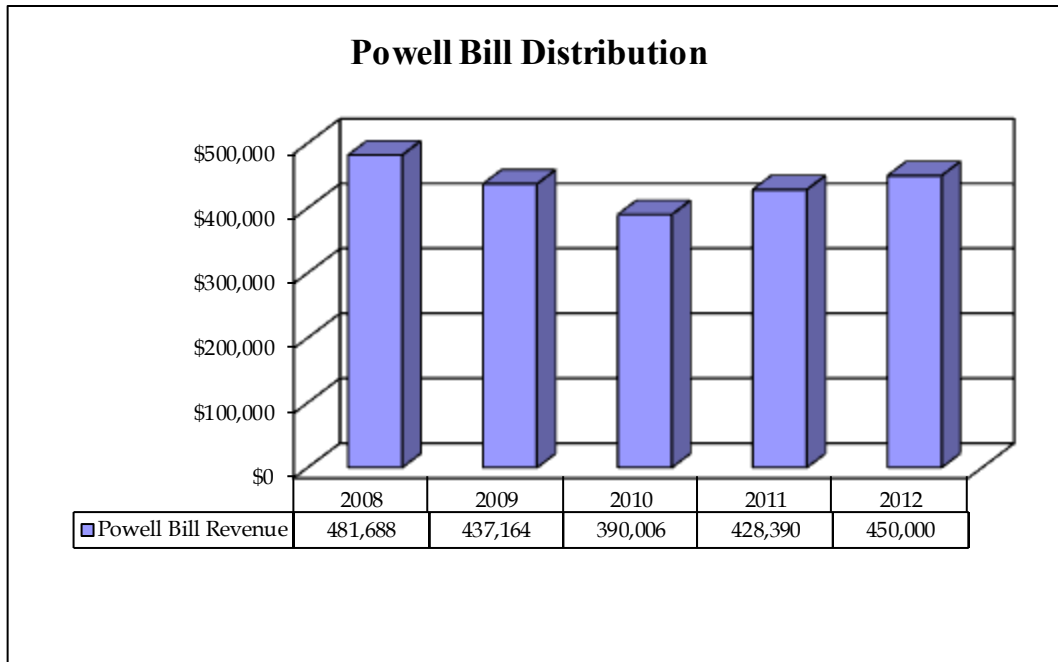
Restricted Intergovernmental Revenue	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Powell Bill	\$ 390,006	\$ 406,000	\$ 420,619	\$ 450,000	7.0%
BAB Interest Rebates	4,338	7,000	7,000	6,000	-14.3%
Controlled Substance Tax Distribution	3,942	13,781	10,200	10,000	-2.0%
Solid Waste Disposal	9,950	10,200	8,480	8,500	0.2%
Other Grants	66,538	-	15,030	-	-100.0%
Total Rest. Intergovernmental Rev.	\$ 474,774	\$ 436,981	\$ 461,329	\$ 474,500	2.9%

Revenue Assumptions

- The per capita rate used in the estimation of Powell Bill revenue is \$19.70, which is up approximately 1.0% from the previous year's actual distribution rate. However, Powell Bill revenue is also expected to increase due to an increase in our population in relation to the other local government jurisdictions according to the 2010 Census figures. Additionally, the street mile rate utilized to project the allocation is \$1,532 per street mile maintained, which is up \$4 from the FY 2010-11 distribution. Both of these estimated distribution rates were provided by the North Carolina League of Municipalities.
- The Village purchased a fire engine with a Build America Bond (BAB) in fiscal year 2010. We receive a 35% interest rebate on each semi-annual payment until the debt obligation is satisfied in FY 2017.
- North Carolina implemented a \$2 Solid Waste Disposal Tax on July 1, 2008. The tax applies to all in-state Municipal Solid Waste and C&D landfills and all transfer stations shipping waste out of state for disposal. The Village uses these funds primarily to fund its recycling program.
- The Village does not budget for other grant revenues until a grant award notification has been received. The Village has not received a notice of award for a grant for FY 2011-2012.



Restricted Intergovernmental Revenues





Description of Revenue Source

Permits and Fees consist primarily of Permit & Inspection Fees, Planning & Zoning Fees and Fire District Revenue. There are also several other minor fees that are included in Permits and Fees revenue.

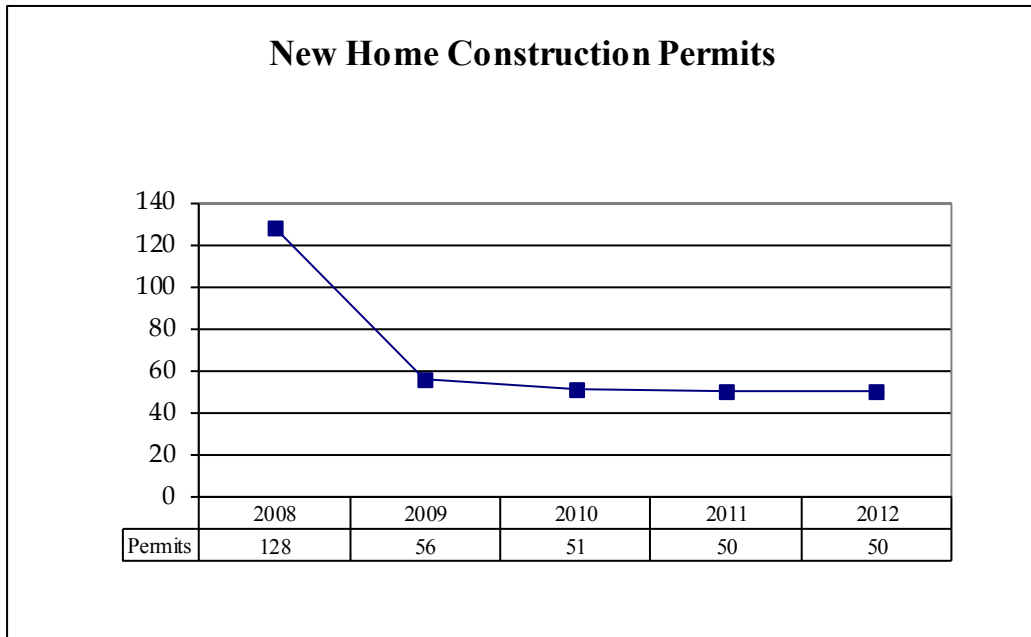
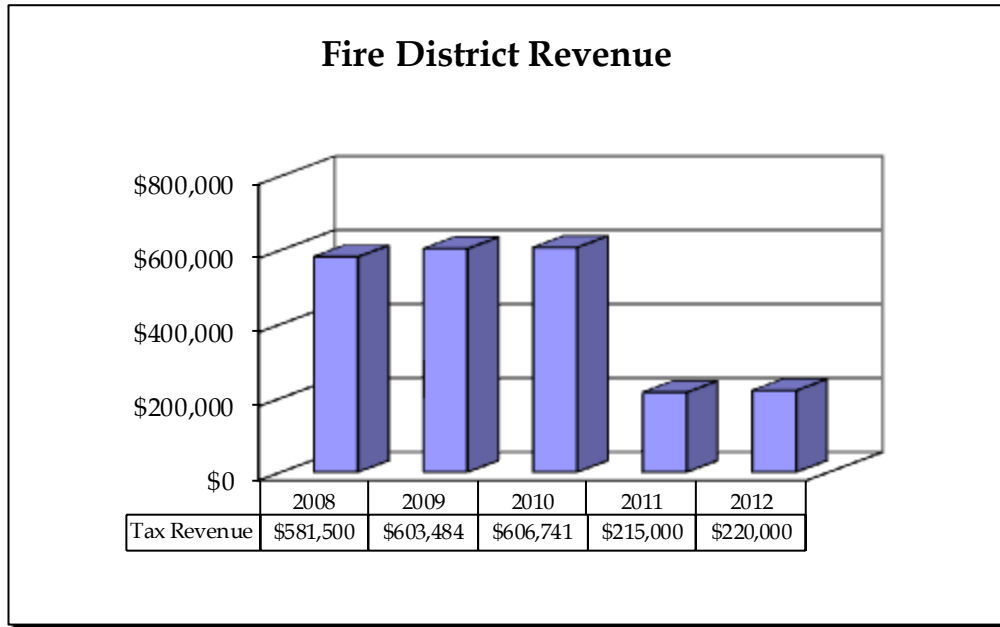
Permit and Inspection Fees and Planning & Zoning Fees are established by the Village Council, reviewed annually, and modified if needed. These permits and fees are charged to builders, developers, and homeowners for new construction and additions/alterations to property. The Village’s growth is generated primarily by new residential construction; therefore it is new home construction that really drives this revenue source.

Fire District Revenue represents the amount of funds paid to the Village by Moore County for the Village’s fire department to provide fire protection service to its extraterritorial jurisdiction (ETJ). The Village also contracts with a neighboring local government jurisdiction to provide fire protection services under an annual contract. This is also included in Fire District Revenue. The amount of funds paid to the Village is based upon a tax rate established by Moore County that is applied to the real and personal property valuation in the covered areas. The Moore County Tax Department levies and collects the fire district tax for the Village’s ETJ and then remits collections to the Village monthly.

Permits & Fees	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Permit & Inspection Fees	\$ 235,275	\$ 168,000	\$ 189,000	\$ 220,000	16.4%
Planning & Zoning Fees	41,706	36,000	31,500	31,000	-1.6%
Fire District Revenue	606,741	154,100	215,000	220,000	2.3%
Other Fees	30,661	20,650	17,350	16,950	-2.3%
Total Permit & Fees	\$ 914,383	\$ 378,750	\$ 452,850	\$ 487,950	7.8%

Revenue Assumptions

- Permit & Inspection Fees and Planning & Zoning Fees for residential construction are expected to remain the same in FY 2011-2012 as the number and value of new homes being constructed remains flat. However, we expect an increase in commercial development at the FirstHealth of the Carolinas facilities compared to FY2010-2011. The Village expects approximately 50 homes to be constructed next year in the Village limits and ETJ which is our estimate for FY 2010-2011 as well.
- Fire district revenue is based upon a tax rate of \$0.086 per \$100 of property valuation, which is consistent with the current tax rate and a conservative growth rate of 1.0%. The Pinewild community was part of the Village’s ETJ prior to its annexation on March 31, 2010. Upon annexation, a Fire District tax is no longer levied on the Pinewild properties.





Description of Revenue Source

Sales and Services revenue consists of three separate revenue sources for Parks and Recreation Fees and Charges. The first source is Harness Track revenue for stall and other facility rentals, as well as revenues generated from shows and special events held on the property. The Harness Track is owned and operated by the Village and is the oldest continuously operating equine sports facility in North Carolina.

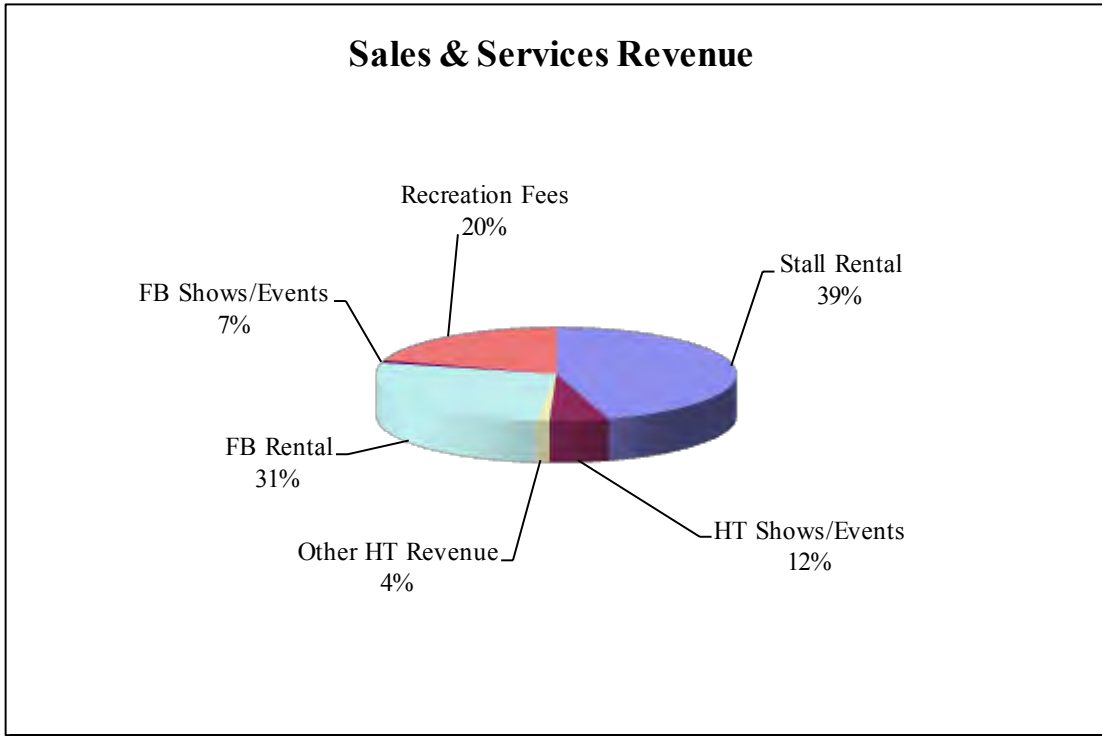
The second primary revenue source in this category is revenue generated from the Village's Fair Barn. The Fair Barn is the oldest surviving early twentieth-century fair exhibition hall in North Carolina. It was built in 1917 and has been completely renovated and serves as a multi-purpose community gathering place. Revenue consists of rental fees and admission fees for Village-sponsored special events.

The third major category of Sales and Services revenue is Recreation Fees. These are the fees charged to participants in programs and athletic leagues sponsored by the Recreation Department.

Sales & Services	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Stall Rental Revenue	\$ 212,515	\$ 200,000	\$ 215,000	\$ 215,000	0.0%
Harness Track Shows/Events Revenue	31,223	22,000	25,000	25,000	0.0%
Other Harness Track Revenue	10,945	10,330	10,430	5,630	-46.0%
Fair Barn Rental Revenue	125,746	105,000	125,000	128,000	2.4%
Fair Barn Shows/Events Revenue	5,895	5,500	6,200	4,000	-35.5%
Recreation Fees	82,579	65,000	67,300	96,450	43.3%
Total Sales & Services	\$ 468,903	\$ 407,830	\$ 448,930	\$ 474,080	5.6%

Revenue Assumptions

- Overall Harness Track stall rental fees and event fees are also expected to remain steady for FY 2011-2012 based upon current occupancy rates and the number and types of other events is expected to be similar to FY 2010-2011.
- The events held at the Fair Barn continue to be successful. Revenues are expected to remain fairly steady at \$128,000 for FY 2011-2012 as the number and types of events is expected to be similar to FY 2010-2011.
- Recreation Fees were reviewed as part of our Cost Containment initiative last year. Some fees were increased to more fully recover program costs. Youth golf clinics, a family kickball and adult basketball league, and girls lacrosse camp are new recreation programs also reflected in the revenue estimate for fiscal year 2011-2012.





Description of Revenue Source

Other Revenues include Alcoholic Beverage Control (ABC) Revenues, Recycling Revenues and Other Miscellaneous Revenues. ABC revenue is based on a percentage of the sale of mixed beverages from local merchants and the net profits from counter sales of alcoholic beverages in Pinehurst at ABC Stores. Recycling Revenues are derived from a private contract between the Village and Pratt Industries that was developed as part of the Village’s Cost Containment Initiative. Under a six-year agreement the Village receives \$30 per ton for the recyclable materials hauled to their facility. Other Miscellaneous Revenues include donations made to the Village, fees generated by the Police Department, and various other minor fees.

Other Revenues	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
ABC Revenues	\$ 81,583	\$ 72,000	\$ 77,300	\$ 78,000	0.9%
Recycling Revenues	45	21,500	21,500	55,000	155.8%
Other Miscellaneous Revenues	118,843	87,675	81,975	51,000	-37.8%
Total Other Revenues	\$ 200,471	\$ 181,175	\$ 180,775	\$ 184,000	1.8%

Revenue Assumptions

- ABC revenue is projected to increase by 1.0% for the FY 2011–2012. This is based on a 5.0% historical growth factor adjusted for a prolonged decrease in tourism and the expectation that it is unlikely to recover quickly in fiscal year 2011-2012.
- The Village expects to deliver approximately 1,835 tons of recyclable material to Pratt Industries in FY 2011-2012.
- Other miscellaneous revenues are expected to remain fairly consistent with previous years. The largest contributor to the 37.8% decrease between the FY 2011-2012 budget and FY 2010-2011 actual is the reimbursement of insurance claims that are not budgeted.



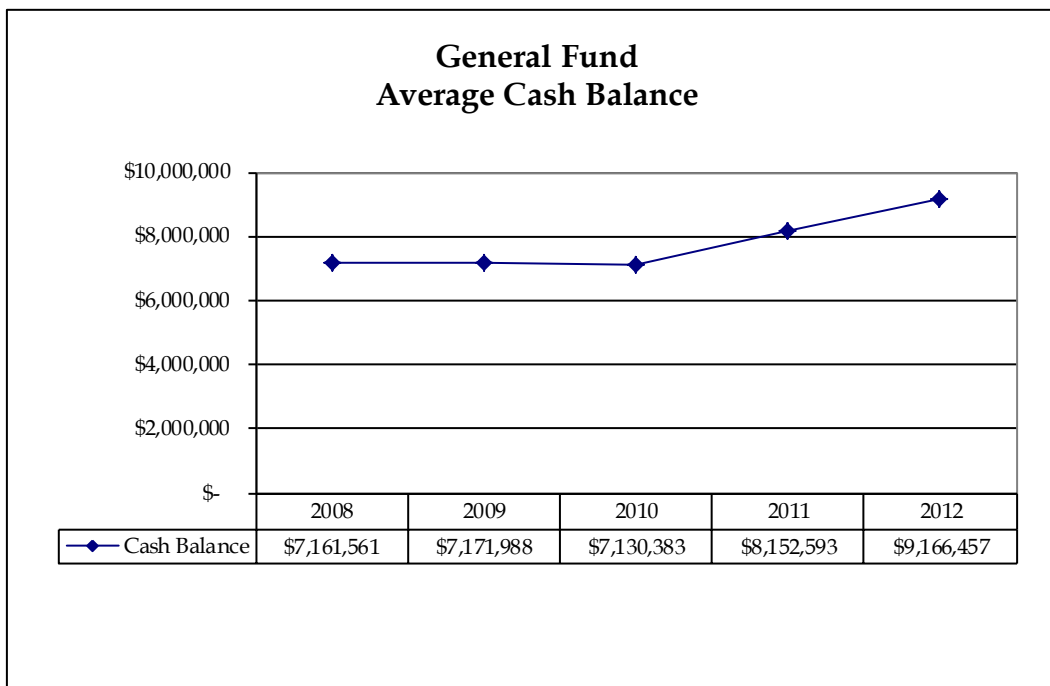
Description of Revenue Source

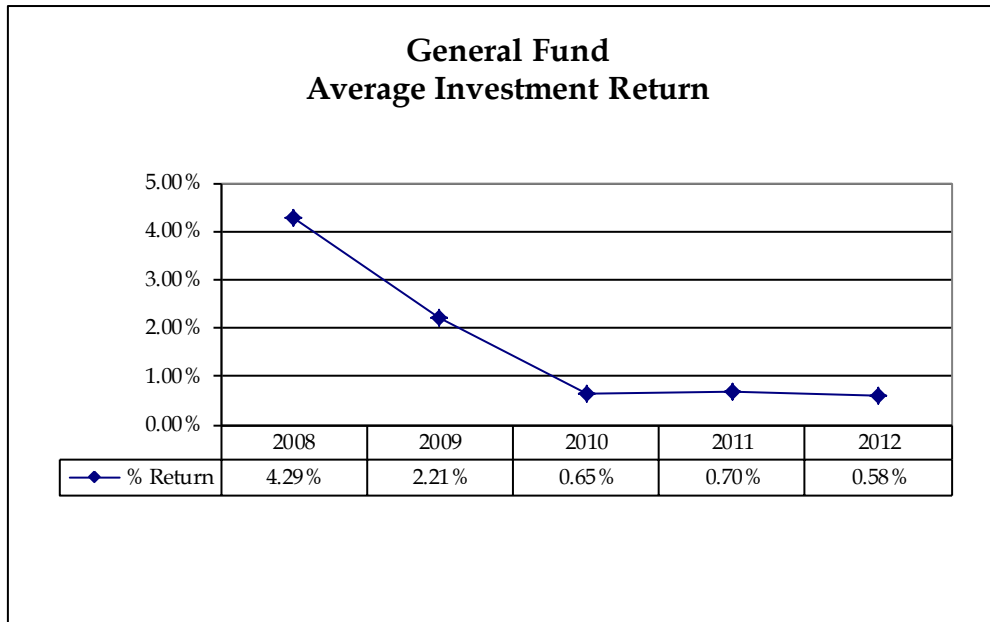
Investment Income includes the return earned on cash and investment balances. Interest is earned on the cash balances invested with the North Carolina Capital Management Trust (NCCMT), an SEC-registered (2a7) money market mutual fund, bank certificates of deposit, U. S. Treasury and Agency securities, and high grade commercial paper.

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Investment Income	\$ 35,823	\$ 35,800	\$ 35,800	\$ 53,000	48.0%
Total Investment Income	\$ 35,823	\$ 35,800	\$ 35,800	\$ 53,000	48.0%

Revenue Assumptions

- Investment income is estimated to increase 48.0% as the funds available to invest have increased. The estimated revenue is based upon an average cash and investments balance of \$9.2 million compared to \$8.2 million the previous year. While the funds available to invest have increased the rate available on investments continues to remain low. The average rate of return expected in fiscal year 2012 is 0.58% compared to 0.70% in FY 2010-2011.







Description of Revenue Source

Other Financing Sources is comprised of Operating Transfers from other funds and occasionally debt proceeds. A common Operating Transfer from a Special Revenue Fund would be from the Municipal Service District Fund to reimburse the General Fund for capital expenditures.

During fiscal year 2009-2010, the GASB implemented accounting changes related to Special Revenue Funds. Therefore, the Village Council adopted a change in policy that transferred the remaining funds in the Capital Reserve Fund into the General Fund.

Other Financing Sources	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Loan Proceeds	\$ 500,000	\$ -	\$ -	\$ -	0.0%
Transfer from Capital Reserve Fund	916,826	-	-	-	0.0%
Transfer from Special Rev Funds	15,620	15,620	34,648	13,600	-60.7%
Total Other Financing Sources	\$ 1,432,446	\$ 15,620	\$ 34,648	\$ 13,600	-60.7%

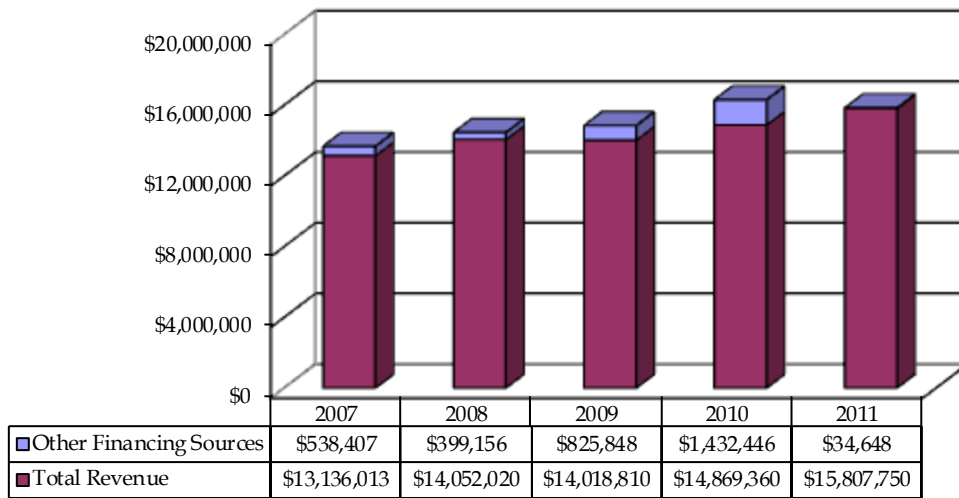
Revenue Assumptions

- An Operating Transfer of \$13,600 from the Municipal Service District Special Revenue Fund resulting from an assessment for dam repairs will occur in the 2011-2012 fiscal year.



Other Financing Sources

Other Financing Sources to Total Revenues





Fund Balance Appropriations

Description of Revenue Source:

Revenue from Fund Balance Appropriations is the use of equity (net assets), which has been accumulated from previous fiscal years, to pay for current fiscal year expenditures.

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Fund Balance Appropriations					
Fund Balance Appropriated	\$ -	\$ 1,233,381	\$ -	\$ 959,020	100.0%
Total Fund Balance Appropriations	\$ -	\$ 1,233,381	\$ -	\$ 959,020	100.0%

Revenue Assumptions:

- For FY 2011-2012 we have appropriated \$959,020 of the Village's fund balance as a revenue source. Historically, operating revenues come in at 101% of budget while operating expenditures typically fall 5% below budget. The amount of fund balance that is appropriated this year exceeds this budget variance amount. If this historical trend continues for FY 2011-12 we will use approximately \$152,000 of these reserves.
- The amount of fund balance appropriated in FY 2011-2012 is 22% lower than the previous fiscal year as this budget includes several unfunded positions and reduced merit increases as part of our ongoing cost containment program.



Description:

The Governing Body of the Village consists of a five-member council that includes a directly elected Mayor. The Council provides overall policy guidance for all municipal operations.

Major Accomplishments for Fiscal Year 2010-2011:

- Established the Village Center Roundtable group.
- Formalized the Village Center Enhancement Committee.
- Commissioned a Development Process Review Assessment.
- Facilitated the redesign of the sand parking lot and design of downtown streetscape improvements.
- Approved a Comprehensive Parks & Recreation Master Plan.

Goals and Objectives for Fiscal Year 2011-2012:

Please see the goals and objectives included in the Administration department.



Governing Body

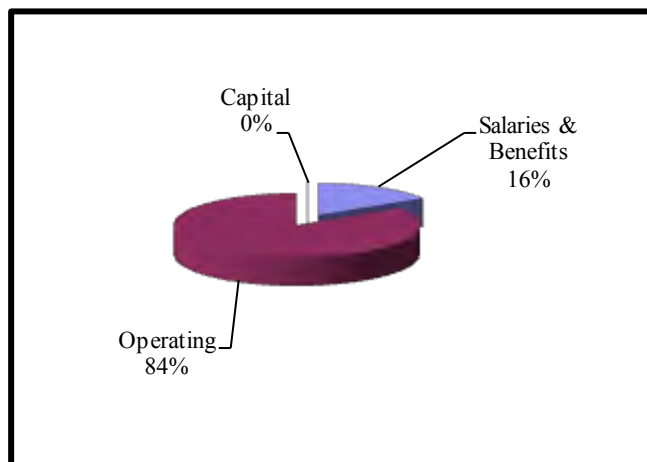
The Governing Body Department is located on the first floor of Village Hall, 395 Magnolia Drive, Pinehurst, NC.

Additional information about the Governing Body Department may be obtained by contacting Linda Brown, Village Clerk, at 910.295.1900 or lbrown@villageofpinehurst.org

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 30,008	\$ 31,000	\$ 30,100	\$ 31,000	3.0%
Operating	245,207	259,055	149,313	160,700	7.6%
Capital	-	-	-	-	0.0%
Expenditures Total	\$ 275,215	\$ 290,055	\$ 179,413	\$ 191,700	6.8%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 275,215	\$ 290,055	\$ 179,413	\$ 191,700	6.8%
Revenues Total	\$ 275,215	\$ 290,055	\$ 179,413	\$ 191,700	6.8%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	5.00	5.00	5.00	5.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	5.00	5.00	5.00	5.00	0.0%



Budget Highlights:

The budget for the Governing Body includes salaries for the Mayor and four council members. More than 80% of the Governing Body operating expenditures are for legal services, including a monthly retainer for the Village attorney as well as other attorneys engaged by the Village. There are no capital items in the FY 2011-2012 Budget.



Description:

The Administration Department, which includes the Village Manager, Assistant Village Managers, the Village Clerk, and Administrative Support Staff, provide top-level support to the Village Council. It also serves as a support and liaison to the other departments of the Village to ensure that services are provided to Village residents in an efficient, responsive, and cost efficient manner.

Major Accomplishments for Fiscal Year 2010-2011:

- Established a Cost Containment Committee.
- Implemented Results Based Management in two other programs: Fleet Maintenance and Information Technology.
- Initiated the 2011 Internal Organization Strategic Plan.
- Hosted the Chinese Delegation.
- Established a Workplace Safety Initiative.
- Facilitated the legal review of the Village’s Municipal Code.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide leadership to the Village staff in order to execute the priorities and initiatives established by the Village Council.

Objective: To maintain 9 programs participating in the Results Based Management initiative.

Objective: To implement 95% of the Organization Strategic Plan action steps in the stated time frame.

Objective: To oversee a process review for one (1) process.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
# of programs participating in RBM	5	7	9	9
% of Strategic Action Plan action steps implemented in the stated time frame	88%	95%	96%	95%
# of processes reviewed	n/a	n/a	n/a	1



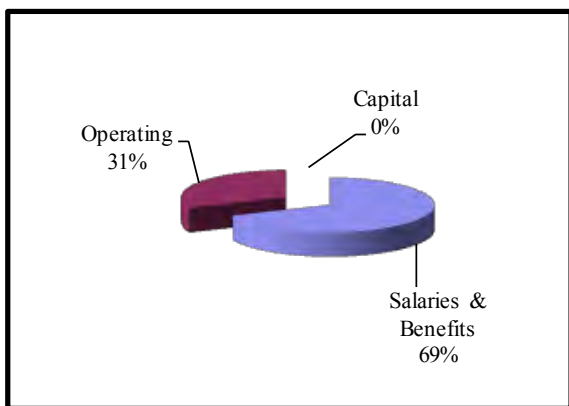
The Administration Department is located on the second floor of Village Hall, 395 Magnolia Drive, Pinehurst, NC.

Additional information about the Administration Department may be obtained by contacting Andrew Wilkison, Village Manager, at 910.295.1900 or awilkison@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 625,370	\$ 656,900	\$ 645,700	\$ 668,000	3.5%
Operating	212,507	238,243	232,893	306,120	31.4%
Capital	9,000	27,000	-	-	0.0%
Expenditures Total	\$ 846,877	\$ 922,143	\$ 878,593	\$ 974,120	10.9%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 846,877	\$ 922,143	\$ 878,593	\$ 974,120	10.9%
Revenues Total	\$ 846,877	\$ 922,143	\$ 878,593	\$ 974,120	10.9%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	7.00	6.00	6.00	6.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	7.00	6.00	6.00	6.00	0.0%



Budget Highlights:

The FY 2011-2012 Salaries & Benefits budget reflects a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. Operating expenditures reflect an increase in the allocation for Information Technology (IT) expenditures as well as election costs which are incurred every two years. There are no Capital items in the 2011-12 fiscal year budget.



Description:

The Director of Financial Services reports directly to the Assistant Village Manager of Finance and Administration and serves as a member of the senior leadership team. The Financial Services Department, including the Director, consists of four financial professionals, two of whom are Certified Public Accountants who oversee the fiscal operations of the Village.

Major Accomplishments for Fiscal Year 2010-2011:

- Received the Government Finance Officers’ Association (GFOA) Distinguished Budget Presentation Award for the 5th consecutive year.
- Prepared the Comprehensive Annual Financial Report in-house and received the Government Finance Officers’ Association (GFOA) Certificate of Achievement for Financial Reporting for the 18th consecutive year.
- Implemented a major upgrade of the enterprise-wide accounting and reporting system.
- Completed 8 Financial Assistance Service Team (FAST) projects, including the Recycle Yard Study, Yard Debris Collection Analysis, and the Harness Track Business Model Review.
- Helped facilitate the newly established Cost Containment Committee.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide timely financial services to the Council and staff in order to assist them in providing progressive, responsive and proactive services for the community of Pinehurst.

Objective: To process 100% of purchase orders within one day.

Objective: To distribute financial statements by the tenth of the month 100% of the time.

Goal: To expand the scope of the services provided by Financial Services to other departments.

Objective: To maintain the number of Financial Assistance Service Team (FAST) projects completed at 8.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of purchase orders processed in one day or less	98%	95%	100%	100%
% of months financial statements are distributed by the tenth	100%	100%	100%	100%
# of Financial Assistance Service Team (FAST) projects completed	2	12	8	8



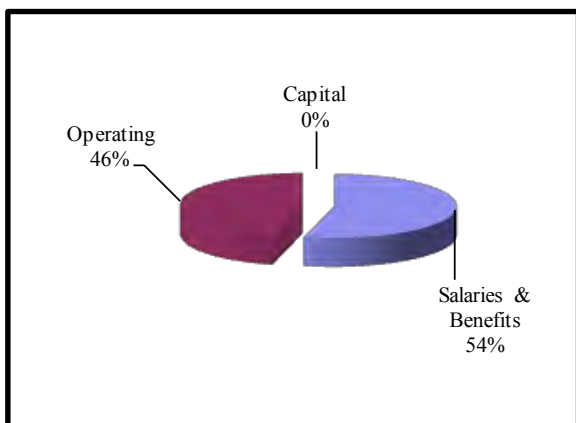
The Financial Services Department is located on the second floor of Village Hall, 395 Magnolia Drive, Pinehurst, NC.

Additional information about the Financial Services Department may be obtained by contacting John G. Frye, CPA, Director of Financial Services, at 910.295.1900 or jfrye@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 288,935	\$ 304,750	\$ 302,000	\$ 314,950	4.3%
Operating	198,350	287,161	257,830	268,350	4.1%
Capital	-	-	-	-	0.0%
Total Expenditures	\$ 487,285	\$ 591,911	\$ 559,830	\$ 583,300	4.2%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 487,285	\$ 591,911	\$ 559,830	\$ 583,300	4.2%
Total Revenues	\$ 487,285	\$ 591,911	\$ 559,830	\$ 583,300	4.2%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	4.00	4.00	4.00	4.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	4.00	4.00	4.00	4.00	0.0%



Budget Highlights:

The Financial Services department Salaries & Benefits budgeted expenditures reflect a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. There are no individually significant Operating expenditures and there are no Capital items in the Financial Services department's FY 2011-2012 budget.



Description:

The Director of Human Resources reports directly to the Village Manager and serves as a member of the senior leadership team. Along with the Director, a part-time Human Resources Generalist provides a strategic service for recruitment, retention and recognition of competent staff.

Major Accomplishments for Fiscal Year 2010-2011:

- Worked with the IT department to establish an electronic benefits enrollment system through the Intranet.
- Worked with the Organizational Commitment Committee to ensure a successful rollout of the inaugural Employee Academy.
- Developed and implemented a Work from Home policy. Also updated several other policies including Overtime/Compensatory Time and the Service Credit for Transfer/Rehire policy.
- Sponsored several safety training sessions including Lockout/Tagout, Hearing Conservation, Bloodborne Pathogens, Personal Protective Equipment and Workers' Compensation workshop.
- Collaborated with the Assistant Village Manager and the Director of Public Services to restructure the Public Services department.
- Facilitated the preparation of the annual TOPS training calendar.
- Sponsored safety initiatives in conjunction with the Risk Management Committee

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To ensure the salaries of Village employees are competitive when compared to peers.

Objective: To compare the salary ranges of at least 25% of all positions on an annual basis with peers, so that all positions are reviewed at least every 4 years.

Goal: To educate employees, partner with physicians, and implement transitional positions to reduce the number of workers' compensation claims.

Objective: To reduce the number of lost time workers' compensation claims to 0.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of positions reviewed for salary range competitiveness	n/a	27%	25%	25%
# of lost time workers' compensation claims	10	3	11	0



Human Resources

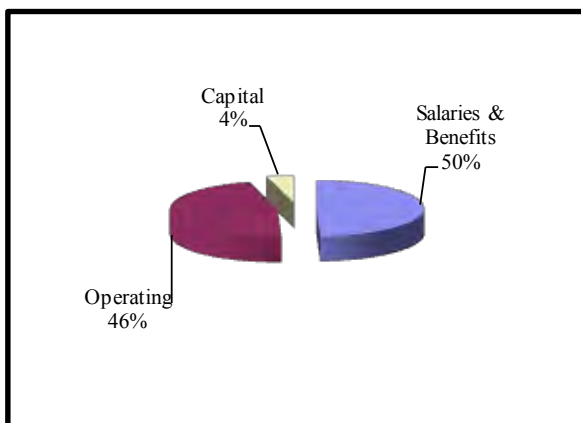
The Human Resources Department (HR) is located on the second floor of Village Hall, 395 Magnolia Drive, Pinehurst, NC.

Additional information about the Human Resources Department may be obtained by contacting Angela Kantor, Director of Human Resources, at 910.295.1900 or akantor@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 167,557	\$ 176,950	\$ 143,100	\$ 144,450	0.9%
Operating	86,835	117,451	104,151	135,580	30.2%
Capital	-	-	-	12,200	100.0%
Expenditures Total	\$ 254,392	\$ 294,401	\$ 247,251	\$ 292,230	18.2%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 254,392	\$ 294,401	\$ 247,251	\$ 292,230	18.2%
Revenues Total	\$ 254,392	\$ 294,401	\$ 247,251	\$ 292,230	18.2%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	2.00	2.00	1.00	1.00	0.0%
Part Time	-	-	0.50	0.50	0.0%
Total Authorized Personnel	2.00	2.00	1.50	1.50	0.0%



Budget Highlights:

The Human Resources department Salaries & Benefits budget reflects a change in the job status of the HR Generalist from full-time to part-time as a cost containment initiative. The FY 2011-2012 Operating budget includes additional funds for more comprehensive physicals for firefighters. The Capital budget includes the purchase of Performance Management software to support the Village's process improvement initiative.



Description:

The Police Chief reports directly to the Village Manager and serves as a member of the senior leadership team. In addition to the Chief, the Police Department consists of 22 sworn police officers, four dispatchers and one administrative assistant.

Major Accomplishments for Fiscal Year 2010-2011:

- Established reserve police officer program.
- Awarded the 2010 Traffic Safe Community of the Year Award from the AAAs of the Carolinas for the 4th consecutive year.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To patrol Village streets, educate residents and investigate crimes in order to deter crime and ensure a safe community.

Objective: To minimize the crime rate per 1,000 residents to 14.5.

Goal: To increase roadway safety through fair and consistent traffic enforcement and public education.

Objective: To achieve an 80% compliance rate with posted speed limits.

Objective: To minimize the percentage of vehicle collisions that result in an injury or fatality to less than 15%.

Objective: To place the speed limit trailer in service an average of 20 days per month.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
Crime rate per 1,000 residents	14.7	15.6	16.8	14.5
% of vehicles complying with posted speed limit	63%	60%	66%	80%
% of vehicle collisions with injuries or fatalities	15%	16%	15%	15%
Average # of days per month speed trailer is in service	22	19	26	20



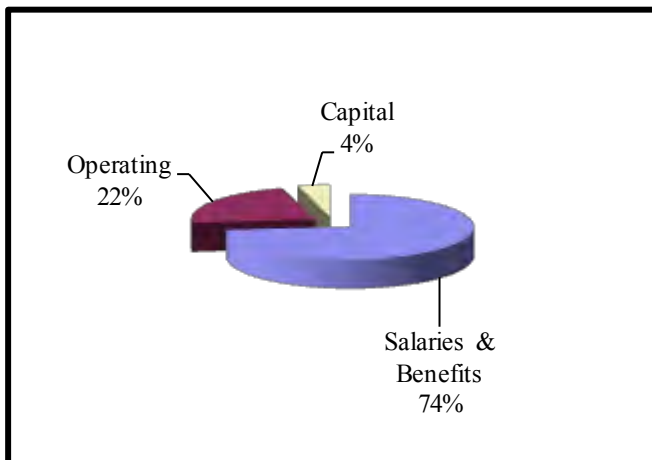
The Police Department is located at 420 Magnolia Drive, Pinehurst, NC.

Additional information about the Police Department may be obtained by contacting Ronnie Davis, Police Chief, at 910.295.3141 or rdavis@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 1,829,933	\$ 1,926,509	\$ 1,902,160	\$ 1,918,710	0.9%
Operating	572,502	637,660	608,473	581,490	-4.4%
Capital	117,581	155,000	155,000	112,000	-27.7%
Expenditures Total	\$ 2,520,016	\$ 2,719,169	\$ 2,665,633	\$ 2,612,200	-2.0%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 2,497,128	\$ 2,707,119	\$ 2,657,083	\$ 2,601,550	-2.1%
Police Grants	13,660	-	-	-	0.0%
Parking Fines	130	50	50	-	-100.0%
Miscellaneous Police Revenues	9,098	12,000	8,500	10,650	25.3%
Revenues Total	\$ 2,520,016	\$ 2,719,169	\$ 2,665,633	\$ 2,612,200	-2.0%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	30.00	29.00	28.00	28.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	30.00	29.00	28.00	28.00	0.0%



Budget Highlights:

The Police department’s Salaries & Benefits budget includes a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. In addition, personnel have been reduced by one sworn officer as a cost containment initiative. Operating expenditures reflect a decrease in the allocation for Fleet Maintenance expenditures. FY 2011-2012 Capital expenditures include the purchase of two vehicles.



Description:

The Fire Chief reports directly to the Village Manager and serves as a member of the senior leadership team. The Fire Department includes 29 uniformed firefighters, including the Fire Chief and one fire/life safety educator.

Major Accomplishments for Fiscal Year 2010-2011:

- Received the 2009 Life Safety Achievement Award for the 6th consecutive year, which recognizes fire departments that had zero deaths in structure fires in the previous calendar year.
- Maintained Medium Duty Rescue Provider Certification.
- Awarded the “Built for Life” grant which provided funding to construct side-by-side live fire units to demonstrate the use of sprinkler systems.
- Two employees obtained the professional designation of Chief Fire Officer (CFO).

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide a comprehensive fire and life safety inspection program in order to preserve the quality of life enjoyed by the Village of Pinehurst citizens and visitors.

Objective: To ensure 65% of fire code violations are corrected upon initial re-inspection (after 30 days).

Objective: To ensure 90% of fire code violations are corrected upon the second re-inspection (after 60 days).

Goal: To provide fire suppression, hazardous materials mitigation and technical rescue within the fire district to reduce the degree of injuries and property damage.

Objective: To increase the amount of first-in-engine response times within five minutes of dispatch to 75% of calls.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of fire code violations corrected upon initial re-inspection (after 30 days)	59%	70%	60%	65%
% of fire code violations corrected upon the second re-inspection (after 60 days)	88%	90%	90%	90%
% of calls with first-in-engine response time within five minutes of dispatch	72%	73%	74%	75%



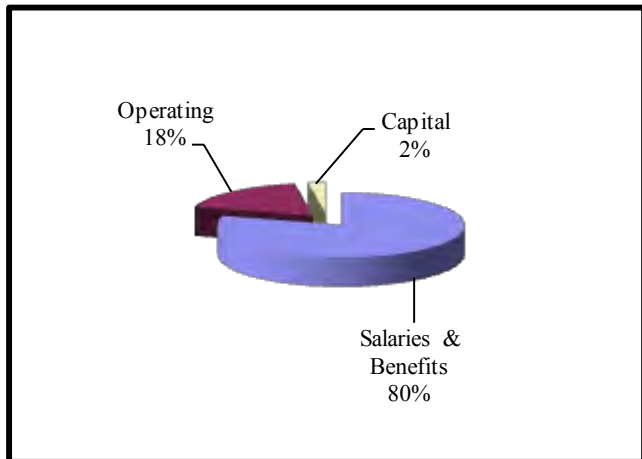
The Fire Department has two fire stations. The main station is located at 405 Magnolia Road and the second station is located at 15 Parker Lane, Pinehurst, NC.

Additional information about the Fire Department may be obtained by contacting J. Carlton Cole, Fire Chief, at 910.295.5575 or jccole@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 1,752,445	\$ 1,776,000	\$ 1,791,700	\$ 1,910,350	6.6%
Operating	371,452	416,654	389,154	434,030	11.5%
Capital	516,192	125,000	125,000	57,500	-54.0%
Expenditures Total	\$ 2,640,089	\$ 2,317,654	\$ 2,305,854	\$ 2,401,880	4.2%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 2,025,465	\$ 2,153,554	\$ 2,067,074	\$ 2,171,880	5.1%
Fire Grants	854	-	13,780	-	-100.0%
Fire District Revenue	606,741	154,100	215,000	220,000	2.3%
Revenues Total	\$ 2,640,089	\$ 2,317,654	\$ 2,305,854	\$ 2,401,880	4.2%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	30.00	30.00	30.00	30.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	30.00	30.00	30.00	30.00	0.0%



Budget Highlights:

The Fire department's FY 2011-2012 Salaries & Benefits budget reflects funding for temporary employees for shift coverage. Operating expenditures include the replacement of physical fitness and training equipment. Capital outlay expenditures in FY 2011-2012 include the upgrade of radios to comply with a FCC mandate as well as the replacement of a bay floor.



Description:

The Inspections Department is a division of the Planning Department and reports directly to the Director of Planning and Inspections. The Inspections Department includes two building inspectors. Inspections personnel both review and enforce compliance with the North Carolina and International Building Code.

Major Accomplishments for Fiscal Year 2010-2011:

- Completed approximately 250 inspections for the new Reid Heart Hospital.
- Reviewed plans and inspected other sites including: the Razook’s Building, Pinehurst Medical facility, and the FirstHealth Hospice and Hospitality House facilities.
- Conducted three builder workshops.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To respond to customer requests for inspections services in a timely manner in order to provide responsive and efficient services.

Objective: To perform inspections the business day following the request 95% of the time.

Objective: To review 90% of single-family plans within 5 business days of being received.

Goal: To educate customers about the Building Code, the Pinehurst Development Ordinance, plan review process, and other issues of interest in order to ensure appropriate and compliant development in Pinehurst.

Objective: To achieve an inspection compliance rate of 95%.

Objective: To conduct 4 builder’s workshops per year.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of inspections completed the next business day	99%	93%	95%	95%
% of single family plans reviewed in 10 days	100%	95%	n/a	n/a
% of single family plans reviewed in 5 days	n/a	n/a	90%	90%
Inspection compliance rate	96%	97%	95%	95%
# of builder’s workshops conducted	4	3	3	4



Inspections

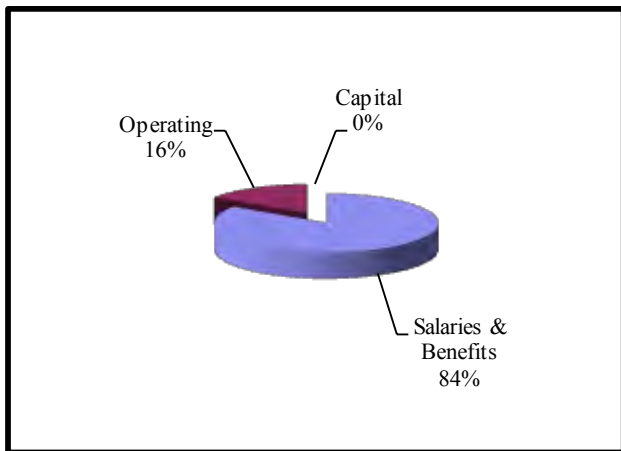
The Inspections Department is located on the first floor of Village Hall, 395 Magnolia Road, Pinehurst, NC.

Additional information about the Inspections Department may be obtained by contacting Andrea Correll, Director of Planning and Inspections, at 910.295.2581 or acorrell@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 186,870	\$ 189,200	\$ 181,800	\$ 187,300	3.0%
Operating	18,571	40,448	30,128	34,900	15.8%
Capital	-	10,000	10,000	-	-100.0%
Expenditures Total	\$ 205,441	\$ 239,648	\$ 221,928	\$ 222,200	0.1%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Inspection Permit Revenue	205,441	239,648	221,928	222,200	0.1%
Revenues Total	\$ 205,441	\$ 239,648	\$ 221,928	\$ 222,200	0.1%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	3.00	2.00	2.00	2.00	0.0%
Part Time	0.20	-	-	-	0.0%
Total Authorized Personnel	3.20	2.00	2.00	2.00	0.0%



Budget Highlights:

The state-mandated increase in the employer contribution to the Local Government Employees Retirement System is reflected in the 3.0% increase in Salaries & Benefits expenditures. The Inspections department FY 2011-2012 Operating budget includes an increase in the allocation for fleet maintenance internal service charges due to higher fuel prices.



Description:

Public Services Administration is a division of the Public Services Department. It provides management and administrative and technical support to all of the divisions in the department, which includes Administration, Streets and Grounds, and Solid Waste. The Director of the Public Services Department reports directly to the Assistant Village Manager of Operations and is a member of the senior leadership team. The Public Services Administration Division consists of the Director, the Assistant Director and an Administrative Assistant.

Major Accomplishments for Fiscal Year 2010-2011:

- Was awarded \$75,000 roll-out recycling cart grant from the NC Department of Environment and Natural Resources.
- Restructured the department to include an Infrastructure Supervisor in the Streets and Grounds division.
- Created career advancement staffing plan for Streets and Grounds and Solid Waste divisions.
- Received a \$1,250 grant to purchase an Automated External Defibrillator (AED).
- Minimized lost work days for employees out on Workers' Compensation by creating light duty assignments.

Goals and Objectives for Fiscal Year 2011-2012:

Please see the goals identified in the Streets & Grounds and Solid Waste Divisions.



Public Services Administration

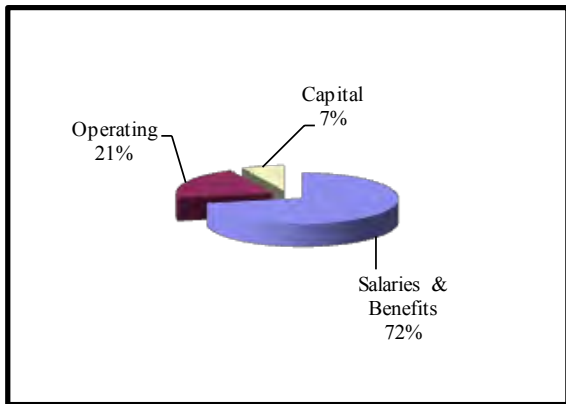
Public Services Administration is located at 700 McCaskill Road, Pinehurst, NC.

Additional information about Public Services Administration may be obtained by contacting Walt Morgan, Director of Public Services, at 910.295.5021 or wmorgan@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 236,994	\$ 252,650	\$ 251,200	\$ 263,650	5.0%
Operating	62,916	75,573	73,573	76,340	3.8%
Capital	-	-	-	26,400	100.0%
Expenditures Total	\$ 299,910	\$ 328,223	\$ 324,773	\$ 366,390	12.8%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 299,910	\$ 328,223	\$ 324,773	\$ 366,390	12.8%
Revenues Total	\$ 299,910	\$ 328,223	\$ 324,773	\$ 366,390	12.8%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	3.00	3.00	3.00	3.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	3.00	3.00	3.00	3.00	0.0%



Budget Highlights:

The Public Services Administration Salaries & Benefits budget reflects a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. There are no individually significant Operating expenditures in the FY 2011-2012 budget. Capital outlay expenditures in FY 2011-2012 include the upgrade of radios to comply with a FCC mandate.



Description:

The Streets and Grounds (S&G) Division of the Public Services Department reports directly to the Director of Public Services. There are 15 members of the Streets and Grounds team, one of these members is a Crew Chief and one is an Infrastructure Supervisor. This department maintains over 105.5 miles of paved streets in the Village and also provides the manpower, supplies and management for the maintenance of the Village owned right of ways and common areas.

Major Accomplishments for Fiscal Year 2010-2011:

- Renewed the landscaping and signage on Midland Road to enhance the Midland Road gateway.
- Completed landscaping work at the Village’s Welcome Center.
- Created landscaping and improved signage on Highway 5 to enhance the Route 211 and Highway 5 gateway.
- Improved the Village Center by constructing bricked bench areas, installing antique street lamps, improving signage and highlighting dedicated loading zones.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide visible street signs for emergency services personnel and the motoring public in order to enhance mobility on Village streets while preserving the Village’s unique character.

Objective: To inspect 22% of the Village’s regulatory signs and replace those with diminished reflectivity.

Objective: To elevate 50 street signs at main intersections within the Village to 7’ for improved visibility.

Goal: To provide right-of-way maintenance to Village of Pinehurst streets in order to improve storm water runoff and improve overall appearance of the Village right-of-ways.

Objective: To inspect and repair roadway shoulders on 15% of Village right of way lane miles.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of regulatory signs inspected and replaced	n/a	22%	11%	22%
# of street signs elevated to 7’ at main intersections	n/a	90	48	50
% of right of way roadway lane miles shoulders inspected and repaired	9%	11%	4%	15%



Streets & Grounds

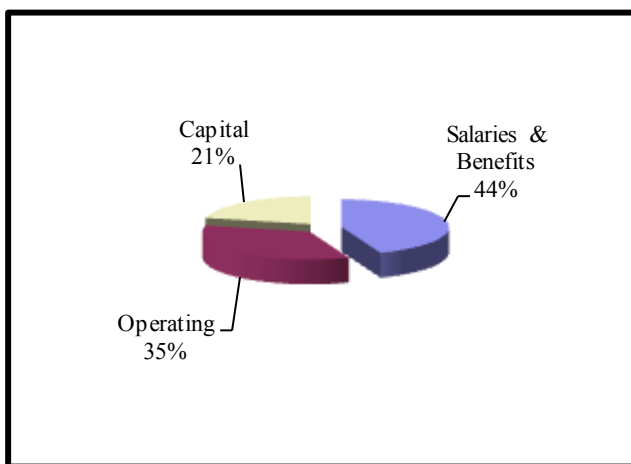
The Streets and Grounds Division is located at 700 McCaskill Road, Pinehurst, NC.

Additional information about the Streets and Grounds Division may be obtained by contacting Walt Morgan, Director of Public Services, at 910.295.5021 or wmorgan@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 485,617	\$ 517,992	\$ 476,600	\$ 581,000	21.9%
Operating	314,429	393,776	376,143	454,290	20.8%
Capital	18,925	81,800	81,800	282,000	244.7%
Expenditures Total	\$ 818,971	\$ 993,568	\$ 934,543	\$ 1,317,290	41.0%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 809,971	\$ 990,568	\$ 929,543	\$ 1,312,290	41.2%
Street Cut Permit Revenues	9,000	3,000	5,000	5,000	0.0%
Revenues Total	\$ 818,971	\$ 993,568	\$ 934,543	\$ 1,317,290	41.0%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	15.00	15.00	14.00	15.00	7.1%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	15.00	15.00	14.00	15.00	7.1%



Budget Highlights:

The Streets & Grounds Salaries and Benefits budget includes a new Infrastructure Supervisor who was formerly in the Community Development department as an Engineering Technician. Operating expenditures reflect an increase in the allocation for the services provided by the IT and Fleet departments to support the S&G division's restructuring. The Capital budget includes \$125,000 for replacement equipment, \$50,000 to replace a tractor, and \$80,000 to replace a dump truck.



Description:

The Powell Bill Department is managed by the Director of Public Services and is used to separately identify the expenditure of restricted State Powell Bill Funds that are used for the purpose of construction, repair, and maintenance of Village-owned streets and right of ways.

Major Accomplishments for Fiscal Year 2010-2011:

- Resurfaced approximately 4.73 miles of Village maintained roadways.
- Used a new full depth rehabilitation process for 1.06 miles of roads in very poor condition.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To manage the Village street resurfacing and rehabilitation program to ensure an average 20 year life cycle of Village maintained roadways.

Objective: To maintain a 5-year rolling average of Village streets resurfaced at 5 miles.

Objective: To ensure an overall Pavement Condition Rating (PCR) of at least 80 (Note: the PCR rating is done in 3 year intervals).

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
# of miles of Village roadways resurfaced	4.8	3.2	4.7	5.0
5-year rolling average of the # of miles of Village roadways resurfaced	5.3	5.0	4.9	5.0
% of centerline miles of Village roadways resurfaced (based on 106 miles)	5.3%	4.1%	4.5%	4.2%
Pavement Condition Rating (PCR)	76	76	82	82

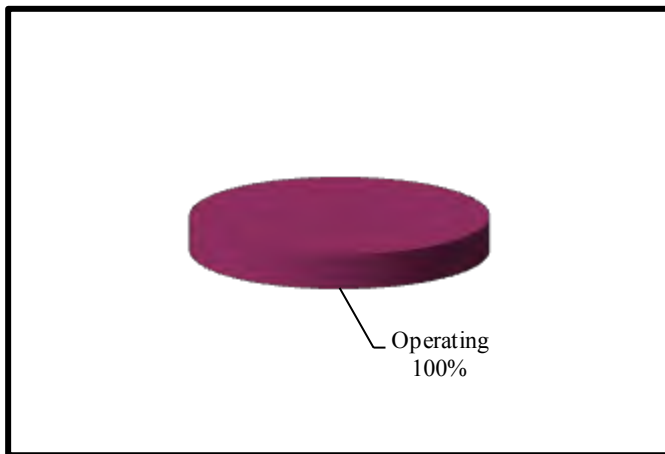


The Powell Bill department does not contain any staff. However, additional information about the Powell Bill Department may be obtained by contacting Walt Morgan, Director of Public Services, at 910.295.5021 or wmorgan@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	0.0%
Operating	458,881	1,224,550	901,000	908,200	0.8%
Capital	-	-	-	-	0.0%
Expenditures Total	\$ 458,881	\$ 1,224,550	\$ 901,000	\$ 908,200	0.8%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 68,875	\$ 818,550	\$ 480,381	\$ 458,200	-4.6%
Powell Bill Revenue	390,006	406,000	420,619	450,000	7.0%
Revenues Total	\$ 458,881	\$ 1,224,550	\$ 901,000	\$ 908,200	0.8%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	-	-	-	-	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	-	-	-	-	0.0%



Budget Highlights:

The FY 2011-2012 Powell Bill department budget includes funding for the resurfacing of five (5) miles of Village-owned streets. The fiscal year 2010-2011 Budget includes funding for resurfacing that was not completed in fiscal year 2009-2010.



Description:

The Solid Waste Division of the Public Services Department reports directly to the Director of Public Services. The Solid Waste Division consists of a nine member crew that provides residents with pickup of garbage, recycling and yard debris.

Major Accomplishments for Fiscal Year 2010-2011:

- Implemented an automated arm recycling collection system.
- Was awarded a \$75,000 roll-out recycling cart grant from the NC Department of Environment and Natural Resources.
- Increased number of tons recycled by approximately 17%.
- Negotiated new contract for disposal of recycling, resulting in a savings of \$59,000 annually.
- Completed roll out of the automated arm refuse collection system.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide a household trash collection system to the residents of Pinehurst in order to enhance the quality of life by maintaining a clean and healthy environment.

Objective: To utilize automated trash collection methods for 87% of the households in the Village.

Goal: To provide a curbside recycling program to Village of Pinehurst residents in order to conserve natural resources.

Objective: To achieve a participation rate of 50% in the curbside recycling program.

Objective: To divert at least 40% of total refuse from the landfill.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
# of households served with automated collection methods	3,981	5,516	6,735	6,735
% of households served with automated collection methods	54%	69%	87%	87%
# of households participating in curbside recycling	2,378	3,110	3,340	3,860
% of households participating in curbside recycling	35%	44%	45%	50%
# of tons recycled	966	1,473	1,717	2,360
Tons recycled as a % of total refuse	20%	28%	29%	40%



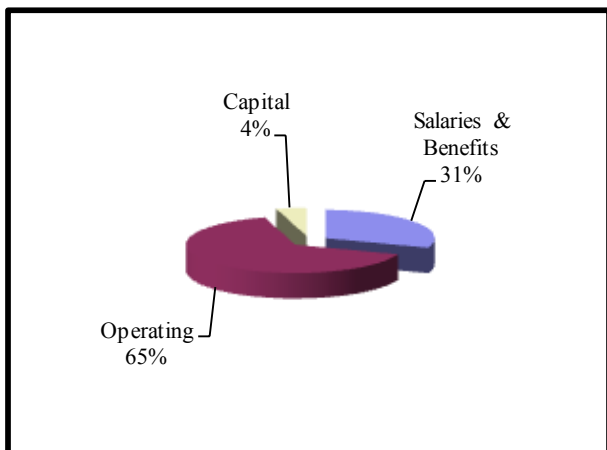
The Solid Waste Division is located at 700 McCaskill Road, Pinehurst, NC.

Additional information about the Solid Waste Division may be obtained by contacting Walt Morgan, Director of Public Services, at 910.295.5021 or wmorgan@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 392,860	\$ 389,083	\$ 353,300	\$ 407,000	15.2%
Operating	536,756	998,095	955,428	867,340	-9.2%
Capital	108,867	140,000	140,000	60,000	-57.1%
Expenditures Total	\$ 1,038,483	\$ 1,527,178	\$ 1,448,728	\$ 1,334,340	-7.9%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 1,038,483	\$ 1,527,178	\$ 1,448,728	\$ 1,334,340	-7.9%
Revenues Total	\$ 1,038,483	\$ 1,527,178	\$ 1,448,728	\$ 1,334,340	-7.9%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	9.00	9.00	9.00	9.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	9.00	9.00	9.00	9.00	0.0%



Budget Highlights:

Salaries and Benefits expenditures assume full employment in FY 2011-2012 and reflect a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. FY 2010-2011 included the purchase of recycle carts for the automation of curbside recycling. Capital expenditures include the replacement of two small modified pickup trucks for semi-automated collection while FY 2010-2011 included the purchase of an automated arm truck for curbside recycling.



Description:

The Director of Planning and Inspections reports directly to the Village Manager and serves as a member of the senior leadership team. The Planning Department consists of two Planners, a Planning Technician, Zoning Code Enforcer, Administrative Assistant, and a part-time Customer Service Representative. The Department provides support to the Board of Adjustment, the Community Appearance Commission, the Planning and Zoning Board, the Historic Preservation Commission, and the Village Council.

Major Accomplishments for Fiscal Year 2010-2011:

- Used the website and social media to support businesses in the community.
- Hosted the one year anniversary of the Pinehurst Welcome Center and the Mayor Lane naming ceremony.
- Worked with the Alternative Energy Committee on their recommendation to Council to use green building techniques and solar panels on facilities.
- Changed several road names and official addresses, to make them more easily locatable by emergency services providers.
- Completed Phase II of the Jackson Hamlet sewer project.
- Coordinated the inaugural Farmers’ Market in the Village Center.
- Facilitated the quarterly meetings of the Village Center Roundtable group.
- Issued Temporary Use Permits for major events such as the Vince Gill concert, Holly Arts Festival, US Kids Golf and the Saint Patrick’s Day and July 4th parades.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide high quality planning enforcement services to the residents through efficient enforcement of the Pinehurst Development Ordinance (PDO) and the Municipal Code.

Objective: To resolve 95% of code violations within 45 days of notification.

Goal: To promptly review development plans for builders in order to deliver responsive service.

Objective: To receive comments from the Technical Review Committee (TRC) within 3 weeks 55% of the time.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of code violations resolved in 45 days	93%	95%	95%	95%
% of comments received from TRC in 3 weeks	17%	50%	55%	55%



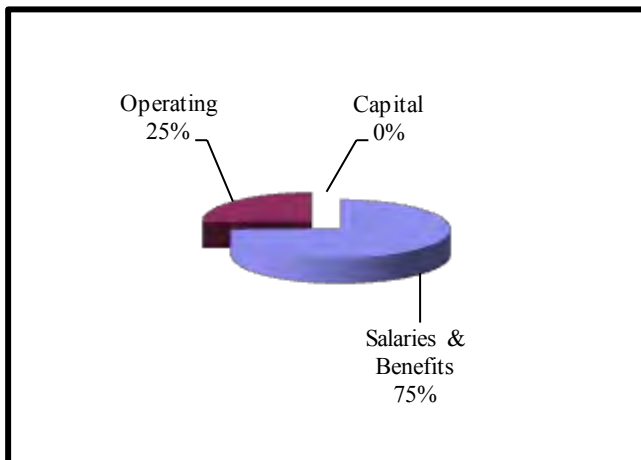
The Planning Department is located on the first floor of Village Hall, 395 Magnolia Road, Pinehurst, NC.

Additional information about the Planning Department may be obtained by contacting Andrea Correll, Director of Planning and Inspections, at 910.295.2581 or acorrell@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 459,540	\$ 480,450	\$ 473,000	\$ 477,350	0.9%
Operating	250,599	234,399	227,099	162,680	-28.4%
Capital	-	15,000	15,000	-	-100.0%
Expenditures Total	\$ 710,139	\$ 729,849	\$ 715,099	\$ 640,030	-10.5%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 668,433	\$ 693,849	\$ 683,599	\$ 609,030	-10.9%
Planning Permit Revenue	41,706	36,000	31,500	31,000	-1.6%
Revenues Total	\$ 710,139	\$ 729,849	\$ 715,099	\$ 640,030	-10.5%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	7.00	7.00	6.00	6.00	0.0%
Part Time	-	-	0.50	0.50	0.0%
Total Authorized Personnel	7.00	7.00	6.50	6.50	0.0%



Budget Highlights:

The Planning department Salaries & Benefits budget reflects a change in the job status of the Customer Service Representative from full-time to part-time as a cost containment initiative. There are no individually significant Operating expenditures and there are no Capital expenditures in the Planning department's FY 2011-2012 budget.



Description:

The Community Development Department is managed by the Assistant Village Manager of Operations. It provides technical engineering and professional services to both internal (other departments) and external (citizens, developers, etc.) customers using the services of on-call engineers. Functions also related to economic development are included in Community Development.

Major Accomplishments for Fiscal Year 2010-2011:

- Restructured the engineering function which included merging staff into the Public Services department.
- Established a contract for on-call engineering services.
- Completed one medium and eight small drainage projects, totaling approximately \$145,000.
- Completed the annual update of key Village intersection studies.
- Completed the Pavement Condition Survey.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To improve drainage conditions throughout the Village in order to ensure an environmentally acceptable and aesthetically pleasing community.

Objective: To complete at least five (5) key small drainage projects per year.

Goal: To evaluate the Level of Service at key Village intersections in order to develop a clear, comprehensive strategy for improving roadways and intersections throughout the Village.

Objective: To complete Level of Service (LOS) studies annually for six key intersections.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
# of key small drainage projects completed	7	5	9	5
# of LOS studies completed for key intersections	7	8	8	6



Community Development

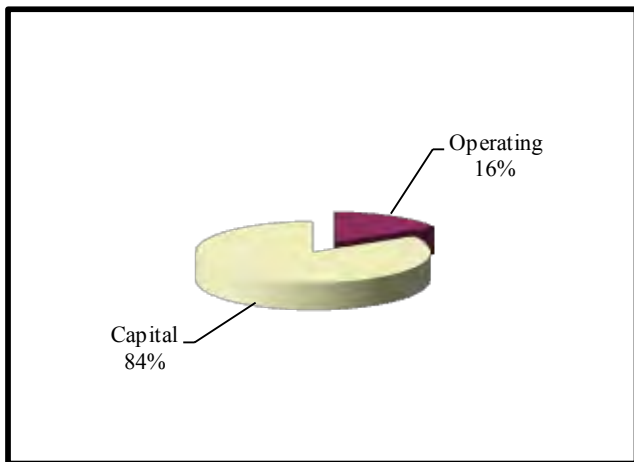
The Community Development Department is located at 395 Magnolia Road, Pinehurst, NC.

Additional information about the Community Development Department may be obtained by contacting Jeff Batton, Assistant Village Manager of Operations, at 910.295.1900 or jbatton@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 240,522	\$ 135,275	\$ 97,800	\$ -	-100.0%
Operating	156,535	251,067	203,371	127,500	-37.3%
Capital	127,243	227,700	247,000	650,000	163.2%
Expenditures Total	\$ 524,300	\$ 614,042	\$ 548,171	\$ 777,500	41.8%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 510,454	\$ 609,042	\$ 545,171	\$ 774,500	42.1%
Engineering Fee Revenue	13,846	5,000	3,000	3,000	0.0%
Revenues Total	\$ 524,300	\$ 614,042	\$ 548,171	\$ 777,500	41.8%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	2.00	2.00	1.00	-	-100.0%
Part Time	-	0.50	-	-	0.0%
Total Authorized Personnel	2.00	2.50	1.00	-	-100.0%



Budget Highlights:

As part of a cost containment initiative, engineering services that were previously provided by staff are now being provided by on-call engineers. The FY 2011-12 Salaries & Benefits and Operating expenditures reflect this change. Capital includes expenditures for small drainage projects and downtown improvements.



Description:

Recreation is a division within the Parks and Recreation Department. The Parks and Recreation Director reports directly to the Assistant Village Manager of Operations and is a member of the senior leadership team. The Director provides management support to all of the divisions in the department, which includes Recreation, Harness Track, Fair Barn and Buildings & Grounds. In addition to the Director, the Recreation Division includes two Program Coordinators who, in conjunction with the Director, are charged with providing the citizens of Pinehurst with a variety of recreational pursuits that enrich the quality of the lives of the participants.

Major Accomplishments for Fiscal Year 2010-2011:

- Launched on-line registration for Recreation programs and activities.
- Hosted the Vince Gill concert and the US Army Field Band and Soldiers Chorus in the Arboretum.
- Started new programs for Youth Golf clinics, Family Kickball league, Adult Basketball league and Girls Lacrosse camp.
- Upgraded quality and appearance of the bi-annual Activity Guide.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide quality athletic and recreational programs for participants of all ages and ability in order to promote a healthy lifestyle and enhance the physical, mental, and social well being of the community.

Objective: To increase enrollment in youth athletic programs to 86% of capacity.

Objective: To increase the number of youth sport specific programs offered annually to 13.

Objective: To increase the overall number of recreation programs offered to 47.

Objective: To increase enrollment in youth & adult programs to 82% of capacity.

Objective: To increase the overall number of special events offered, including the Arboretum concert series, to 16.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
Youth athletic program capacity reached	85%	82%	86%	86%
# of youth sport specific programs	9	10	12	13
# of overall recreation programs	35	45	45	47
Youth/Adult program capacity reached	n/a	n/a	80%	82%
# overall special events offered	n/a	n/a	15	16



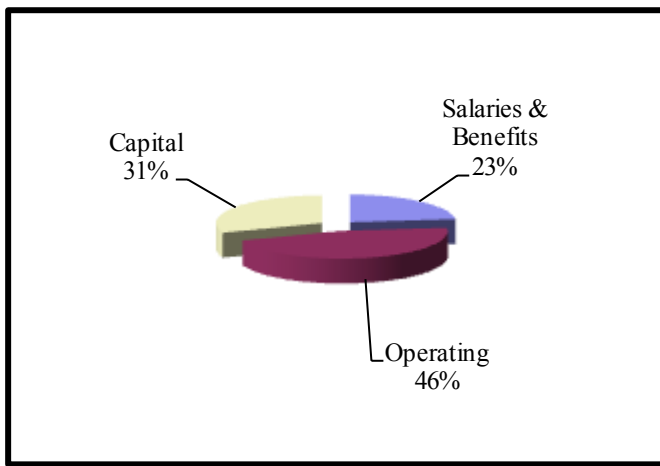
The Recreation Division is located on the first floor of Village Hall at 395 Magnolia Road, Pinehurst, NC.

Additional information about the Recreation Division may be obtained by contacting Mark Wagner, Director of Parks and Recreation, at 910.295.2817 or mwagner@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 290,747	\$ 308,550	\$ 325,933	\$ 313,675	-3.8%
Operating	584,233	584,366	530,952	623,660	17.5%
Capital	70,866	365,500	343,000	415,000	21.0%
Expenditures Total	\$ 945,846	\$ 1,258,416	\$ 1,199,885	\$ 1,352,335	12.7%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 863,267	\$ 1,193,416	\$ 1,132,585	\$ 1,255,885	10.9%
Recreation Services	82,579	65,000	67,300	96,450	43.3%
Revenues Total	\$ 945,846	\$ 1,258,416	\$ 1,199,885	\$ 1,352,335	12.7%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	3.00	3.00	3.00	3.00	0.0%
Part Time	1.30	2.00	2.00	2.00	0.0%
Total Authorized Personnel	4.30	5.00	5.00	5.00	0.0%



Budget Highlights:

The Recreation Division FY 2011-2012 Operating expenditures reflect an increase in the allocation for the services provided by the Buildings and Grounds department. There is also additional funding for events such as Oktoberfest and the St. Patrick’s Day and 4th of July parades. Capital items include \$225,000 for the next phase of greenway trail development and \$125,000 for tennis courts in Rassie Wicker Park. The purchase of a mower for \$35,000 is also included in capital expenditures.



Description:

The Harness Track Division of the Parks and Recreation Department reports to the Director of Parks and Recreation. The Harness Track Division includes one Track Supervisor, two full-time and one part-time Track Specialists and part-time seasonal personnel responsible for the operations and maintenance of the Harness Track facility.

Major Accomplishments for Fiscal Year 2010-2011:

- Revised the business model for the Harness Track to increase revenue and contain costs through additional shows, shortening the Standardbred season and changing the fee structure.
- Rebuilt stalls and upgraded electrical system in Barn 8.
- Replaced the roof on Barns 8 and 18.
- Made structural improvements to Barns 2 and 3.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide a high quality Standardbred horse training facility for Standardbred horse trainers in order to preserve the rich cultural history and legacy of Pinehurst.

Objective: To renovate and update one of the 17 barns.

Objective: To increase the number of stalls rented annually to achieve 100% capacity or 285 rented stalls.

Goal: To promote the Harness Track for the upcoming season to potential trainers and show promoters in order to maximize use of the facility.

Objective: To increase the number of days the track facilities are reserved for shows/events to 30 shows/events annually.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
# of barns renovated	2	2	1	1
Cumulative % of barns renovated	12%	24%	30%	36%
# of stalls rented annually	280	285	276	285
# of days the facilities are reserved	20	29	28	30
% of capacity reached for stall rentals	98%	100%	97%	100%



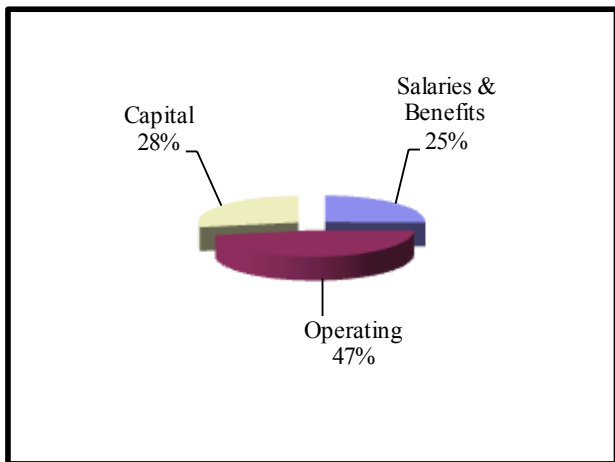
The Harness Track Division is located at 200 Beulah Hill Road, Pinehurst, NC.

Additional information about the Harness Track Division of the Parks and Recreation Department may be obtained by contacting Mark Wagner, Director of Parks and Recreation, at 910.295.2817 or mwager@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 169,085	\$ 187,250	\$ 160,900	\$ 171,000	6.3%
Operating	289,076	310,856	304,541	316,430	3.9%
Capital	34,650	67,100	67,100	189,500	182.4%
Expenditures Total	\$ 492,811	\$ 565,206	\$ 532,541	\$ 676,930	27.1%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 238,128	\$ 332,876	\$ 282,111	\$ 431,300	52.9%
Harness Track Services	254,683	232,330	250,430	245,630	-1.9%
Revenues Total	\$ 492,811	\$ 565,206	\$ 532,541	\$ 676,930	27.1%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	4.00	4.00	3.00	3.00	0.0%
Part Time	0.40	0.50	1.30	1.10	-15.4%
Total Authorized Personnel	4.40	4.50	4.30	4.10	-4.7%



Budget Highlights:

The FY 2011-2012 Salaries & Benefits budget reflects a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. There are no individually significant Operating expenditures. Capital includes \$70,000 for barn improvements including replacement of the roof on barn 3 and structural improvements to barns 6-9. There is also \$75,000 to construct all-weather show rings for horse shows.



Description:

The Fair Barn is a Division of the Parks and Recreation Department and reports to the Director of Parks & Recreation. The Fair Barn Department is comprised of the Fair Barn Coordinator, a part-time assistant, and several part-time laborers who provide the manpower, supplies, expertise and management for the operations and maintenance of the Fair Barn.

Major Accomplishments for Fiscal Year 2010-2011:

- Rented the facility 95 times, which is an 8% increase over the prior year.
- Increased weekdays rented by 50%, from a total of 24 to 36 weekdays rented.
- Resurfaced the main Fair Barn concrete floor.
- Added weekly workout classes to enhance interaction with the community.
- Purchased a jumbo screen and projector to promote use of Fair Barn for business meetings, family movie nights, conferences, etc.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide an economically viable cultural and performing art facility that reflects the unique character of the Village for the community’s recreational enjoyment.

Objective: To secure 45 single-weekday rentals.

Objective: To secure 98 rentals annually.

Objective: To rent the facility 35% of the available days annually.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
# of weekday rentals	21	24	36	45
# of rentals	81	88	95	98
% of available days the facilities is reserved	27%	31%	35%	35%



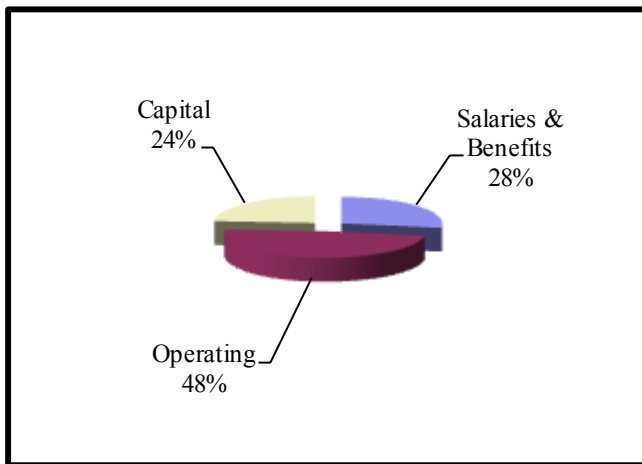
The Fair Barn Division is located at 200 Beulah Hill Road, Pinehurst, NC.

Additional information about the Fair Barn Division of the Parks and Recreation Department may be obtained by contacting Mark Wagner, Director of Parks and Recreation, at 910.295.2817 or mwagner@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 95,350	\$ 99,900	\$ 85,200	\$ 92,500	8.6%
Operating	131,037	165,335	160,220	161,710	0.9%
Capital	41,819	45,000	45,000	80,000	77.8%
Expenditures Total	\$ 268,206	\$ 310,235	\$ 290,420	\$ 334,210	15.1%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 136,565	\$ 199,735	\$ 159,220	\$ 202,210	27.0%
Fair Barn Revenues	131,641	110,500	131,200	132,000	0.6%
Revenues Total	\$ 268,206	\$ 310,235	\$ 290,420	\$ 334,210	15.1%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	1.00	1.00	1.00	1.00	0.0%
Part Time	1.50	1.50	0.80	0.80	0.0%
Total Authorized Personnel	2.50	2.50	1.80	1.80	0.0%



Budget Highlights:

The Fair Barn Salaries & Benefits expenditures reflect a state-mandated increase in the employer contribution to the Local Government Employees Retirement System. The FY 2011-2012 Operating expenditures reflect a commitment to hold expenditures to the prior year level. Parking lot improvements are planned for Capital outlay.



Description:

The Buildings & Grounds Maintenance Division reports directly to the Director of Parks and Recreation. The Building & Grounds Division includes a Park Supervisor, a Maintenance Technician and four Grounds Specialists that provide regular and preventative maintenance for all facilities owned by the Village as well as for selected Village-owned grounds and property. All expenditures of this department are charged back to other departments in the form of internal service charges.

Major Accomplishments for Fiscal Year 2010-2011:

- Completed renovations to Village Hall that included additional office space, space reconfiguration and new carpet.
- Expanded greenway trails from Pinehurst Elementary School to the Given Memorial Library.
- Replaced both HVAC units at the Fair Barn.
- Enhanced Cannon Park by replacing backstops on fields 1 and 2, re-graded the parking lot, and added tire stops and islands as well as split rail fencing around the perimeter.
- Made structural improvements to Barns 2 and 3 and replaced the roof on Barn 8 and 18 at the Harness Track.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To provide regularly scheduled maintenance in order to efficiently provide safe and attractive facilities.

Objective: To repaint 10% of occupied interior square footage each year.

Objective: To perform thorough maintenance inspection of 100% of facilities on a quarterly basis.

Goal: To respond to and complete maintenance requests in a timely manner.

Objective: To respond to 95% of maintenance requests within 2 days.

Objective: To close 90% of maintenance requests within 14 days.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of occupied interior square footage painted	0%	6%	10%	10%
% of facilities inspected quarterly	39%	78%	80%	100%
% of requests responded to within 2 days	n/a	91%	90%	95%
% of requests closed within 14 days	n/a	88%	85%	90%



Buildings & Grounds Maintenance

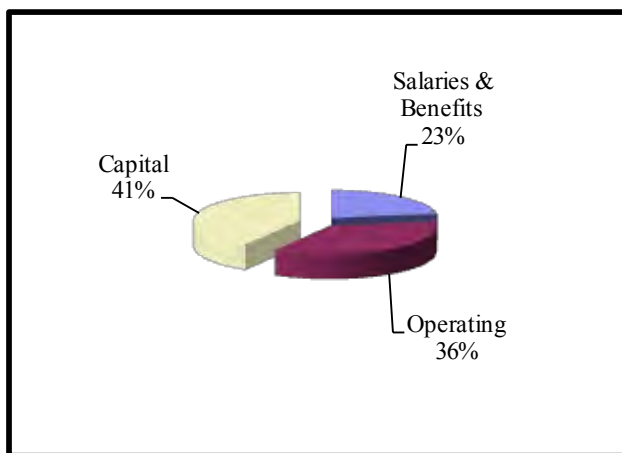
The Building and Grounds Maintenance Division is located at 200 Beulah Hill Road, Pinehurst, NC.

Additional information about the Building & Grounds Maintenance Division may be obtained by contacting Mark Wagner, Director of Parks and Recreation, at 910.295.1900 or mwagner@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 324,199	\$ 303,000	\$ 300,200	\$ 313,000	4.3%
Operating	387,017	475,750	463,850	500,640	7.9%
Capital	85,331	469,600	463,000	576,000	24.4%
Expenditures Total	\$ 796,547	\$ 1,248,350	\$ 1,227,050	\$ 1,389,640	13.3%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Charges for Services - B&G Maint	\$ 796,547	\$ 1,248,350	\$ 1,227,050	\$ 1,389,640	13.3%
Revenues Total	\$ 796,547	\$ 1,248,350	\$ 1,227,050	\$ 1,389,640	13.3%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	6.00	6.00	6.00	6.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	6.00	6.00	6.00	6.00	0.0%



Budget Highlights:

Operating expenditures include costs to maintain or improve the buildings and grounds used by the community and that provide a workplace for employees. The Capital items for this division include the costs for improvements to buildings and grounds that are purchased or made for the other departments. See the Capital Expenditures section for the detail by department.



Description:

The Fleet Manager reports directly to the Assistant Village Manager of Operations and is a member of the Senior Leadership Team. The Fleet Maintenance Department consists of the Manager and two Mechanics who are responsible for providing regular and preventative maintenance for all vehicles and equipment operated by the Village. All expenditures of this department are charged back to other departments in the form of internal service charges.

Major Accomplishments for Fiscal Year 2010-2011:

- Built equipment to shape ditches resulting in reduced manual labor and injuries.
- Refurbished a water truck to extend its useful life.
- Built a storage frame for salt brine tanks and spreaders to reduce the risk of back injuries.
- Redesigned salt brine spray bars to allow consistent spray level at all speeds and to shut off at stop lights to improve efficiency and conserve material.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To perform regular scheduled maintenance on vehicles and equipment.

Objective: To perform 90% of the scheduled preventative maintenance (PM) service on time.

Goal: To perform timely repairs on vehicles and equipment to minimize down time.

Objective: To complete 90% of nonscheduled work order requests received within 2 days.

Objective: To maintain 97% of rolling stock available per day.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of PMs performed on time	56%	80%	90%	90%
% of work orders completed within 48 hours	n/a	98%	90%	90%
% of rolling stock available each day	n/a	95%	97%	97%



Fleet Maintenance

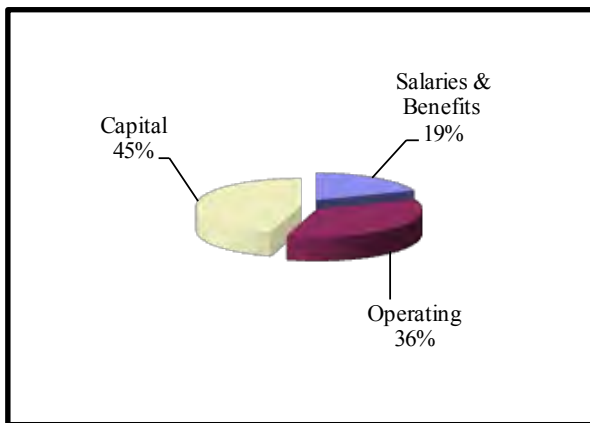
The Fleet Maintenance Department is located at 500 McCaskill Road, Pinehurst, NC.

Additional information about the Fleet Maintenance Department may be obtained by contacting Randy Kuhn, Fleet Manager, at 910.295.0005 or rkuhn@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 206,417	\$ 216,800	\$ 214,100	\$ 221,050	3.2%
Operating	301,886	327,540	307,140	409,590	33.4%
Capital	728,456	479,800	494,100	523,000	5.8%
Expenditures Total	\$ 1,236,759	\$ 1,024,140	\$ 1,015,340	\$ 1,153,640	13.6%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Charges for Services - Fleet Maint	\$ 1,236,759	\$ 1,024,140	\$ 1,015,340	\$ 1,153,640	13.6%
Revenues Total	\$ 1,236,759	\$ 1,024,140	\$ 1,015,340	\$ 1,153,640	13.6%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	3.00	3.00	3.00	3.00	0.0%
Part Time	-	-	-	-	0.0%
Total Authorized Personnel	3.00	3.00	3.00	3.00	0.0%



Budget Highlights:

The Fleet Maintenance budget includes vehicle and equipment repairs and maintenance expenditures of \$70,700 and fuel expenditures of \$238,500. This is 33% higher than prior year actual as we expect fuel prices to continue to rise. The Capital items for this department include the vehicles and equipment to be purchased for all departments. See the Capital Expenditures section for the detail by department.



Description:

The Director of Information Technology reports directly to the Assistant Village Manager of Finance and Administration and is a member of the senior leadership team. In addition to the Director, the Information Technology Department includes a Network Administrator, Systems Administrator and Administrative Assistant. All of these positions are responsible for the support, maintenance, and security of hardware, software and network infrastructure. All expenditures of this department are charged back to other departments in the form of internal service charges.

Major Accomplishments for Fiscal Year 2010-2011:

- Assisted in the selection, installation, and implementation of an on-line Parks and Recreation registration system.
- Created Intranet based on-line benefit enrollment system.
- Upgraded enterprise-wide accounting and reporting system.
- Replaced dispatch radio console at the Police Department (PD).
- Added projector and audio/visual capability in the PD training room.
- Replaced personal computers as scheduled.
- Supplied several technology training courses for Village employees.

Goals and Objectives for Fiscal Year 2011-2012:

Goal: To replace computers and servers in a timely manner

Objective: To ensure 100% of computers and servers are less than 5 years old.

Goal: To ensure the Village network is available for employee use

Objective: To maintain network availability 99.9% of the time (excluding planned downtime).

Goal: To respond timely and effectively to help desk tickets.

Objective: To close 95% of help desk tickets within 2 days.

Objective: To close help desk tickets within an average of 1.8 days.

Performance Measures	FY 2008-09 Actual	FY 2009-10 Actual	FY 2010-11 Estimated	FY 2011-12 Goal
% of computers and servers less than 5 years old	n/a	n/a	100%	100%
% of time the network is available (excluding planned downtime)	n/a	n/a	99.9%	99.9%
% of help desk tickets closed within 2 days	n/a	n/a	93%	95%
Average # of days to close help desk tickets	2	2	1	2



Information Technology

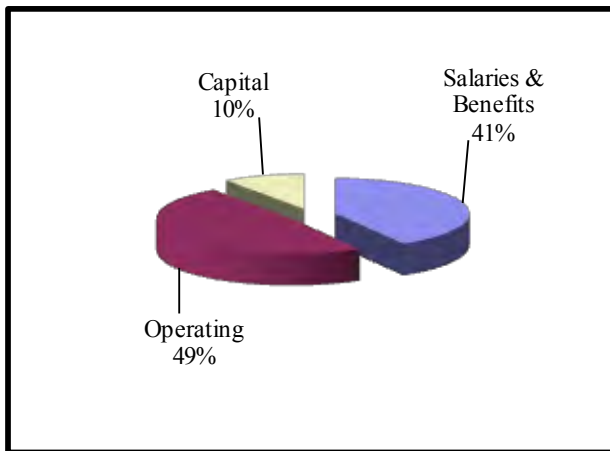
The Information Technology Department is located on the first floor of Village Hall at 395 Magnolia Road, Pinehurst, NC.

Additional information about the Information Technology Department may be obtained by contacting Jason Whitaker, Director of Information Technology, at 910.295.1900 or jwhitaker@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ 282,574	\$ 316,775	\$ 319,600	\$ 332,950	4.2%
Operating	233,162	393,800	355,400	390,790	10.0%
Capital	9,757	80,000	80,000	78,600	100.0%
Expenditures Total	\$ 525,493	\$ 790,575	\$ 755,000	\$ 802,340	6.3%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Charges for Services - IT	\$ 525,493	\$ 790,575	\$ 755,000	\$ 802,340	6.3%
Revenues Total	\$ 525,493	\$ 790,575	\$ 755,000	\$ 802,340	6.3%

Authorized Personnel	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Full Time	3.00	3.00	4.00	4.00	0.0%
Part Time	0.50	0.50	-	-	0.0%
Total Authorized Personnel	3.50	3.50	4.00	4.00	0.0%



Budget Highlights:

The Information Technology department Operating expenditures include costs to maintain and upgrade the Village's hardware, software and network infrastructure as well as the costs for telecommunication services and equipment maintenance. The Capital items for this department include the software and equipment to be purchased for all departments. See the Capital Expenditures section for the detail by department.



Purpose and Description:

The Contingency Department includes an allocation of funds for unexpected items that may occur in the FY 2011-2012 Budget. This item is recommended by the Fiscal Management Staff of the N. C. Local Government Commission. These funds may not legally exceed 5.0% of all other General Fund appropriations.

Additional information about the Contingency Department may be obtained by contacting John G. Frye, CPA, Director of Financial Services, at 910.295.1900 or jfrye@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	0.0%
Operating	-	44,399	-	50,000	100.0%
Capital	-	-	-	-	0.0%
Expenditures Total	\$ -	\$ 44,399	\$ -	\$ 50,000	100.0%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ -	\$ 44,399	\$ -	\$ 50,000	100.0%
Revenues Total	\$ -	\$ 44,399	\$ -	\$ 50,000	100.0%

Budget Highlights:

The Contingency budget that is not allocated to any department totals \$50,000. This amount is 0.3% of the total General Fund budget.



Purpose and Description:

As a means to finance long-term capital purchases and projects, the Village of Pinehurst utilizes long-term debt. While simultaneously benefiting from its use, the Village has traditionally maintained a conservative position regarding the use of debt. Because of its importance to the Village's financial solvency, debt is regulated not only by North Carolina statutes, but also by Council policy. For complete information on anticipated debt, please refer to the *Five-Year Capital Improvement Plan*.

The total amount of debt outstanding at June 30, 2011 will be \$3,259,243. This is a relatively small amount of direct debt compared to our taxable property of \$3,380,000,000. All of the Village's debt is in the form of installment purchase agreements.

In fiscal year 2011-2012 the Village does not intend to secure any new debt. In the five-year planning period the Village Hall, Police Station and a firetruck debt will be paid off. Additional information regarding the impact of these debt issuances and retirements is contained in the *Five-Year Capital Improvement Plan* section of this document.

The Village's policy is to generally maintain debt service expenditures as a percentage of total expenditures around 10%. The complete debt policy is located in the Budget Guide under Financial Policies.

The Village's credit rating was increased from 83 to 85 in December of 2006 by the North Carolina Municipal Council, which is equivalent to a rating of Aa3/AA- by the national rating agencies. The North Carolina Municipal Council is a not-for-profit, non-stock group organized in 1932. Its members consist of banks, investment dealers, bond attorneys and other financial institutions, all of which are interested in ownership or distribution of bonds and notes of counties, municipalities and districts of North Carolina. As the Village has not issued any General Obligation Bonds, we have not been rated by a national rating agency such as Moody's Investment Service or Standard and Poors.



Computation of Legal Debt Limit

Net Assessed Value - June 30, 2010	\$ 2,885,332,554	
	<u>8.0%</u>	
Debt Limit - Eight Percent (8.0%) of Assessed Value	\$ 230,826,604	
Gross Debt:		
Total Bonded Debt	-	
Installment Purchase Agreements	<u>4,151,008</u>	
Total Gross Debt:	4,151,008	
Less: Water Bonds	<u>-</u>	
Total Amount of Debt Applicable to Debt Limit (Net Debt)	<u>4,151,008</u>	0.14%
Legal Debt Margin	<u><u>\$ 226,675,596</u></u>	

The Village is subject to the Local Government Bond Act of North Carolina, which limits the amount of net bonded debt the Village may have outstanding to 8% of the assessed value of the property subject to taxation. The Village's net debt as a percentage of assessed valuation at June 30, 2010 is 0.14% compared to the legal debt limit of 8%.



Debt Service

The chart below indicates the total debt service payments due under the terms of each of the Village's financing agreements over the next five-year period. It also offers financing details of each installment agreement:

Description	Fiscal Year 2011-12	Fiscal Year 2012-13	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16
INSTALLMENT PURCHASE AGREEMENTS					
Firetruck - Unit 924 \$500,000; due in 14 semi-annual payments of \$42,037 beginning on 6/1/10; final payment due on 12/1/16; interest @ 4.43% with a 35% interest rebate on each pymt.; collateralized by firetruck	\$ 84,073	\$ 84,073	\$ 84,074	\$ 84,074	\$ 84,074
Fire Station \$2,500,000; due in 30 semi-annual payments consisting of fixed principal of \$83,334 plus interest @ 3.44%; collateralized by Fire Station bldg; final payment due on 03/15/20.	216,834	211,100	205,367	199,634	193,900
Village Hall \$4,000,000; due in 25 semi-annual payments of \$143,629; collateralized by building; final payment due on 09/17/11; interest @ 3.57% (Note: Original loan was refinanced in 05/05/99 & 02/19/04)	143,629	-	-	-	-
Police Station \$3,800,000; due in 25 semi-annual payments of \$140,064; collateralized by building; final payment due on 09/20/12; interest at 3.71% (Note: Original loan was refinanced 05/05/99 & 02/19/04)	280,128	140,064	-	-	-
Fair Barn \$1,000,000; due in 40 semi-annual payments consisting of fixed principal of \$25,000 plus interest @ 4.60%; collateralized by Fair Barn bldg; final payment due on 3/11/22.	74,725	72,425	70,125	67,825	65,525
67.04 Acres (Chicken Plant Road) \$500,000; due in 30 semi-annual payments consisting of fixed principal of \$16,667 plus interest @ 3.98%; collateralized by 67.04 acres of land; final payment due 4/15/18.	42,288	40,961	39,635	38,308	36,981
Firetruck \$374,731; due in 20 semi-annual payments of \$23,936; collateralized by firetruck; final payment due on 08/16/11; interest @ 4.91%	23,936	-	-	-	-
DEBT SERVICE TOTAL	\$ 865,613	\$ 548,623	\$ 399,201	\$ 389,841	\$ 380,480



Debt Service

The charts below indicate the total principal and interest due under the terms of each of the Village's financing agreements until maturity by project and by fiscal year:

Project	FY 2012		FY 2013		FY 2014	
	Principal	Interest	Principal	Interest	Principal	Interest
Village Hall	\$ 141,110	\$ 2,519	\$ -	\$ -	\$ -	\$ -
Police Station	267,559	12,569	137,513	2,551	-	-
Fire Station	166,667	50,167	166,667	44,433	166,667	38,700
Firetruck	23,362	574	-	-	-	-
Firetruck - 924	66,802	17,271	69,794	14,279	72,921	11,153
Fair Barn	50,000	24,725	50,000	22,425	50,000	20,125
67.04 Acres	33,333	8,955	33,333	7,628	33,333	6,302
Totals	\$ 748,833	\$ 116,780	\$ 457,307	\$ 91,316	\$ 322,921	\$ 76,280

Project	FY 2015		FY 2016-2020		FY 2021-2025	
	Principal	Interest	Principal	Interest	Principal	Interest
Fire Station	\$ 166,667	\$ 32,967	\$ 833,332	\$ 78,833	\$ -	\$ -
Firetruck - 924	76,187	7,887	120,688	5,385	-	-
Fair Barn	50,000	17,825	250,000	54,625	100,000	5,750
67.04 Acres	33,333	4,975	100,000	6,965	-	-
Totals	\$ 326,187	\$ 63,654	\$ 1,304,020	\$ 145,808	\$ 100,000	\$ 5,750

Project	Total by Project		
	Principal	Interest	Total
Village Hall	\$ 141,110	\$ 2,519	\$ 143,629
Police Station	405,072	15,120	420,192
Fire Station	1,500,000	245,100	1,745,100
Firetruck	23,362	574	23,936
Firetruck - 924	406,392	55,975	462,367
Fair Barn	550,000	145,475	695,475
67.04 Acres	233,333	34,825	268,158
Totals	\$ 3,259,269	\$ 499,588	\$ 3,758,858

Fiscal Year(s)	Total by Fiscal Year(s)		
	Principal	Interest	Total
FY 2012	\$ 748,833	\$ 116,780	\$ 865,613
FY 2013	457,307	91,316	548,623
FY 2014	322,921	76,280	399,201
FY 2015	326,187	63,654	389,841
FY 2016-2020	1,304,020	145,808	1,449,828
FY 2021-2025	100,000	5,750	105,750
Totals	\$ 3,259,269	\$ 499,588	\$ 3,758,858

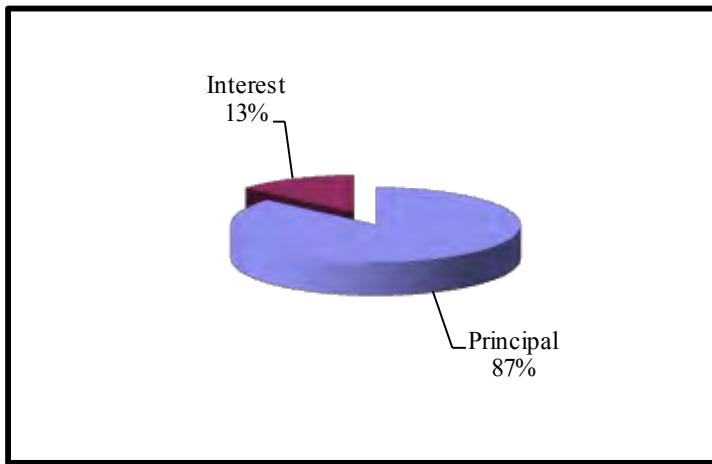


Debt Service

Additional information about Debt Service expenditures may be obtained by contacting John G. Frye, CPA, Director of Financial Services, at 910.295.1900 or jfrye@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Principal	\$ 836,472	\$ 891,738	\$ 891,738	\$ 748,833	-16.0%
Interest	173,226	150,752	143,752	116,782	-18.8%
Expenditures Total	\$ 1,009,698	\$ 1,042,490	\$ 1,035,490	\$ 865,615	-16.4%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 1,009,698	\$ 1,042,490	\$ 1,035,490	\$ 865,615	-16.4%
Revenues Total	\$ 1,009,698	\$ 1,042,490	\$ 1,035,490	\$ 865,615	-16.4%



Budget Highlights:

The Debt Service budget includes principal and interest payments on the financing agreements. The final debt payment for the Village Hall and a firetruck will be made in fiscal year 2012. No new debt is included in the FY 2011-12 budget.



Other Financing Uses

Purpose and Description:

Other Financing Uses represent transfers out of the General Fund to other funds.

Additional information about the Other Financing Uses Department may be obtained by contacting John G. Frye, CPA, Director of Financial Services, at 910.295.1900 or jfrye@villageofpinehurst.org.

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Operating	\$ 825,000	\$ -	\$ -	\$ -	0.0%
Expenditures Total	\$ 825,000	\$ -	\$ -	\$ -	0.0%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
General Revenues	\$ 825,000	\$ -	\$ -	\$ -	0.0%
Revenues Total	\$ 825,000	\$ -	\$ -	\$ -	0.0%

Budget Highlights:

The Other Financing Uses budget for FY 2011-2012 does not include any transfers out of the General Fund to other funds. Prior fiscal years included transfers out of the General Fund into the Capital Reserve Fund. However, due to accounting changes by the GASB relating to special revenue funds, the Village Council adopted a policy to close the Capital Reserve Fund and transfer the balance into the General Fund in fiscal year 2009-2010.

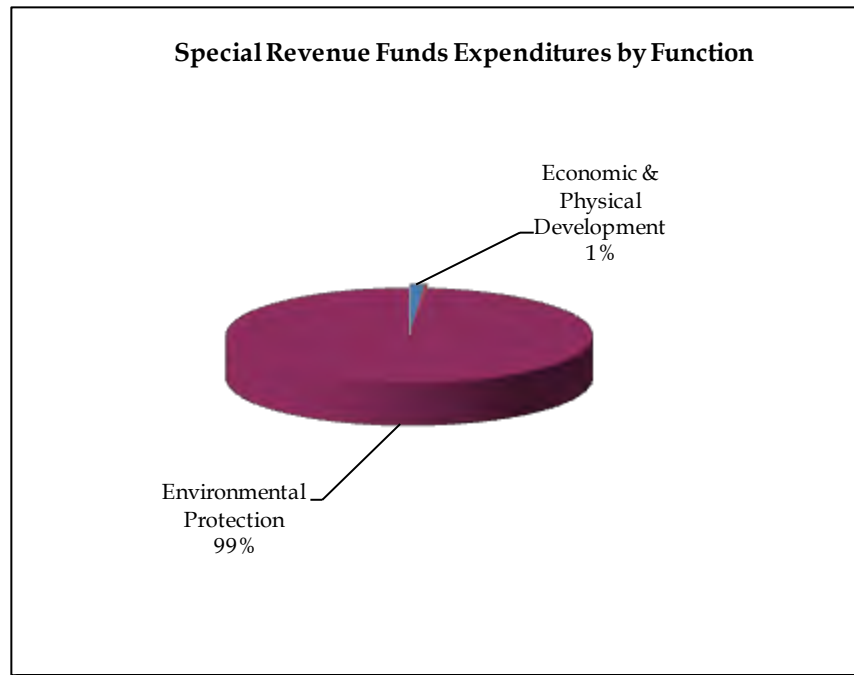


Special Revenue Funds Summary

Description

Special revenue funds are used to account for special revenues that are legally restricted to expenditure for particular purposes. The Village of Pinehurst has three special revenue funds that serve distinctive purposes. These funds are detailed later in this section and include:

- ❖ Land Dedication Fund
- ❖ Residential Assurance-Interest Fund
- ❖ Municipal Service District Fund (MSD)



Summary

By far, the largest Special Revenue Fund is the Municipal Service District Fund (MSD). The Municipal Service District Fund is used to account for the annual costs of operating the dams in this subdivision and to account for the annual special assessment to residents of the service district for improvements made to the dam in FY 2006-2007.



Special Revenue Funds Summary

Revenues

Consolidated Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Ad Valorem Taxes	\$ 4,340	\$ 3,680	\$ 3,680	\$ 3,680	0.0%
Assessments	15,619	15,620	34,648	13,600	-60.7%
Other Revenues	2,767	-	-	-	0.0%
Investment Income	456	400	360	500	38.9%
Revenues Total	\$ 23,182	\$ 19,700	\$ 38,688	\$ 17,780	-9.7%

Budget Highlights:

The Village has budgeted to receive \$13,600 for assessments paid by residents in the Municipal Service District (MSD).

During fiscal year 2009-2010, the GASB implemented accounting changes related to Special Revenue Funds. Therefore, the Village Council adopted a change in policy that closed the Capital Reserve Fund and transferred the remaining funds in the Capital Reserve Fund into the General Fund.

Expenditures

Consolidated Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Utilities	\$ 2,980	\$ 3,070	\$ 3,070	\$ 3,315	8.0%
Contracted Services	65	-	65	65	0.0%
Departmental Supplies	415	710	500	400	-20.0%
Transfer to General Fund	15,620	15,620	34,648	13,600	-60.7%
Reserve for Future Use	-	300	-	400	100.0%
Expenditures Total	\$ 19,080	\$ 19,700	\$ 38,283	\$ 17,780	-9.7%

Budget Highlights:

Transfers to the General Fund total \$13,600. The transfer to the General Fund is for \$13,600 in MSD dam repair assessments that will be used by the General Fund to repay itself for the dam repair and rehabilitation.



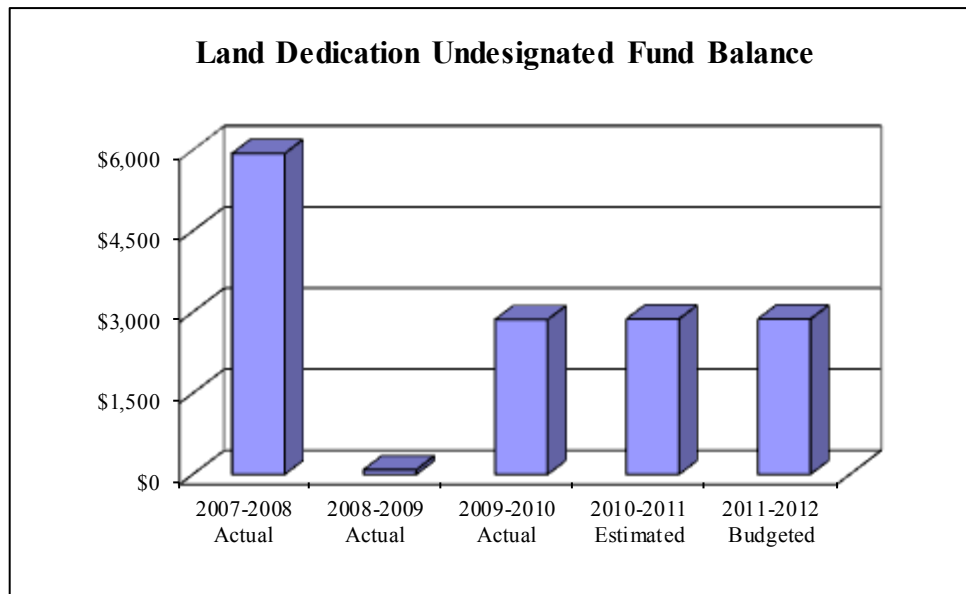
Land Dedication Fund

The Land Dedication Fund is used to account for the dedication of land or the payment of fees in lieu of the dedication of land from developers. The assets of this fund are used to preserve open space within the Village.

Land Dedication Expenditures and Revenues

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Reserve for Future Use	\$ -	\$ 50	\$ -	\$ 10	0.0%
Expenditures Total	\$ -	\$ 50	\$ -	\$ 10	0.0%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Land Dedication Payments	\$ 2,767	\$ -	\$ -	\$ -	0.0%
Investment Income	10	50	10	10	0.0%
Revenues Total	\$ 2,777	\$ 50	\$ 10	\$ 10	0.0%





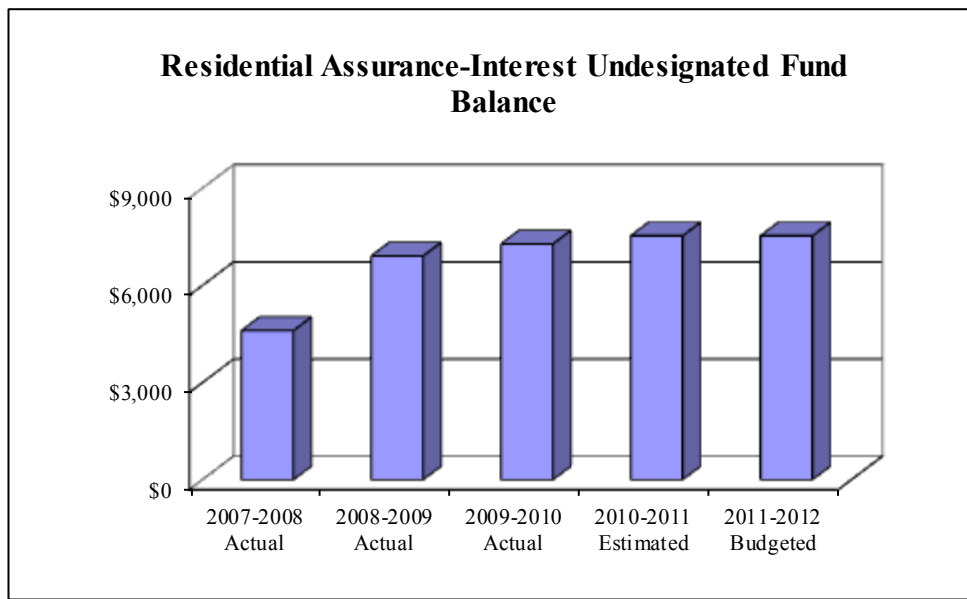
Residential Assurance-Interest Fund

The Residential Assurance-Interest Fund is used to account for the investment income earnings from the Residential Assurance Fund and to appropriate funds approved for aesthetic improvements in public areas.

Residential Assurance-Interest Expenditures and Revenues

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Reserve for Future Use	\$ -	\$ 250	\$ -	\$ 390	100.0%
Expenditures Total	\$ -	\$ 250	\$ -	\$ 390	100.0%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Investment Income	\$ 371	\$ 250	\$ 250	\$ 390	56.0%
Revenues Total	\$ 371	\$ 250	\$ 250	\$ 390	56.0%





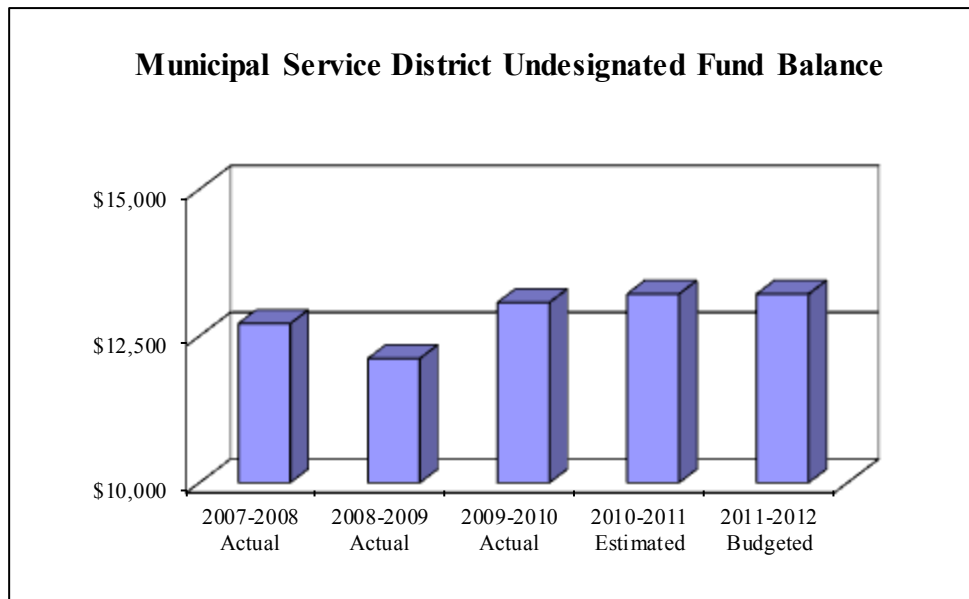
Municipal Service District Fund

The Municipal Service District fund is used to account for the annual costs of operating the dams in this subdivision and to account for the annual special assessment to residents of the service district for improvements made to the dam in FY 2006-2007. The proposed tax rate for FY 2011-2012 is \$0.05 per \$100 valuation. This is the same tax rate as fiscal year 2010-2011.

Municipal Service District Expenditures and Revenues

Expenditures by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Contracted Services	\$ 65	\$ -	\$ 65	\$ 65	0.0%
Departmental Supplies	415	710	500	400	-20.0%
Utilities	2,980	3,070	3,070	3,315	8.0%
Transfer to General Fund	15,620	15,620	34,648	13,600	-60.7%
Expenditures Total	\$ 19,080	\$ 19,400	\$ 38,283	\$ 17,380	-54.6%

Revenues by Type	FY 2009-10 Actual	FY 2010-11 Budget	FY 2010-11 Estimated	FY 2011-12 Budgeted	Percent Change
Ad Valorem Taxes-CY and PY	\$ 4,340	\$ 3,680	\$ 3,680	\$ 3,680	0.0%
Assessments	15,619	15,620	34,648	13,600	-60.7%
Investment Income	75	100	100	100	0.0%
Revenues Total	\$ 20,034	\$ 19,400	\$ 38,428	\$ 17,380	-54.8%





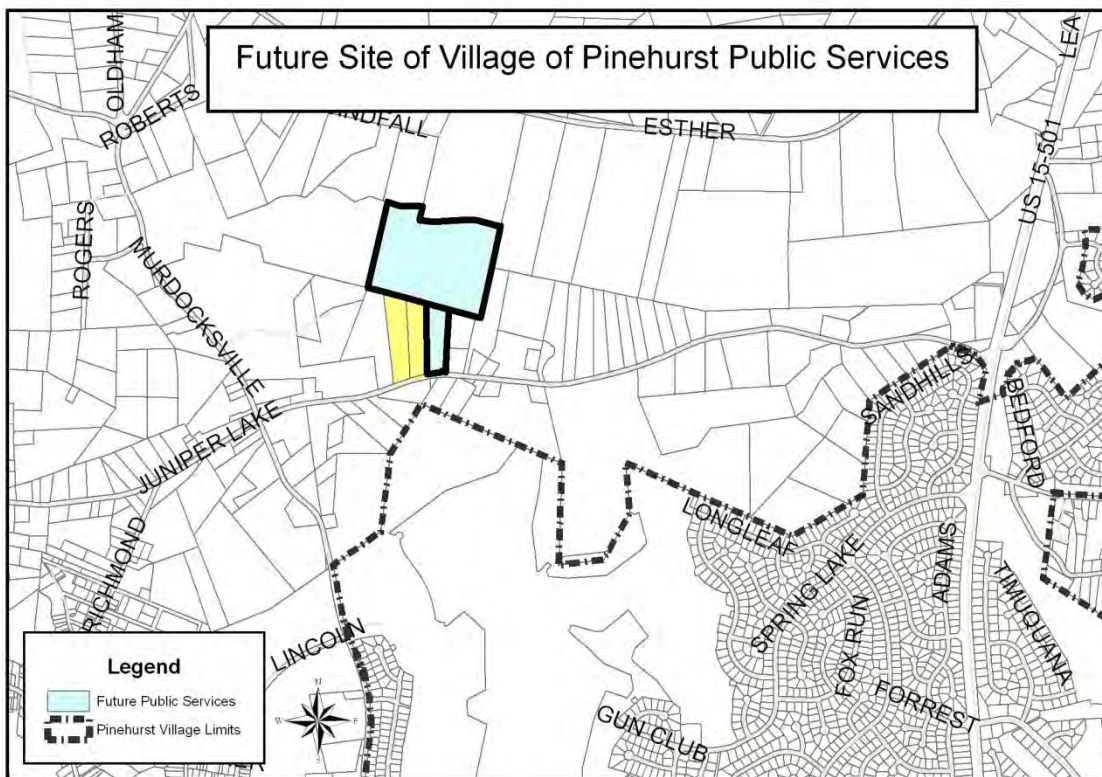
Capital Project Funds Summary

Description

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. Capital projects are approved through a separate Capital Project Ordinance as they usually span over more than one fiscal year. The Village of Pinehurst currently has three capital project funds. These funds are detailed later in this section and include:

- ❖ Public Services Facility Capital Project Fund
- ❖ Community Center Capital Project Fund
- ❖ Jackson Hamlet Sewer CDBG-R Project Fund

This section will provide information regarding the major on-going or upcoming capital projects for the Village of Pinehurst, the revenues to date, the expenditures to date, a brief description of the project, as well as the anticipated impact of the project on the operating budget.



Map of proposed location for the Public Services Facility on Juniper Lake Road.

Summary

To expand the Village Center, the Village would need to relocate its Public Services Facility. Also, the Village has plans to construct a Community Center to serve the athletic and recreation programming needs of the Village. Finally, the Village has been awarded a Community Development Block Grant to improve sewer service in the Jackson Hamlet community.



Capital Project Funds Summary

Revenues

Consolidated Revenues by Type	Project Budget	Amount Received to Date	Balance Remaining
Transfer from Capital Reserve	\$ 1,110,000	\$ 1,110,000	\$ -
Transfer from General Fund	45,000	45,000	-
Community Development Block Grant	796,000	218,039	577,961
Revenues Total	\$ 1,951,000	\$ 1,373,039	\$ 577,961

Budget Highlights:

All of the \$1,110,000 transferred from the Capital Reserve Fund was for the Public Services Facility project.

Expenditures

Consolidated Expenditures by Type	Project Budget	Amount Spent to Date	Balance Remaining
Project Administration	\$ 40,000	\$ 450	\$ 39,550
Engineering Costs	381,900	348,162	33,738
Construction Costs	758,500	209,663	548,837
Land Acquisition Costs	770,600	770,565	35
Expenditures Total	\$ 1,951,000	\$ 1,328,840	\$ 622,160

Budget Highlights:

When preparing the Village's FY 2012-2016 Capital Improvement Plan (CIP), it became apparent that the Village could not financially support the construction of both the Public Services Facility and the Community Center. During FY 2012 the Village Council plans to study the overall potential for development in the Village Center Expansion Area. The findings from this study will determine whether the Village should move forward with the relocation of the Public Services Facility or the construction of the Community Center. At the direction of the Village Council, the FY 2012-2016 CIP included funding for the Public Services Facility, while the Community Center was not included.

The Jackson Hamlet Sewer CDBG-R project began in the fourth quarter of the 2009-2010 fiscal year and construction should be completed in the first quarter of the 2011-2012 fiscal year.



Public Services Facility Capital Project Fund

The Public Services Facility Capital Project Fund was established to account for costs incurred for the land acquisition and design of a public services facility on Juniper Lake Road. The current facility is planned to be relocated out of the center of the Village in conjunction with the Village Center expansion. The project budget detailed below was adopted by the Village Council on October 24, 2006 by Ordinance #06-33.

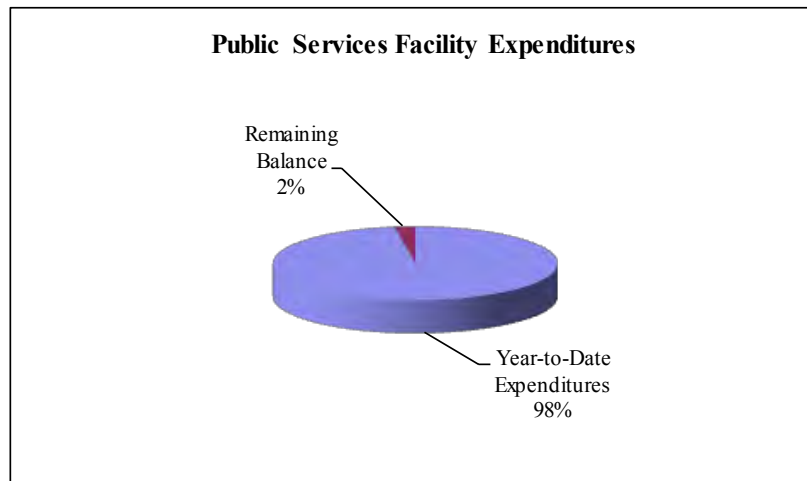
Public Services Facility Expenditures and Revenues

Expenditures by Type	Project Budget	Amount Spent to Date	Balance Remaining
Engineering Costs	\$ 336,900	\$ 311,819	\$ 25,081
Construction Costs	2,500	1,724	776
Land Acquisition Costs	770,600	770,565	35
Expenditures Total	\$ 1,110,000	\$ 1,084,108	\$ 25,892

Revenues by Type	Project Budget	Amount Received to Date	Balance Remaining
Transfer from Capital Reserve	\$ 1,110,000	\$ 1,110,000	\$ -
Revenues Total	\$ 1,110,000	\$ 1,110,000	\$ -

Impact on Operating Budget

There will be no impact on the operating budget for FY 2011-2012. Once the facility is completed as planned in FY 2014, operational costs are expected to increase by approximately \$50,000 during the first full year of operation. These costs include the increased utilities and operational costs for the larger facility, but no additional personnel. For additional details on the impact of this project on operating costs in future years, see the Public Services Facility Project section of the CIP. This facility will allow for the relocation of all Public Service’s activities out of the Village Center expansion area.





Community Center Capital Project Fund

The Cannon Park Community Center Capital Project Fund was established to account for the costs incurred in the design of a Community Center. The project budget detailed below was adopted by the Village Council on February 27, 2007 by Ordinance #07-04.

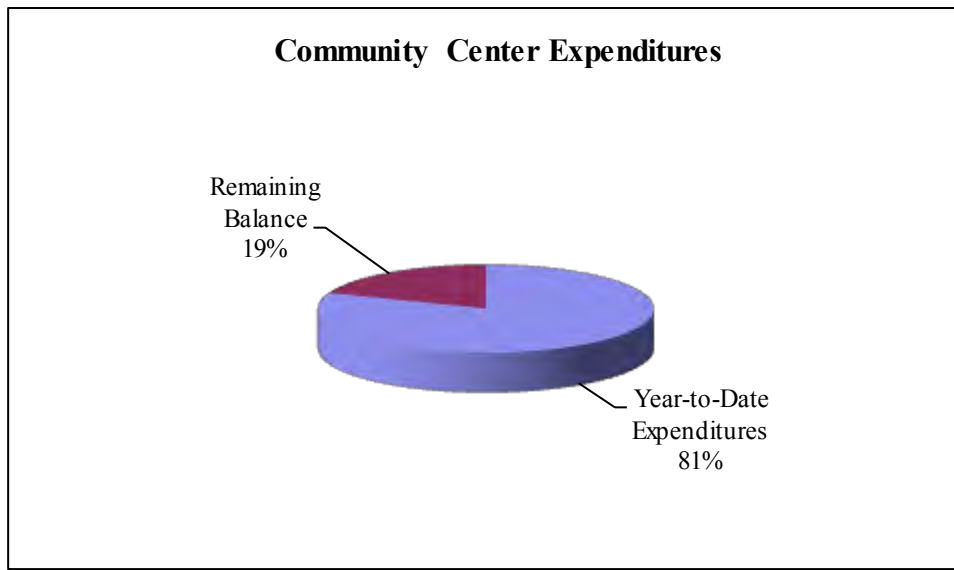
Community Center Expenditures and Revenues

Expenditures by Type	Project Budget	Amount Spent to Date	Balance Remaining
Design/Engineering Costs	\$ 45,000	\$ 36,343	\$ 8,657
Expenditures Total	\$ 45,000	\$ 36,343	\$ 8,657

Revenues by Type	Project Budget	Amount Received to Date	Balance Remaining
Transfer from General Fund	\$ 45,000	\$ 45,000	\$ -
Revenues Total	\$ 45,000	\$ 45,000	\$ -

Impact on Operating Budget

There will be no impact on the operating budget for FY 2011-2012. If the facility is completed, operational costs are expected to increase by approximately \$100,000 during the first full year of operation. This cost includes two additional staff members, utilities, and other operational expenditures for the new facility. This facility will allow for the expansion of youth athletics as well as other program offerings and space for community group meetings and activities.





Jackson Hamlet Sewer CDBG-R Project Fund

The Jackson Hamlet Sewer CDBG-R Project Fund was established to account for the costs incurred in the design and construction of additional sewer improvements for the Jackson Hamlet community adjacent to Pinehurst. The project is 100% funded by an American Recovery and Reinvestment Act (ARRA) grant through the North Carolina Department of Commerce, Division of Community Assistance. The grant project budget detailed below was adopted by the Village Council on October 13, 2009 by Ordinance #09-34.

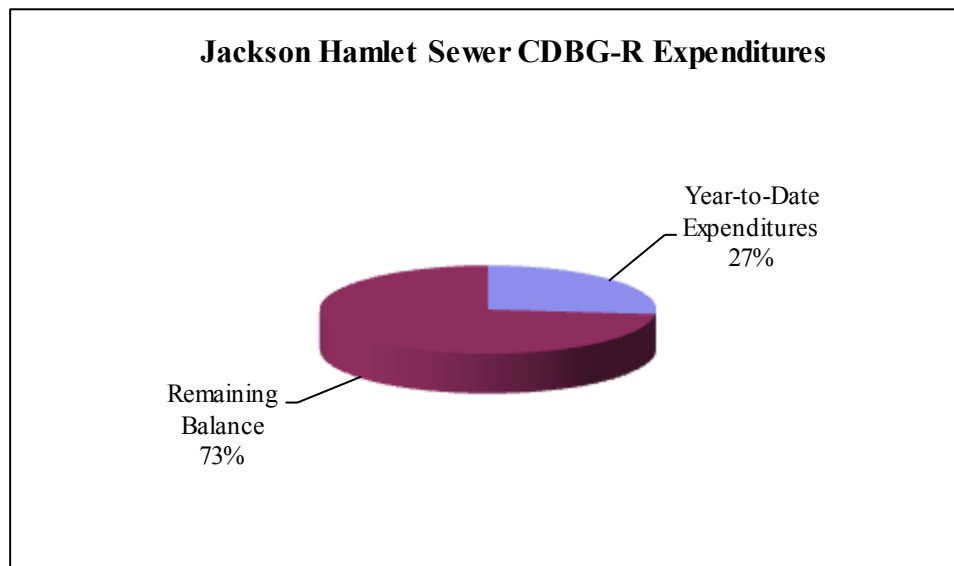
Jackson Hamlet Sewer CDBG-R Expenditures and Revenues

Expenditures by Type	Project Budget	Amount Spent to Date	Balance Remaining
Project Administration	\$ 40,000	\$ 4,200	\$ 35,800
Construction Costs	756,000	207,939	548,061
Expenditures Total	\$ 796,000	\$ 212,139	\$ 583,861

Revenues by Type	Project Budget	Amount Received to Date	Balance Remaining
Grants	796,000	218,039	577,961
Revenues Total	\$ 796,000	\$ 218,039	\$ 577,961

Impact on Operating Budget

There will be no impact on the Village's operating budget from this project. Once the sewer improvements are completed, ownership of the improvements will be turned over to Moore County Public Utilities.





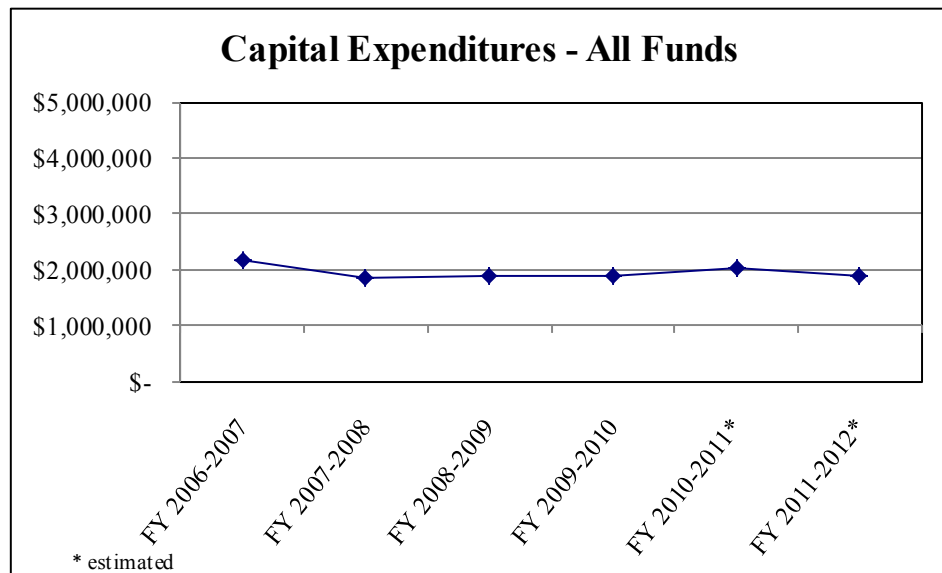
Capital Expenditures Summary

Description

Capital expenditures are appropriated within each fund, primarily the General Fund and Capital Project Funds. This section is provided to give the reader a summary of all capital expenditures and to provide trend data related to capital expenditures.

Also included in this section is a summary of the Village's Five-Year Capital Improvement Plan. This plan outlines the anticipated capital costs to be incurred by the Village over the next five fiscal years. Items included are those with a cost of \$10,000 or more or any foreseeable capital projects. Each has a detailed description including the total cost, revenue source to be used, capital project and estimated incremental operating costs. The Village takes a systematic approach to capital improvement programming to ensure that all operating costs affected by capital spending decisions are included in the plan and ultimately in the annual or project budget. Although adoption of the CIP does not constitute a commitment to fund a particular item, it is however the basis upon which the budget for the ensuing year is founded.

The Village is committed to protect and maintain its capital investments. The chart below illustrates the historical capital expenditure levels by the Village.



Summary

Capital expenditures are accounted in either the General Fund or the Capital Project Funds. In the General Fund appropriations are made on an annual basis. These capital outlays are included in the General Fund Expenditure section by department. In the Capital Project Funds a project ordinance is adopted for a multi-year period and remains in effect until the project is completed. The following sections highlight capital expenditures in both the General and Capital Project funds.



Capital Expenditures Summary

General Fund Capital Expenditures:

The schedule on the following pages details the specific capital items that were requested and funded in the FY 2011-2012 Budget. In addition to routine vehicle replacements, the Village intends to enhance the streetscape and parking in the Village Center, make additions to our greenway system, add park improvements, upgrade our radio communication systems, and continue to make stormwater improvements. Please refer to the General Fund section for additional information on these items.

General Fund Capital Items	Budget Department	Requested Amount	Approved Amount	Unfunded Amount
Public Safety				
Resurface Bay Floor - Station 91	Fire	\$ 20,000	\$ 19,000	\$ 1,000
SCBA Air Packs	Fire	10,000	10,000	-
Fire Extinguisher Training System	Fire	9,900	-	9,900
Opti-Cam Traffic Light System	Fire	12,000	-	12,000
Thermal Imaging Camera	Fire	21,500	10,500	11,000
Total Fire		73,400	39,500	33,900
Economic & Physical Development				
Downtown Improvements	Community Development	600,000	500,000	100,000
Stormwater Projects	Community Development	150,000	150,000	-
Total Community Development		750,000	650,000	100,000
Recreation				
Portable Outdoor Stage	Recreation	9,000	9,000	-
Diamond Harrow	Harness Track	8,500	8,500	-
Total Recreation		17,500	17,500	-
Buildings & Grounds Maintenance				
Cannon Park Irrigation	Recreation	25,000	10,000	15,000
Resurface Hockey Rink	Recreation	11,000	11,000	-
Greenways	Recreation	225,000	225,000	-
Rassie Wicker Park	Recreation	150,000	125,000	25,000
All Weather Show Rings	Harness Track	75,000	75,000	-
Barns 3,6,7,8 & 9 Structural Improvements	Harness Track	25,000	25,000	-
Barn 3 & Restaurant Roof Replacement	Harness Track	25,000	25,000	-
Sewer Hookups - Barns 19 & 20	Harness Track	20,000	-	20,000
Service Parking Lot Repairs	Fair Barn	17,500	-	17,500
Parking Lot Improvements	Fair Barn	80,000	80,000	-
Pave Gravel Parking Lot	Police	17,500	-	17,500
Total Buildings & Grounds Maintenance		671,000	576,000	95,000



Capital Expenditures Summary

General Fund Capital Expenditures (continued):

General Fund Capital Items	Budget Department	Requested Amount	Approved Amount	Unfunded Amount
Information Technology				
Human Resources Software	Human Resources	\$ 12,200	\$ 12,200	\$ -
Radio Replacements	Fire/Police/PS	196,400	66,400	130,000
Total Information Technology		208,600	78,600	130,000
Fleet Maintenance				
2 Sport Utility Vehicles	Police	108,700	90,000	18,700
Modified Pickup	Solid Waste	60,000	60,000	-
Tandem Trailer	Streets & Grounds	20,000	20,000	-
Street Sweeper	Streets & Grounds	45,000	45,000	-
Dump Truck	Streets & Grounds	80,000	80,000	-
Vac Trailer	Streets & Grounds	60,000	60,000	-
60hp Tractor	Streets & Grounds	50,000	50,000	-
Mid-Size Truck	Streets & Grounds	27,000	27,000	-
Toolcat	Harness Track	50,000	50,000	-
Zero Turn Mower	Harness Track	20,000	-	20,000
Full Size Pickup Truck	Harness Track	28,000	-	28,000
Dump Trailer	Harness Track	6,000	6,000	-
Ventrac Mower	Recreation	35,000	35,000	-
Total Fleet Maintenance		589,700	523,000	66,700
General Fund Total		\$ 2,310,200	\$ 1,884,600	\$ 425,600
		% of Expenditures		11.9%
		Plus: Resurfacing		900,000
		900,000	900,000	-
GRAND TOTAL CAPITAL		\$ 3,210,200	\$ 2,784,600	\$ 425,600
		% of Expenditures		17.5%

Capital Project Fund Capital Items	Approved Amount
Capital Projects	
Public Services Facility Land & Design	\$ 1,110,000
Recreation Center Design	45,000
Jackson Hamlet Sewer CDBG-R	796,000
Capital Project Fund Total	\$ 1,951,000

See the Capital Project Fund section for details on each of these current projects.



Village of Pinehurst

Capital Improvement Plan

FY 2012-2016

January 11, 2011

Mayor and Village Council
Village of Pinehurst
North Carolina

Dear Council:

We respectfully submit to you the proposed Capital Improvement Plan (CIP) for the Village of Pinehurst for fiscal years (FY) 2012 through 2016. The CIP is a planning tool designed to aid policy makers in the acquisition and orderly replacement of capital assets. The plan is updated annually to ensure that it is based on the most accurate information available and is reflective of the current and projected economic environment. Adoption of the CIP by the Village Council does not constitute a commitment to fund a particular item, but rather signifies an intention to fund capital outlay at the indicated level during the ensuing years.

Overview

The CIP includes improvements with a total estimated cost of \$18,787,700 over the next five years. These costs are divided into three major areas - Vehicles/Equipment, Capital Improvements and Capital Projects. The CIP adopted by the Council for FY 2011-2015 totaled \$16,653,231. This year's CIP total represents an increase of \$2,134,469, or approximately 13%, from the previous year. The ability to increase capital spending is due to the Village's initiative to reduce operating costs and expected increases in revenues as the economy recovers. It is worth noting that departmental requests this year were just over \$29,000,000. Maintaining the current property tax rate and reductions in other revenue growth projections in the proposed CIP resulted in just over \$10,000,000 in requests being deferred or unfunded.

There are a total of five (5) capital projects identified, three of which were included in last year's CIP. At the direction of Council, this year's CIP includes funding for the construction of a new Public Services Facility and Downtown Improvements. Included in previous capital plans but not funded in this year's CIP is construction of a new Community Center. The Council plans to study the overall potential for development in the Village Center Expansion Area (formerly known as New Core) over the next year. The findings from this study will determine whether the Village should move forward with the relocation of the Public Services Facility or construct the Community Center.

Specific criterion is used to determine whether or not a capital request is classified as a project. The criterion is: (1) the total cost is estimated to exceed \$100,000, (2) substantial activity must occur over more than one fiscal year and (3) the attributes of the project such as type, location, size, etc. must be specifically identified.

Of the total \$18,787,700 in capital expenditures, the anticipated costs of the three major groupings are detailed in the following table:



Capital Improvement Plan FY 2012-2016

Table 1 - Capital Cost By Major Area

Major Area	Cost of Capital	% of Total
Vehicles/Equipment	\$ 5,057,130	27%
Capital Improvements	6,274,000	33%
Capital Projects	7,456,570	40%
TOTAL	\$ 18,787,700	100%

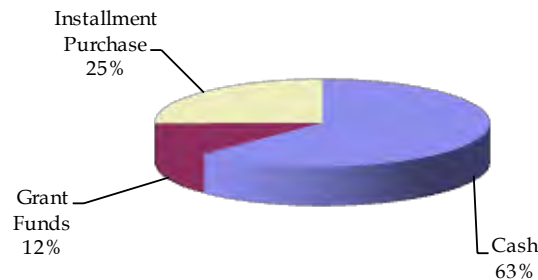
Funding Sources

Revenue and funding sources for the capital expenditures identified in this plan come from a variety of sources. The Public Services Facility is expected to be financed with installment financing. The Village also anticipates obtaining grant funding for a portion of Rassie Wicker Park development and for street resurfacing. All other capital expenditures will be funded with available cash. The table and graph below show a summary of the revenues and funding sources for the CIP. The detail of the funding sources can be found in Exhibit 7 on page 12.

Table 2 - CIP Revenue/Funding Sources Summary

Funding Source	Cost of Capital
Cash	\$ 11,733,630
Grant	2,310,000
Installment Financing	4,744,070
TOTAL	\$ 18,787,700

**Capital Improvements by Funding Source
FY2012-2016**



As you can see, the majority of the capital improvements are funded with available Village funds or cash, while another 25% is funded with installment purchase financing. Installment financing is appropriately used to spread the cost of acquiring assets with longer useful lives over longer periods of time. The available Village funds utilized in the CIP consist of appropriations from the General Fund.

Some highlights of the proposed Capital Improvement Plan include:

- Funding for Downtown Improvements of \$500,000 and \$400,000 are included in FY2012 and FY 2015 respectively
- Investment of \$850,000 in Greenway construction and \$750,000 in Rassie Wicker Park development projects are included in the plan



Capital Improvement Plan FY 2012-2016

- Transportation items include \$4.5 million for the annual resurfacing of four to five miles per year of Village roadways, maintaining a twenty-year life cycle for resurfaced streets on average
- The plan also includes \$212,000 for Highway 211 pedestrian improvements in FY2015
- Drainage or storm water improvements of \$800,000 are included in the plan
- Construction of the \$4.7 million Public Services Facility is planned to begin in FY2013
- Investment in automated solid waste trucks and carts is \$1.7 million over the five-year period
- Funding of \$200,000 is included for a federally mandated radio communication upgrade

General Fund

In developing the financing sources for the CIP, Village staff analyzed the impact of the CIP on the Village's General Fund. The table below indicates the estimated annual impact on the General Fund for projects, improvements and vehicles/equipment identified in the CIP. Included in the table is the estimated incremental debt service and operating expenditures that would result from the capital projects. It also indicates the cost of those capital items the Village intends to pay for with cash obtained in the current fiscal year from the General Fund.

Table 3 - General Fund Impact of the CIP

	2012	2013	2014	2015	2016
Projects Paid with Cash	\$ 850,000	\$ 221,000	\$ 300,000	\$ 912,500	\$ 300,000
Improvements Paid with Cash	887,000	819,000	861,000	824,000	702,000
Vehicles/Equipment	777,115	1,608,870	1,257,230	788,680	625,235
Capital Expenditures	2,514,115	2,648,870	2,418,230	2,525,180	1,627,235
Additional Debt Service	-	-	515,522	502,239	488,955
Annual Operating Impact	216,133	220,580	267,119	272,592	278,179
Annual General Fund Impact	\$ 2,730,248	\$ 2,869,450	\$ 3,200,871	\$ 3,300,011	\$ 2,394,368
Tax Rate Equivalent of CIP	\$ 0.09	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.08

To estimate the cash available to fund the CIP, the Village projects revenues and expenditures through the 5-year planning period. Revenues and expenditures are projected based on historical trends and future growth expectations.

The slow recovery from the "Great Recession" has had a significant impact on key revenue assumptions. The continued low rate of new home construction has resulted in lower property tax revenue projections. Moore County postponed the planned revaluation for FY2012 until FY2016. This plan assumes a revenue neutral tax rate will be adopted at the revaluation in FY2016. Sales taxes and other revenue estimates that are more reliant on the general economy have been revised to reflect a slow recovery throughout the five-year period.

The Village's Five-Year Staffing Forecast indicated that the Village does not anticipate adding any positions during the five-year planning horizon. Management has worked diligently over the past year to implement cost containment strategies to reduce operating costs in order to cope with declining revenue and to return capital investment to sustainable levels. Since April 2010 the total number of Village employees has been reduced through attrition by 6.25 full-time equivalents (FTE's).

Projected revenues, expenditures and staffing and their impact on the General Fund balance are shown in Table 4 on the following page.



Capital Improvement Plan FY 2012-2016

Table 4 - Projected Budgeted General Fund Revenues and Expenditures

	2012	2013	2014	2015	2016
Population	13,806	13,909	14,011	14,114	14,216
Operating Revenues					
Property Tax Revenue	\$ 9,475,500	\$ 9,570,500	\$ 9,666,500	\$ 9,762,500	\$ 9,872,500
State-Shared Revenue	2,241,000	2,307,000	2,375,000	2,445,000	2,517,000
Intergovernmental Revenues	1,946,246	2,111,198	2,019,104	2,056,961	2,097,767
Permits & Fees	375,000	452,000	1,063,000	380,000	376,000
Sales & Services	443,000	461,000	477,000	516,000	535,000
Other Operating Revenues	209,000	210,000	211,000	213,000	214,000
Interest Income	57,000	112,000	167,000	222,000	222,000
Other Financing Sources	14,000	14,000	14,000	14,000	14,000
Operating Revenues	\$ 14,761,000	\$ 15,238,000	\$ 15,993,000	\$ 15,610,000	\$ 15,849,000
Tax Rate	0.28	0.28	0.28	0.28	0.27
Operating Expenditures					
Personnel in FTEs	129.75	129.75	129.75	129.75	129.75
Salaries	5,367,000	5,580,000	5,802,000	6,034,000	6,272,000
Operating	6,989,000	7,202,000	7,589,000	7,914,000	7,943,000
Debt Service	866,000	549,000	915,000	893,000	870,000
Operating Expenditures	13,222,000	13,331,000	14,306,000	14,841,000	15,085,000
Capital Expenditures in GF	2,514,115	2,648,870	2,418,230	2,525,180	1,627,235
Total GF Expenditures	15,736,115	15,979,870	16,724,230	17,366,180	16,712,235
Net Impact on General Fund	\$ (975,115)	\$ (741,870)	\$ (731,230)	\$ (1,756,180)	\$ (863,235)

Capital As a Percent of Total Expenditures

	2012	2013	2014	2015	2016
Total Expenditures*	15,736,115	16,308,870	21,268,300	17,366,180	16,712,235
Total Capital Expenditures	2,514,115	2,848,870	6,962,300	2,525,180	1,627,235
% of Total Expenditures	16.0%	17.5%	32.7%	14.5%	9.7%

Projected Impact on General Fund Balance

	2012	2013	2014	2015	2016
Beginning General Fund	\$ 6,819,772	\$ 6,610,067	\$ 6,659,677	\$ 6,757,927	\$ 5,855,247
Net Impact on General Fund	(975,115)	(741,870)	(731,230)	(1,756,180)	(863,235)
Budget to Actual Variance**	765,410	791,480	829,480	853,500	869,240
Projected Actual Gain/(Loss)	(209,705)	49,610	98,250	(902,680)	6,005
Projected Ending GF Bal	6,610,067	6,659,677	6,757,927	5,855,247	5,861,252
% of Total Budget	42.0%	41.7%	40.4%	33.7%	35.1%

*Includes total capital expenditures

**Assumes actual revenues of 101% of budget and actual expenditures of 95% of budget



Capital Improvement Plan FY 2012-2016

Fund Balance

Fund balance is projected to exceed 40% of expenditures in the first three years of the FY2012-2016 CIP in order to fund construction of the Public Services Facility beginning in FY2013. Fund balance returns to the mid-point of the Council approved range of 30%-40% after the facility has been completed. These projections include the assumption that operating revenues typically come in at 101% of budget while operating expenditures typically fall 5% below budget.

Debt Service

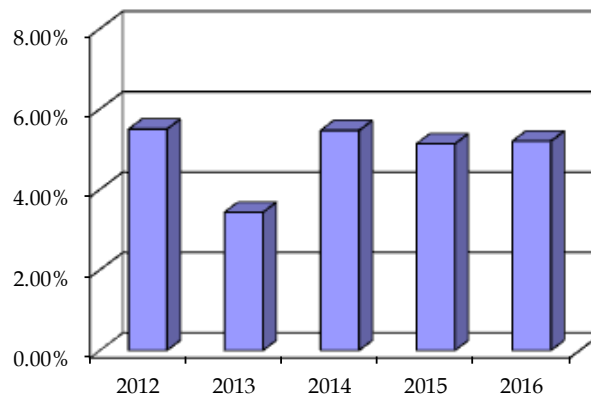
To determine estimated debt service, we assumed a 4.20% interest rate amortized over 15 years for the Public Services Facility. As presented, the Village's CIP will result in additional annual debt service costs of approximately \$500,000 during the planning horizon. It is important to note that existing annual debt service will decrease significantly starting in FY2013. This is due to the payoff of the Village Hall debt in FY2012 and the Police Station debt in FY2013. Annual debt service on the Village Hall and the Police Station are \$287,000 and \$280,000 respectively.

Table 5 - Impact of CIP Debt Issuances on Debt Ratios

	Fiscal Year Ending June 30				
	2012	2013	2014	2015	2016
Existing Debt Service Payments	\$ 865,613	\$ 548,622	\$ 398,571	\$ 389,841	\$ 380,480
Additional Debt Service:					
Public Services Facility	-	-	515,522	502,239	488,955
Total Additional Debt Service	-	-	515,522	502,239	488,955
Total Debt Service	\$ 865,613	\$ 548,622	\$ 914,093	\$ 892,080	\$ 869,435
Estimated Expenditures	15,736,115	15,979,870	16,724,230	17,366,180	16,712,235
% of Expenditures	5.50%	3.43%	5.47%	5.14%	5.20%

During the planning horizon, the Village's debt service as a percentage of total expenditures is projected to remain at what is widely accepted as a moderate to low level of debt service.

**Village of Pinehurst
CIP Impact on Debt Ratios
FY 2012-2016**





Capital Improvement Plan FY 2012-2016

In addition, a comparison of the Village’s debt service per capita to its peer group, as shown in Table 6, indicates the Village’s debt service per capita is consistently lower than our peer group throughout the forecast period. The Local Government Commission (LGC), a division of the NC Department of State Treasurer, compiles financial data for all local governments in the State. The LGC defines our peer group as other municipalities in North Carolina with populations between 10,000 and 50,000 that do not operate electric utilities.

Table 6 - Projected Debt Service Expenditures vs. Peer Group

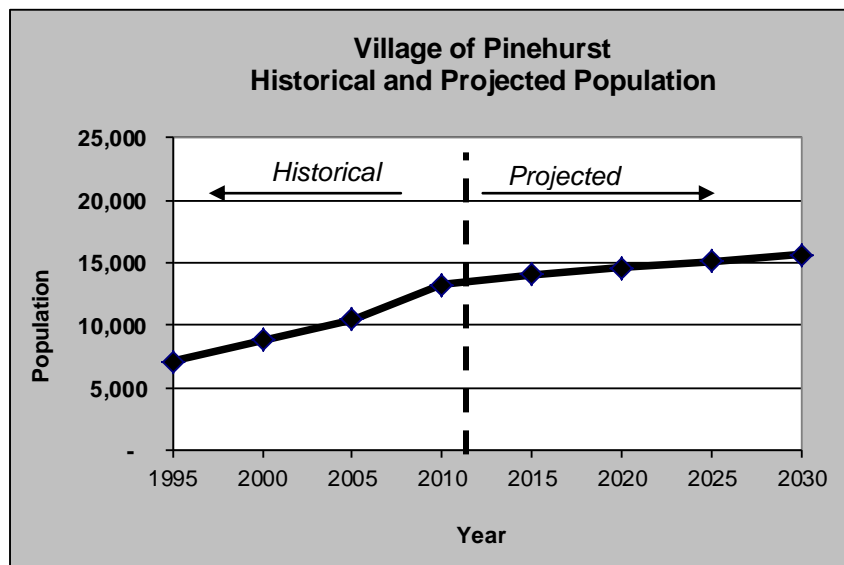
	2012	2013	2014	2015	2016
Population	13,806	13,909	14,011	14,114	14,216
Debt Service	\$ 865,613	\$ 548,622	\$ 914,093	\$ 892,080	\$ 869,435
Debt Service per capita					
Village of Pinehurst	\$ 63	\$ 39	\$ 65	\$ 63	\$ 61
Peer Group*	\$ 140	\$ 140	\$ 140	\$ 140	\$ 140

*Source: NC State Treasurer, based on fiscal year 2009

Peer Comparisons

One way the Village can determine if it is spending an appropriate amount on capital expenditures is to compare itself to its peer group. There are two common ways for governments to compare its annual capital expenditures with those of its peers. The first method is to compare the Village’s per capita spending, or the dollar amount spent per resident. The second method is to compare the amount of capital expenditures as a percentage of total expenditures.

The per capita cost of implementing the CIP is based on the estimated population of the Village. The current population projections anticipate a growth rate of approximately 103 people annually. The graph below depicts the growth the Village has experienced in the past and the continued growth that it anticipates to occur through the CIP planning period and beyond.



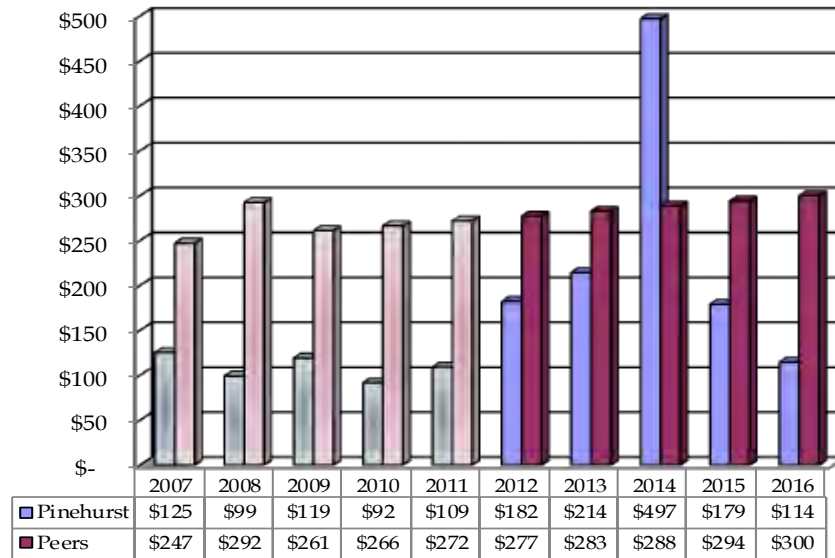
The chart on the following page shows the Village’s historical and projected per capita spending levels on capital compared to its peer group. Given the economic downturn, the peer group data may not be as



Capital Improvement Plan FY 2012-2016

relevant as the expected decline in capital spending across the state is not reflected in the data below. The peer group per capita amounts are assumed to increase at an annual rate of 2%.

Capital Expenditures Per Capita

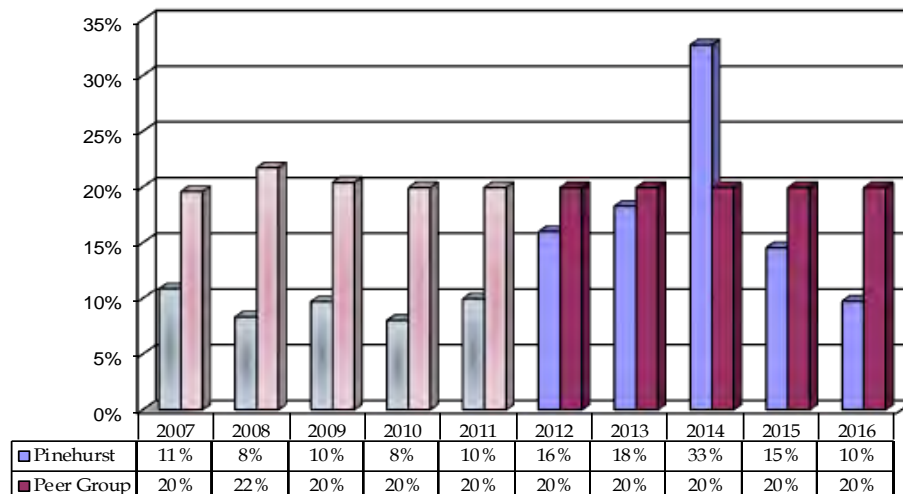


Review of this graph indicates that in FY2014 the Village’s per capita spending levels exceed that of its peers considerably. This is due to the construction of a \$4.7 million Public Services Facility in FY2014. On average capital spending is only slightly below our peer group across the planning horizon.

Over the past five years, the Village’s peer group typically spent around \$268 per capita on annual capital expenditures, or roughly 20% of their net consolidated budget. During that same time period, the Village has spent an average of \$109 per capita on capital expenditures, or 14% of the net consolidated budget.

The following chart shows the Village’s capital expenditures as a percentage of total expenditures compared to its peers.

Capital as a Percentage of Total Expenditures





Capital Improvement Plan FY 2012-2016

Summary

To summarize, the CIP represents an \$18.8 million plan to address the capital improvement needs of the Village. Capital expenditures are driven by the types and levels of services the Village chooses to provide to its citizens. This proposal allows us to maintain the current level of most services to our citizens and expand others. Our projections of revenues and expenditures indicate the Village is in a position to fund the CIP as presented with no impact on the Village's current tax rate. Although not increasing the tax rate is a worthy goal, some capital needs will go unfunded or be deferred under this assumption.

The development of this CIP is only one step in the maintenance and development of Village owned facilities and infrastructure. This CIP provides a guide for decision makers and the citizens. By fully examining alternatives and funding options during the planning process, the Village Council and management are able to make more fully informed decisions and maximize Village resources.

Once the capital improvements plan is prepared or updated on an annual basis, it is presented to the Village Council for their approval. After the CIP is approved, staff will attempt to include funding in the appropriate fiscal year to proceed with the planned projects. The Village Council then appropriates funds in the annual budget for staff to be able to move forward with the projects. Therefore, adoption of the CIP does not constitute a commitment to appropriate the funds, but rather signifies the Council's intent to fund capital at the indicated levels during the annual budget process.

We believe the CIP as presented is a solid proposal and has been prepared in accordance with the guidance and direction provided by the Village Council. We would like to thank the Council members and the Senior Leadership Team for their support and assistance in developing the CIP. We look forward to discussing this proposal with the Council and jointly continuing to serve the citizens of the Village of Pinehurst.

Sincerely,

Andrew M. Wilkison
Village Manager

Natalie E. Dean
Assistant Village Manager

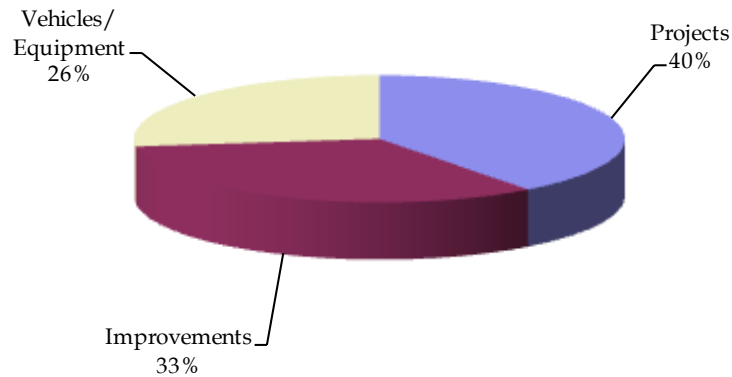


Capital Improvement Plan FY 2012-2016

Exhibit 1 - Total Cost of All CIP Items For Planning Period

	Total	Fiscal Year Ending June 30				
		2012	2013	2014	2015	2016
General Government Projects						
Roadway Improvements	\$ 212,500	\$ -	\$ -	\$ -	\$ 212,500	\$ -
Public Services Facility	4,744,070	-	200,000	4,544,070	-	-
Greenways	850,000	200,000	200,000	150,000	150,000	150,000
Rassie Wicker Park	750,000	150,000	150,000	150,000	150,000	150,000
Downtown Improvements	900,000	500,000	-	-	400,000	-
Subtotal	\$ 7,456,570	\$ 850,000	\$ 550,000	\$ 4,844,070	\$ 912,500	\$ 300,000
Vehicles/Equipment	\$ 5,057,130	\$ 777,115	\$ 1,608,870	\$ 1,257,230	\$ 788,680	\$ 625,235
Improvements						
Road Resurfacing & Imp	\$ 4,532,000	\$ 837,000	\$ 869,000	\$ 897,000	\$ 940,000	\$ 989,000
Drainage Projects	800,000	150,000	155,000	160,000	165,000	170,000
Recreation	904,500	278,500	221,000	240,000	165,000	-
Public Safety	37,500	37,500	-	-	-	-
Subtotal	\$ 6,274,000	\$ 1,303,000	\$ 1,245,000	\$ 1,297,000	\$ 1,270,000	\$ 1,159,000
GRAND TOTAL	\$18,787,700	\$ 2,930,115	\$ 3,403,870	\$ 7,398,300	\$ 2,971,180	\$ 2,084,235

**Exhibit 2
Total Cost of All CIP by Category**



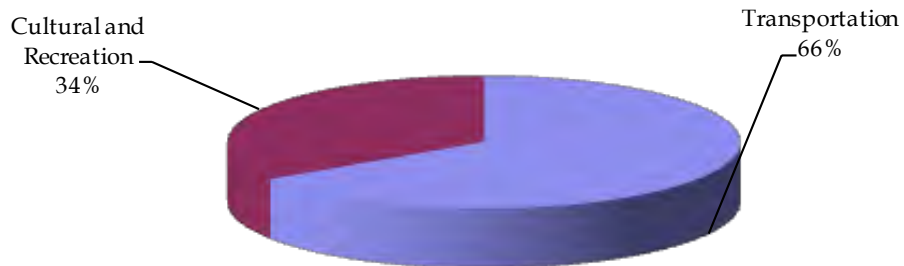


Capital Improvement Plan FY 2012-2016

Exhibit 3 - Total Cost of CIP Projects From Inception Through 2016

Project	Pre-Planning Period Project Cost	Planning Period Project Cost	Total Project Cost
Roadway Improvements	\$ -	\$ 212,500	\$ 212,500
Public Services Facility	1,017,487	4,744,070	5,761,557
Greenways	514,598	850,000	1,364,598
Rassie Wicker Park	1,444,868	750,000	2,194,868
Downtown Improvements	-	900,000	900,000
GRAND TOTAL	\$ 3,021,953	\$ 7,456,570	\$ 10,478,523

**Exhibit 4
Total Cost of All CIP Projects by Function**



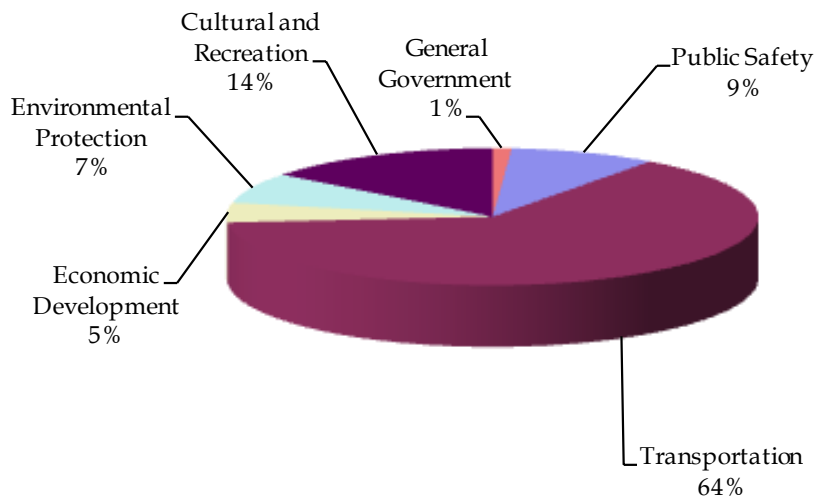


Capital Improvement Plan FY 2012-2016

Exhibit 5 - Per Capita Cost of CIP

Per Capita Cost of CIP	2012	2013	2014	2015	2016
Total Cost of the CIP	\$ 2,930,115	\$ 3,403,870	\$ 7,398,300	\$ 2,971,180	\$ 2,084,235
Estimated Population	13,806	13,909	14,011	14,114	14,216
Per Capita Cost	\$ 212.23	\$ 244.73	\$ 528.04	\$ 210.52	\$ 146.61

**Exhibit 6
CIP Projects by Function**





Capital Improvement Plan FY 2012-2016

Exhibit 7 - Detail of Total CIP By Funding Source

	Total	Fiscal Year Ending June 30				
		2012	2013	2014	2015	2016
Cash						
Roadway Improvements	\$ 212,500	\$ -	\$ -	\$ -	\$ 212,500	\$ -
Greenways	850,000	200,000	200,000	150,000	150,000	150,000
Rassie Wicker Park	621,000	150,000	21,000	150,000	150,000	150,000
Downtown Improvements	900,000	500,000	-	-	400,000	-
	2,583,500	850,000	221,000	300,000	912,500	300,000
Vehicles/Equipment	5,057,130	777,115	1,608,870	1,257,230	788,680	625,235
Improvements	4,093,000	887,000	819,000	861,000	824,000	702,000
Subtotal	11,733,630	2,514,115	2,648,870	2,418,230	2,525,180	1,627,235
Grant						
Street Resurfacing - PB	2,181,000	416,000	426,000	436,000	446,000	457,000
Rassie Wicker	129,000	-	129,000	-	-	-
Subtotal	2,310,000	416,000	555,000	436,000	446,000	457,000
Installment Financing						
Public Services Facility	4,744,070	-	200,000	4,544,070	-	-
Subtotal	4,744,070	-	200,000	4,544,070	-	-
Total	\$ 18,787,700	\$ 2,930,115	\$ 3,403,870	\$ 7,398,300	\$ 2,971,180	\$ 2,084,235



Capital Improvement Plan FY 2012-2016

Exhibit 8 - Detail of Net Operating Cost (Revenue) by Capital Item

	Total	Fiscal Year Ending June 30				
		2012	2013	2014	2015	2016
Net Annual Operating Cost						
Public Services Facility	\$ 128,537	\$ -	\$ -	\$ 42,000	\$ 42,840	\$ 43,697
Greenways	318,134	61,132	62,355	63,602	64,874	66,171
Rassie Wicker Park	807,933	155,001	158,225	161,517	164,878	168,311
Subtotal	1,254,603	216,133	220,580	267,119	272,592	278,179
Annual Debt Service						
Public Services Facility	1,506,717	-	-	515,522	502,239	488,955
Subtotal	1,506,717	-	-	515,522	502,239	488,955
Net Budget Impact	\$ 2,761,320	\$ 216,133	\$ 220,580	\$ 782,641	\$ 774,831	\$ 767,134



Capital Improvement Plan FY 2012-2016

Public Services Facility

Department		Public Services/Fleet Maintenance Departments
Project Cost		\$5,761,557
Project Priority	—	Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided
	<u>X</u>	Eliminates deficiencies in providing a service at the current level of demand
	—	Eliminates a public hazard or threat to public safety
	<u>X</u>	Improvements or new capital assets that significantly improve the efficiency of operations
	<u>X</u>	New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/ JUSTIFICATION

The new facility will combine the current Public Services and Fleet Maintenance facilities, located on McCaskill Road, into one complex. The current facilities are in the Village Center Expansion Area, which has been identified for expansion of the Village Center, and do not provide an environment to insure the efficiency and effectiveness of public services and fleet maintenance operations. The site of the new complex was purchased in 2007. The buildings within the complex are estimated to be a total of approximately 18,000 square feet. It includes an administrative building comprised of offices, locker rooms, a training room, a break room and restrooms. It also includes equipment and supply storage buildings, including bins for salt, dirt, rock, etc., and four double-sided bays for vehicle and equipment maintenance.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Appropriations	\$ 5,761,557	\$ 1,017,487	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
TOTAL	\$ 5,761,557	\$ 1,017,487	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
Funding Source:							
Cash	\$ 1,017,487	\$ 1,017,487	\$ -	\$ -	\$ -	\$ -	\$ -
Installment Financing	4,744,070			200,000	4,544,070	-	-
TOTAL	\$ 5,761,557	\$ 1,017,487	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Debt Proceeds	\$ 4,744,070	\$ -	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
Project Expenditures	5,761,557	1,017,487	-	200,000	4,544,070	-	-
Operating Expenditures	128,537	-	-	-	42,000	42,840	43,697
Debt Service	1,506,717	-	-	-	515,522	502,239	488,955
TOTAL	\$ (2,652,740)	\$ (1,017,487)	\$ -	\$ -	\$ (557,522)	\$ (545,079)	\$ (532,652)



Capital Improvement Plan FY 2012-2016

Roadway Improvements

Department	Engineering Department
Project Cost	\$212,500
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input checked="" type="checkbox"/> New/expanded capital assets that eliminate deficiencies in providing a service at the current level of demand <input checked="" type="checkbox"/> New/expanded capital assets that eliminate a public hazard or threat to public safety <input checked="" type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/ JUSTIFICATION

This project includes pedestrian improvements on NC-211. The improvement specifications include traffic signals and sidewalks along NC211. The population of Pinehurst alone is expected to reach 15,000 people by the year 2025 and traffic on major roads to roughly double by that time. This project will help mitigate the effects of the traffic growth on this major road thus improving traffic operations and safety, as well as provide a visual gateway to the Village and more direct linkage to the Village Center. This project will assist the Village in meeting the goals identified as future transportation needs in the 2010 Comprehensive Long-Range Plan.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Appropriations	\$ 212,500	\$ -	\$ -	\$ -	\$ -	\$ 212,500	\$ -
TOTAL	\$ 212,500	\$ -	\$ -	\$ -	\$ -	\$ 212,500	\$ -
Funding Source:							
Cash	\$ 212,500	\$ -	\$ -	\$ -	\$ -	\$ 212,500	\$ -
TOTAL	\$ 212,500	\$ -	\$ -	\$ -	\$ -	\$ 212,500	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Project Expenditures	\$ 212,500	\$ -	\$ -	\$ -	\$ -	\$ 212,500	\$ -
TOTAL	\$ (212,500)	\$ -	\$ -	\$ -	\$ -	\$ (212,500)	\$ -



Capital Improvement Plan FY 2012-2016

Greenways

Department	Parks and Recreation Department
Project Cost	\$1,491,098
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input checked="" type="checkbox"/> Eliminates deficiencies in providing a service at the current level of demand <input checked="" type="checkbox"/> Eliminates a public hazard or threat to public safety <input type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/ JUSTIFICATION

This project is a multi-phase project that eventually will create approximately 24 miles of pedestrian and non-motorized transportation paths throughout Pinehurst. Currently there are approximately 7 miles completed. The paths will be constructed of various materials depending on the terrain in the locations selected for path construction. The creation of greenways will interconnect different parts of Pinehurst and will offer a safe environment for walking, bicycling and other passive recreation and non-motorized transportation. Greenways will also promote a pollutant-free environment by reducing the need for modes of travel dependent on fuel.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Appropriations	\$ 1,491,098	\$ 641,098	\$ 200,000	\$ 200,000	\$ 150,000	\$ 150,000	\$ 150,000
TOTAL	\$ 1,491,098	\$ 641,098	\$ 200,000	\$ 200,000	\$ 150,000	\$ 150,000	\$ 150,000
Funding Source:							
Grants	\$ 36,108	\$ 36,108	\$ -	\$ -	\$ -	\$ -	\$ -
Cash	1,454,990	604,990	200,000	200,000	150,000	150,000	150,000
TOTAL	\$ 1,491,098	\$ 641,098	\$ 200,000	\$ 200,000	\$ 150,000	\$ 150,000	\$ 150,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Project Expenditures	\$ 1,491,098	\$ 641,098	\$ 200,000	\$ 200,000	\$ 150,000	\$ 150,000	\$ 150,000
Operating Expenditures	491,007	172,873	61,132	62,355	63,602	64,874	66,171
TOTAL	\$(1,982,105)	\$(813,971)	\$(261,132)	\$(262,355)	\$(213,602)	\$(214,874)	\$(216,171)



Capital Improvement Plan FY 2012-2016

Rassie Wicker Park Development

Department	Parks and Recreation Department
Project Cost	\$2,194,868
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input checked="" type="checkbox"/> Eliminates deficiencies in providing a service at the current level of demand <input type="checkbox"/> Eliminates a public hazard or threat to public safety <input type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/ JUSTIFICATION

Rassie Wicker Park is a multi-phase project which began construction in 2004. The park currently has a soccer field, an in-line hockey rink, restrooms, paved and stone screening walking trails, playground and associated parking and landscaping. The remaining project phases include construction of an additional restroom facility, shelter, shuffleboard, horseshoe pits, a sand volleyball court and various trails, parking and landscaping. Rassie Wicker Park will provide a facility that satisfies the recreational needs of the citizens of Pinehurst and visitors to our area.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Appropriations	\$ 2,194,868	\$ 1,444,868	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
TOTAL	\$ 2,194,868	\$ 1,444,868	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Funding Source:							
Grants	\$ 353,737	\$ 224,737	\$ -	\$ 129,000	\$ -	\$ -	\$ -
Cash	1,841,131	1,220,131	150,000	21,000	150,000	150,000	150,000
TOTAL	\$ 2,194,868	\$ 1,444,868	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Grant Proceeds	\$ 353,737	\$ 224,737	\$ -	\$ 129,000	\$ -	\$ -	\$ -
Project Expenditures	2,194,868	1,444,868	150,000	150,000	150,000	150,000	150,000
Operating Expenditures	1,235,303	427,371	155,001	158,225	161,517	164,878	168,311
TOTAL	\$ (3,076,434)	\$ (1,647,501)	\$ (305,001)	\$ (179,225)	\$ (311,517)	\$ (314,878)	\$ (318,311)



Capital Improvement Plan FY 2012-2016

Downtown Improvements

Department	Engineering Department
Project Cost	\$900,000
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input type="checkbox"/> Eliminates deficiencies in providing a service at the current level of demand <input type="checkbox"/> Eliminates a public hazard or threat to public safety <input type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/ JUSTIFICATION

Over the past two years, the Council has worked diligently to preserve and improve the downtown area of Old Town. This multi-phase project is a continuation of this effort by reconfiguring the Village Center and approaches to improve traffic flow and create a pedestrian friendly environment. In addition, design will begin on developing a gateway from the Welcome Center, through Old Town and to the Village Center Expansion Area. Improvement to the downtown streetscape will enhance the overall character and ambience of Pinehurst to preserve its international reputation and quality of life.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Appropriations	\$ 900,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ -
TOTAL	\$ 900,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ -
Funding Source:							
Cash	\$ 900,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ -
TOTAL	\$ 900,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2012	2013	2014	2015	2016
Project Expenditures	\$ 900,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ -
TOTAL	\$ (900,000)	\$ -	\$ (500,000)	\$ -	\$ -	\$ (400,000)	\$ -



Ad Valorem tax – A tax levied in proportion to the value of a property.

Agency Funds – Funds used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Annexation – to incorporate territory into the domain of the Village.

Appropriation – An authorization made by the Village Council that permits the Village to incur obligations and to make expenditures of resources.

ARRA – American Recovery and Reinvestment Act.

Assessed Valuation – A value that is established for real or personal property for use as a basis to levy property taxes.

Basis of Accounting – A term used to refer to when revenues, expenditures, expenses, and transfers--and the related assets and liabilities--are recognized in the accounts and reported in the financial statements. The Village of Pinehurst uses the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

Bond – A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayments of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Budget – A statement in dollar terms of the Village's program of service delivery for the ensuing fiscal year.

Balanced Budget – A balanced budget as defined by the North Carolina Local Government Budget and Fiscal Control Act is when the sum of estimated net revenues and appropriated fund balance in each fund is equal to appropriations in that fund. In North Carolina, it is required that the budget submitted to the Village Council be balanced.

Budget Amendment – A legal procedure utilized by the Village staff and the Village Council to revise a budget appropriation.

Budget Calendar – The schedule of key dates that the Village's departments follow in the preparation, adoption and administration of the budget.

Budget Document – The instrument used by the budget-making authority to present a comprehensive financial program to the Village Council.

Budget Message – The opening section of the budget that provides the Village Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Village Manager.

Budget Ordinance – The official enactment by the Village Council to establish legal authority for Village officials to obligate and expend resources.



Budget Summary – A brief overview of the budget that helps readers to quickly become acquainted with the key elements of the budget.

Budgetary Control – The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Capital Assets – Assets of long-term character which are intended to continue to be held or used by the Village, including land, buildings, machinery, furniture and other equipment.

Capital Outlay – Expenditures available for the acquisition of capital assets, including the cost of land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment.

Capital Improvement Plan (CIP) – A plan for capital expenditures which provides long-lasting physical improvements to be incurred over a fixed period of five future years.

Capital Project Fund - A fund used to account for the acquisition and construction of major capital facilities.

Capital Reserve – An account used to indicate that a portion of a fund’s balance is legally restricted for a specific capital purpose and is, therefore, not available for general appropriation.

Cash Management – The management of cash necessary to pay for governmental services, while investing temporary cash excesses in order to earn interest revenue. Cash Management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships.

Category – A consolidation of expenditures to measure personnel, operations, capital, contingency, special appropriations, debt services and transfers.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Community Development Block Grant (CDBG) – Grants from the U.S. Department of Housing and Urban Development to states that are competitively awarded to local governments for housing related infrastructure.

Comprehensive Annual Financial Report (CAFR) – A complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Comprehensive Long-Range Plan – A plan adopted by the Village Council in April of 2003 (updated in 2010) that outlines the long-term goals of the Village over a 20 year period.

Debt Service – The Village’s obligation to pay the principal and interest of all debt instruments according to a pre-determined payment schedule.



Department – An organizational unit responsible for carrying out a major governmental function.

Depreciation – The process of estimating and recording the expired useful life, or diminution of service from a capital asset that cannot or will not be restored by repair and must be replaced. The cost of the capital asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

Encumbrance – The commitment of appropriated funds to purchase an item or services. To encumber funds is to set aside, or commit funds for future expenditures.

Estimated Revenue – The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the Village Council.

ETJ – The acronym used for extraterritorial jurisdiction.

Expenditure – The outflow of funds for assets that are incurred or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds.

Fiscal Policy – The financial plan embracing the general goals and acceptable procedures of a governmental unit.

Fiscal Year – The time period designating the beginning and the ending period for recording financial transactions. The Village of Pinehurst's fiscal year begins July 1st and ends June 30th.

FTE – The acronym used for Full Time Equivalent.

Function – A group of related programs crossing organizational (departmental) boundaries and aimed to accomplishing a broad goal, or a major service.

Fund – An accounting entity that possesses a set of self-balancing accounts and records all financial transactions for specific activities or government functions.

Fund Balance – Fund balance is the amount of assets in excess of the liabilities or appropriated for expenditures, and is therefore also known as surplus funds.

Fund Balance Appropriated – A budgetary amount representing the fund's equity to be used to offset expenditures. Fund balance appropriated cannot exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year preceding the budget year.

General Accepted Accounting Principles (GAAP) – Uniform minimum standards of and guidelines for financial accounting and reporting. GAAP encompasses the conventions; rules and procedures necessary to define accepted accounting practices.

GASB 34 – The acronym used for Governmental Accounting Standards Board Statement #34: "Basic Financial Statements- Management's Discussion and Analysis – For State and Local Governments".

GS – The acronym used for the General Statutes adopted by the North Carolina General Assembly.



General Fund – The largest fund within the Village, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes and other types of revenue. This fund usually includes most of the basic operation services, such as fire and police protection, finance, public services, general administration, planning and inspections, community development, and recreation.

General Ledger – A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

GFOA – The acronym used for Government Finance Officers Association of the United States and Canada.

Goal – A statement of broad direction, purpose, or intent based on the needs of the community. A goal is general and timeless. It is not concerned with a specific achievement in a given time period.

Grant – A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed by the grantee.

Inter-fund Transfers – Amounts transferred from one fund to another.

Intergovernmental Revenue – Revenue received from another government for a specified purpose.

Inventory – A detailed listing of property currently held by the government.

Investment Earnings – Revenue earned on investments with a third party. The Village uses a pooled cash system, investing the total amount of cash regardless of fund boundaries. The interest earned is then allocated back to individual funds by average cash balance in the fund.

Levy – To impose taxes, special assessments, or services charged for the support of Village activities.

Local Government Budget and Fiscal Control Act (LGBFCA) – This act governs all financial activities of local governments within the State of North Carolina.

Long Term Debt – Debt with a maturity of more than one year after the date of issuance.

Maturities – The dates on which the principal or stated values of investments or debt obligations become due and/or may be reclaimed.

Modified Accrual Accounting – The accounting approach under which: 1) revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period; 2) expenditures are recognized in the accounting period in which a fund liability is incurred, and unmatured principal and interest on general long term debt is recognized when due.

NCDOT – This acronym is short for North Carolina Department of Transportation.

Net Budget – The total amount of revenues and expenditures for the General Fund and all special Revenue funds with the exceptions of the Capital Reserve Fund.



Budget Glossary

Objectives – A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. An objective should imply a specific standard of performance for a given program.

Operating Expenses – The portion of the budget pertaining to the daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as supplies, utilities, materials, and travel.

Operating Transfer – Routine and/or recurring transfer of assets between funds.

Peer Group – Other municipalities in the state of North Carolina with a population between 10,000 and 50,000.

Performance Measures – Descriptions of a program’s effectiveness, or efficiency (i.e., response time to public request, frequency of document updates).

Powell Bill Street Allocation – Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Program – An organized set of related work activities that are directed toward accomplishing a common goal. Each Village department is usually responsible for a number of related service programs.

Property Taxes – Property taxes are levied on both real and personal property according to the property’s valuation and tax rate.

Reclassification – Change in a position title and/or the associated pay range based on changes in the job skills required for a given position.

Reserve – A portion of fund balance earmarked to indicate what is not available for expenditure, or is legally segregated for a specific future use.

Restricted Intergovernmental Revenues – Grants, entitlements, and shared revenues which are recorded in the appropriate fund and classified both by source and function for which the revenues are to be spent.

Resources – Assets that can be used to fund expenditures. These can be such things as property taxes, user fees, beginning fund balance, or working capital.

Results-Based Management – A management philosophy whereby program managers objectively assess how well services are being delivered to constituents.

Revaluation – Assignment of value to properties, buildings, vehicles, and equipment used for business and residential purposes by the Moore County Tax Assessor’s Office. Under State law, all property must be revalued no less frequently than once every eight years.

Revenue – Funds which the government receives as income, including tax payments, fees from specific services, receipts from other governments, fines, grants, shared revenues, and interest income.

Right-of-Way Acquisition – Purchase of property needed by the Village to perform road improvement projects and/or protection of right-of-way for future highway projects.



Source of Revenue – Revenues that are classified according to their source or point of origin.

Special Assessment – A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service, which are deemed to primarily benefit those properties.

Special Revenue Fund – A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures.

Tax Base – The assessed valuation of all taxable real and personal property within the Village’s corporate limits.

TOPS Training – Training and education opportunities made available to all employees throughout the year. An annual calendar details the training opportunities and employees register for the classes that are personally and/or professionally beneficial to them. TOPS is an acronym for **Traini**n**g **O**f the **P**inehurst **S**taff.**

Unencumbered Balance – The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for expenditures.



History

Looking for a place to build a health-orientated resort, James Walker Tufts (head of the America Soda Foundation) stopped in the Sandhills area in the spring of 1895. Despite the fact that the area had been almost completely clear-cut by the timber industry, something about this area moved him, and in June 1895, he bought 598 acres of land for nearly \$1.25 per acre and makes up what is now the Village Center.

On June 20, 1895, Tufts contacted Frederick Law Olmsted, the designer of Central Park in New York and the landscape designer of the Biltmore Estate in Asheville, North Carolina, to help him create a first-rate resort. That summer, with the new plan in hand, 450 men began construction on what was originally referred to as "Tuftstown". Tufts selected the name Pinehurst for his resort out of a list of non-winning names for Martha's Vineyard.

On New Year's Eve 1895, the Holly Inn opened its doors and Pinehurst was on its way.



Development of Village Center

Since all of the early buildings of Pinehurst stood on barren land, Tufts hired Warren Manning to plant over 222,000 tree seedling and other plants (47,250 of these were imported from France) around Pinehurst to give the resort the natural beauty we all still enjoy today.

For many years, Pinehurst was a privately held resort under sole proprietorship of the Tufts family. The Tufts family controlled all aspects of the resort and closely monitored all types of activities, including the creation of its first 9-hole golf course in February 1898, and the continued acquisition of more land.

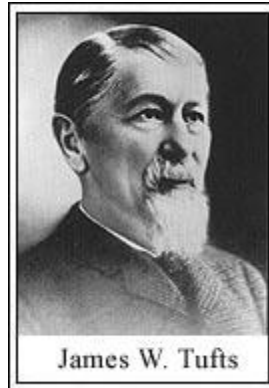


Donald Ross



Supplementary Information

In 1920, a corporate form of ownership was established when a charter for Pinehurst, Inc. was obtained from the North Carolina Secretary of State. Tufts considered incorporating the village as a municipality in 1926, but he felt that a lack of year-round residents and state tax laws would not be able to sustain it.

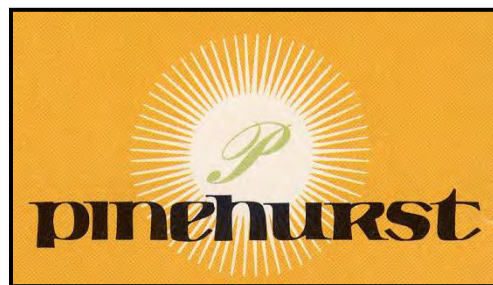


During the Great Depression, as other resorts began to fail, property owners in Pinehurst agreed to pay more taxes in order to support the resort through the Depression and ensure that it would not fail like the surrounding resorts. During World War II, Pinehurst served as a support area for neighboring Fort Bragg and many servicemen were either residents or visitors.

It was not until 1960 that Pinehurst became a year-round resort with the introduction of air conditioning and swimming pools at the resort facilities. By the late 1960s, however, Pinehurst's days as a paternalistic resort under the Tufts were coming to an end.

Realizing that the resort was 75 years old and in need of significant investment to update and improve the resort facilities, the Tufts heirs sold Pinehurst, Inc., including the resort and approximately 7,500 acres of land, to the Diamondhead Corporation for \$9.2 million in January 1971. It was under Diamondhead's control that the creation and sale of lots with membership rights to the Pinehurst resort facilities began.

Advertisements were placed in newspapers around the country, and people were flown in to play golf and purchase a lot. Lake Pinehurst was created to enhance the residential neighborhood, new recreational improvements were made (including Course Number 6 in the late 1970s), and infrastructure was put into place to support the new development. However, all this activity was not considered to be progress by local residents.



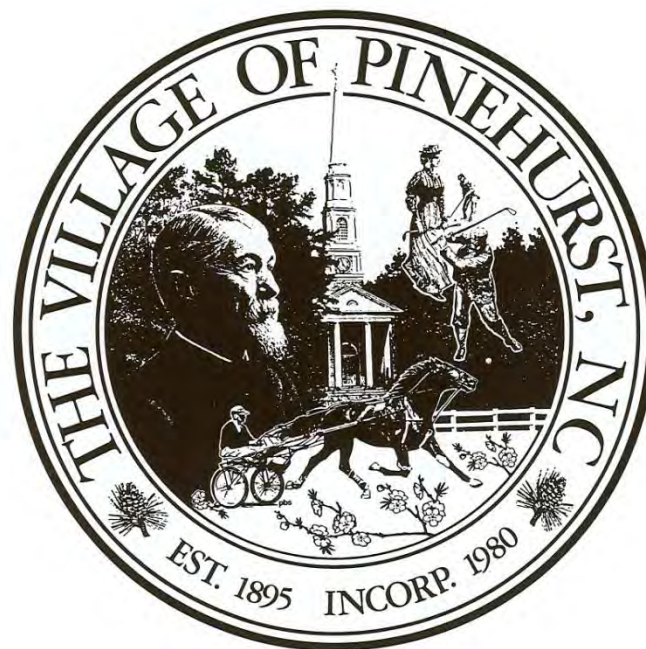
Old Diamondhead Logo



Since Pinehurst was not a full municipality, there were no building inspections, no planning or zoning regulations, and no real means for the concerns of the residents to be acted upon. After several years of debate among residents over whether to seek incorporation as a full municipality or continue to allow Diamondhead to coordinate affairs, it was decided by a majority in 1980 that Pinehurst would function most effectively independently of the Diamondhead Corporation.

In 1980, with a population of 1,746 residents, Pinehurst was granted full incorporation as a municipality and was, for the first time, more than just a privately run resort.

According to the U.S. Census Bureau, Pinehurst had a population of 13,124 people in the year 2010. After adding approximately 1,550 people from a recently annexed area, the total population of 14,674 is a 51% increase from its population in 2000. Many of these new residents come from across the country, if not the world, to settle in this "village in the forest". When asked what brought them here, many cited ambiance, community character and spirit as their reasons for choosing the area.



Village of Pinehurst Seal



Demographic Characteristics

With a current population of 14,674, the Village of Pinehurst is an integral part of the economy of Moore County, which is well diversified with significant healthcare, retirement, tourism, retail, agriculture, and manufacturing sectors. The Pinehurst area is largely a service-based economy focused on tourism/hospitality, healthcare-related activities, and retail trade.

Two of the largest employers in Moore County are located in Pinehurst and are service-related: FirstHealth of the Carolinas and Pinehurst Resort. FirstHealth of the Carolinas is a private, not-for-profit health care network serving 15 counties in the mid-Carolinas. Pinehurst Resort, owned by Pinehurst, LLC operates eight championship golf courses in the Village, including the famous Pinehurst No. 2 course (site of the 1999 and 2005 US Open Men's Golf Tournament). Pinehurst Resort will also be hosting 14 days of championship play in 2014, with back to back U.S. Open and U.S. Women's Open Championships – for the first time in history.

The Village also provides other recreational opportunities for residents. The Village owns and operates a 111 acre Harness Track facility, which is used for winter training of standardbred horses. The Village has also completed Phase I of Rassic Wicker Park and Phases I, II, III, and IV of the Greenway System. The Greenway System will eventually connect most of the Village via a pedestrian and bicycle pathway.



Geographic Characteristics

The Village of Pinehurst is located in the Sandhills Region of North Carolina, 60 miles southwest of Raleigh and about 75 miles east of Charlotte. The city spans approximately 17 square miles and is locally recognized as an outstanding residential community and major golf resort. The central location of Pinehurst allows quick and easy access to the beautiful Blue Ridge Mountains and the white, sandy beaches of North and South Carolina.



Operating Indicators by Function Last Eight Fiscal Years

Function	Fiscal Years							
	2003	2004	2005	2006	2007	2008	2009	2010
General Government								
Financial Services								
Purchase orders issued	509	440	323	262	207	225	260	280
Vendor checks issued	2,919	3,595	2,673	2,529	2,427	2,448	2,333	2,471
Human Resources								
Workers' compensation lost time (days)	n/a	n/a	322	6	60	12	446	32
Employee turnover rate	n/a	n/a	9.0%	9.0%	9.4%	7.8%	7.9%	9.2%
Fleet Maintenance								
Tire work orders completed	100	125	150	186	132	311	216	116
10-point service performed	500	300	350	200	291	233	208	194
Public Safety								
Fire Protection								
Public fire & life safety classes	341	95	95	219	204	167	159	170
Incident calls	715	743	842	922	827	843	855	884
Structure fires	18	24	21	26	56	63	44	55
Inspections	467	877	766	824	787	732	620	423
Child passenger seat inspections	n/a	389	833	579	583	396	173	222
Police Protection								
Physical arrests	178	172	206	202	262	585	444	445
Citations issued	971	1,479	1,560	1,285	3,806	3,891	3,993	2,970
Response to calls/officer initiated activity	11,588	11,782	11,500	9,801	11,866	13,513	13,640	14,495
Traffic accidents	446	467	447	432	483	500	474	418
Inspections								
Building inspections conducted	7,661	11,064	11,286	10,588	9,194	7,683	5,409	4,281
Certificates of occupancy issued	231	214	254	271	227	169	181	156
Transportation								
Street resurfacing (miles)	3.3	4.9	5.0	5.0	6.3	5.6	4.8	3.2
Environmental Protection								
Refuse collected (tons annually)	4,677	5,673	4,578	4,287	4,392	4,094	3,948	3,849
Homes receiving service	6,040	n/a	6,345	6,485	6,651	6,782	6,862	7,686
Recyclables collected (tons annually)	n/a	330	305	369	568	943	966	1,473
Economic & Physical Development								
Building permits issued	321	374	318	378	424	359	278	259
Zoning compliance investigations	473	538	475	480	477	690	624	475
Cultural & Recreation								
Recreation								
Number of parks	4	4	4	4	4	4	4	4
Program participants	354	361	398	468	679	830	939	1,065
Athletics participants	1,437	1,456	1,507	1,503	1,556	1,982	2,323	2,287
Harness Track								
Standardbred stalls leased	222	270	280	285	249	220	281	251
Facilities reserved (days)	95	67	62	45	32	30	20	30
Fair Barn								
Events	31	61	67	87	89	84	80	88
Rental days	39	85	125	131	117	95	98	96

Source: Various Village departments

Note: n/a indicates "not available"



Demographic and Economic Statistics Last Ten Calendar Years

<u>Fiscal Year</u>	<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Median Age (2)</u>	<u>Unemployment Rate (3)</u>
2001	2000	9,755	409,631,960	41,992	60.4	3.6%
2002	2001	9,855	425,542,582	43,180	60.4	4.9%
2003	2002	9,948	436,388,334	43,867	60.4	6.4%
2004	2003	10,218	458,407,284	44,863	60.4	6.5%
2005	2004	10,498	483,590,811	46,065	60.4	5.6%
2006	2005	10,694	509,319,363	47,627	60.4	5.1%
2007	2006	11,026	542,145,667	49,170	60.4	4.8%
2008	2007	11,316	572,262,434	50,571	60.4	4.6%
2009	2008	11,632	610,890,250	52,518	60.4	6.2%
2010	2009	13,277	694,911,723	52,340	60.4	9.6%

Sources:

- (1) Office of State Budget and Management.
- (2) U.S. Census Bureau
- (3) North Carolina Employment Security Commission

Notes:

Per Capita Income is adjusted annually after the Decennial Census calendar year by the annual average inflation rate.

Unemployment rate information is a calendar year adjusted annual average in Moore County.



Supplementary Information

Principal Property Tax Payers Current Year and Nine Years Ago

Taxpayer	2010		2001	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Pinehurst, LLC	\$ 171,999,277	6.21%	\$ 67,089,204	5.12%
Pinehurst Surgical Clinic	27,084,800	0.98%	6,169,625	0.47%
Country Club of North Carolina	23,571,106	0.85%	13,718,728	1.05%
Pinehurst Medical	16,844,843	0.61%	6,713,260	0.51%
Progress Energy Carolinas	11,255,578	0.41%	7,541,400	0.58%
M & T Associates (Carolina Eye Assoc.)	10,316,819	0.37%	4,487,040	0.34%
Pleasant Living Health Care (Quail Haven)	-	0.00%	5,550,700	0.42%
Francis Maser	5,613,400	0.20%	-	0.00%
Branch Banking and Trust Co.	5,181,688	0.19%	-	0.00%
SCOP (Surgery Center of Pinehurst)	5,071,350	0.18%	-	0.00%
Carolina Telephone and Telegraph	5,032,288	0.18%	3,518,077	0.27%
Pinehurst Nursing	-	0.00%	2,830,505	0.22%
Total	\$ 281,971,149	10.19%	\$ 117,618,539	8.97%

Sources:

Moore County Tax Department

Notes:

2010 and 2001 data are for tax years 2009 and 2000 respectively.



The Carolina Hotel



Personnel Classification Schedule

Classification Plan Summary	Budgeted 2007-2008	Budgeted 2008-2009	Budgeted 2009-2010	Budgeted 2010-2011	Budgeted 2011-2012
General Government					
Administration					
Administration	6.5	7	6	6	6
Financial Services	4	4	4	4	4
Human Resources	2	2	2	2	1.5
Fleet Maintenance	3	3	3	3	3
Buildings and Grounds Maintenance	5	6	7	6	6
Information Technology	3.2	3	3.5	3.5	4
Total General Government	23.7	25	25.5	24.5	24.5
Public Safety					
Police	31.5	30	32	29	28
Fire	30	30	30	30	30
Inspections	3.2	3.2	2	2	2
Total Public Safety	64.7	63.2	64	61	60
Economic and Physical Development					
Planning	7	7	7	7	6.5
Community Development	2	2	2.5	2.5	0
Total Economic and Physical Development	9	9	9.5	9.5	6.5
Transportation					
Public Services Administration	3	3	3	3	3
Streets and Grounds	13	15	15	13	15
Total Transportation	16	18	18	16	18
Environmental Protection					
Solid Waste	9.5	9	9	9	9
Total Environmental Protection	9.5	9	9	9	9
Cultural and Recreation					
Parks and Recreation	3.3	4.3	5.0	5.0	5.0
Harness Track	4.4	4.4	5	4.5	4
Fair Barn	2.5	2.5	2.5	2.5	1.8
Total Cultural and Recreation	10.2	11.2	12.5	12.0	10.8
GRAND TOTAL	133.1	135.4	138.5	132.0	128.8

Population	11,316	11,632	11,795	13,460	14,674
Employees per 1,000 Population	11.8	11.6	11.7	9.8	8.8



Personnel Classification Schedule

Classification Plan Detail	Budgeted 2007-2008	Budgeted 2008-2009	Budgeted 2009-2010	Budgeted 2010-2011	Budgeted 2011-2012
General Government					
Administration					
Village Manager	1.0	1.0	1.0	1.0	1.0
Assistant Village Manager, Admin & Financial Svcs	1.0	1.0	1.0	1.0	1.0
Assistant Village Manager, Operations	1.0	1.0	1.0	1.0	1.0
Village Clerk	1.0	1.0	1.0	1.0	1.0
Administrative Coordinator	1.0	1.0	1.0	1.0	1.0
Customer Service Representative	1.5	2.0	1.0	1.0	1.0
Total Administration	6.5	7.0	6.0	6.0	6.0
Financial Services					
Director of Financial Services	1.0	1.0	1.0	1.0	1.0
Operations Manager, Financial Services	1.0	1.0	1.0	1.0	1.0
Finance Technician	2.0	2.0	2.0	2.0	2.0
Total Financial Services	4.0	4.0	4.0	4.0	4.0
Human Resources					
Director of Human Resources	1.0	1.0	1.0	1.0	1.0
Human Resources Generalist	1.0	1.0	1.0	1.0	0.5
Total Human Resources	2.0	2.0	2.0	2.0	1.5
Fleet Maintenance					
Fleet Manager	1.0	1.0	1.0	1.0	1.0
Mechanic	2.0	2.0	2.0	2.0	2.0
Total Fleet Maintenance	3.0	3.0	3.0	3.0	3.0
Buildings and Grounds					
Parks Supervisor	1.0	1.0	1.0	1.0	1.0
Buildings and Grounds Supervisor	0.0	0.0	0.0	0.0	0.0
Grounds Specialist	3.0	4.0	4.0	4.0	4.0
Maintenance Technician	1.0	1.0	2.0	1.0	1.0
Total Buildings & Grounds	5.0	6.0	7.0	6.0	6.0
Information Technology					
System Administrator	1.2	1.0	1.0	1.0	1.0
Director of Information Technology	1.0	1.0	1.0	1.0	1.0
Network Administrator	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	0.0	0.0	0.5	0.5	1.0
Total Information Technology	3.2	3.0	3.5	3.5	4.0
Total General Government	23.7	25.0	25.5	24.5	24.5



Personnel Classification Schedule

Classification Plan Detail	Budgeted 2007-2008	Budgeted 2008-2009	Budgeted 2009-2010	Budgeted 2010-2011	Budgeted 2011-2012
Public Safety					
Police					
Police Chief	1.0	1.0	1.0	1.0	1.0
Captain, Police Department	1.0	1.0	1.0	1.0	1.0
Lieutenant	4.0	4.0	4.0	4.0	4.0
Sergeant	4.0	4.0	5.0	5.0	5.0
Detective	1.0	1.0	1.0	1.0	1.0
Officer	15.5	14.0	7.0	4.0	3.0
Sr.Patrol Officer	0.0	0.0	3.0	3.0	3.0
Master Patrol Officer	0.0	0.0	5.0	5.0	5.0
Telecommunications Specialist	4.0	4.0	4.0	4.0	4.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Total Police	31.5	30.0	32.0	29.0	28.0
Fire					
Fire Chief	1.0	1.0	1.0	1.0	1.0
Deputy Fire Chief/Fire Marshall	1.0	1.0	1.0	1.0	1.0
Fire and Life Safety Educator	1.0	1.0	1.0	1.0	1.0
Shift Commander	3.0	3.0	3.0	3.0	3.0
Acting Shift Commander	0.0	0.0	2.0	2.0	2.0
Lieutenant	4.0	4.0	4.0	4.0	4.0
Acting Lieutenant	0.0	0.0	11.0	11.0	11.0
Senior Firefighter	1.0	1.0	1.0	1.0	1.0
Firefighter	19.0	19.0	6.0	6.0	6.0
Total Fire	30.0	30.0	30.0	30.0	30.0
Inspections					
Building Code Official	1.0	1.0	1.0	1.0	1.0
Building Inspector - Level III	2.2	2.2	1.0	1.0	1.0
Total Inspections	3.2	3.2	2.0	2.0	2.0
Total Public Safety	64.7	63.2	64.0	61.0	60.0



Personnel Classification Schedule

Classification Plan Detail	Budgeted 2007-2008	Budgeted 2008-2009	Budgeted 2009-2010	Budgeted 2010-2011	Budgeted 2011-2012
Economic & Physical Development					
Planning					
Director of Planning and Inspections	1.0	1.0	1.0	1.0	1.0
Senior Planner	1.0	1.0	1.0	2.0	2.0
Planner	1.0	1.0	1.0	0.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Planning Technician	1.0	1.0	1.0	1.0	1.0
Code Enforcement Officer	1.0	1.0	1.0	1.0	1.0
Customer Service Representative	1.0	1.0	1.0	1.0	0.5
Total Planning	7.0	7.0	7.0	7.0	6.5
Community Development					
Director of Engineering	1.0	1.0	1.0	1.0	0.0
Engineering Technician	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	0.0	0.0	0.5	0.5	0.0
Total Community Development	2.0	2.0	2.5	2.5	0.0
Total Economic & Physical Development	9.0	9.0	9.5	9.5	6.5
Transportation					
Public Services Administration					
Director of Public Services	1.0	1.0	1.0	1.0	1.0
Assistant Director, Public Services	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Total Public Services Administration	3.0	3.0	3.0	3.0	3.0
Streets and Grounds					
Infrastructure Supervisor	0.0	0.0	0.0	0.0	1.0
Crew Leader (CDL), Streets and Grounds	2.0	2.0	1.0	1.0	0.0
Team Leader, Streets and Grounds	2.0	2.0	1.0	1.0	1.0
Equipment Operator III/Foreman	0.0	0.0	0.0	0.0	1.0
Equipment Operator II	0.0	0.0	0.0	0.0	0.0
Equipment Operator I	0.0	0.0	0.0	0.0	0.0
Maintenance Worker (CDL), Streets and Grounds	2.0	2.0	2.0	2.0	3.0
Maintenance Worker, Streets and Grounds	7.0	9.0	11.0	9.0	9.0
Total Streets and Grounds	13.0	15.0	15.0	13.0	15.0
Total Transportation	16.0	18.0	18.0	16.0	18.0



Personnel Classification Schedule

Classification Plan Detail	Budgeted 2007-2008	Budgeted 2008-2009	Budgeted 2009-2010	Budgeted 2010-2011	Budgeted 2011-2012
Environmental Protection					
Solid Waste					
Solid Waste Supervisor	1.0	1.0	1.0	1.0	1.0
Solid Waste Worker (CDL)	7.5	6.0	6.0	6.0	6.0
Solid Waste Worker	1.0	2.0	2.0	2.0	2.0
Total Solid Waste	9.5	9.0	9.0	9.0	9.0
Total Environmental Protection	9.5	9.0	9.0	9.0	9.0
Cultural and Recreation					
Parks and Recreation					
Director of Parks and Recreation	1.0	1.0	1.0	1.0	1.0
Recreation Program Coordinator	1.0	2.0	2.0	2.0	2.0
Seasonal Part-Time (FTE)	1.3	1.3	2.0	2.0	2.0
Total Parks and Recreation	3.3	4.3	5.0	5.0	5.0
Harness Track					
Harness Track Supervisor	1.0	1.0	1.0	1.0	1.0
Harness Track Specialist, CDL	1.0	1.0	1.0	1.0	1.0
Harness Track Specialist	2.0	2.0	2.0	2.0	1.8
Seasonal Part-Time (FTE)	0.4	0.4	1.0	0.5	0.3
Total Harness Track	4.4	4.4	5.0	4.5	4.0
Fair Barn					
Fair Barn Events Coordinator	1.0	1.0	1.0	1.0	1.0
Fair Barn Events Assistant (FTE)	0.5	0.5	0.5	0.0	0.3
Seasonal Part-Time (FTE)	1.0	1.0	1.0	1.5	0.5
Total Fair Barn	2.5	2.5	2.5	2.5	1.8
Total Cultural and Recreation	10.2	11.2	12.5	12.0	10.8
GRAND TOTAL	133.1	135.4	138.5	132.0	128.8