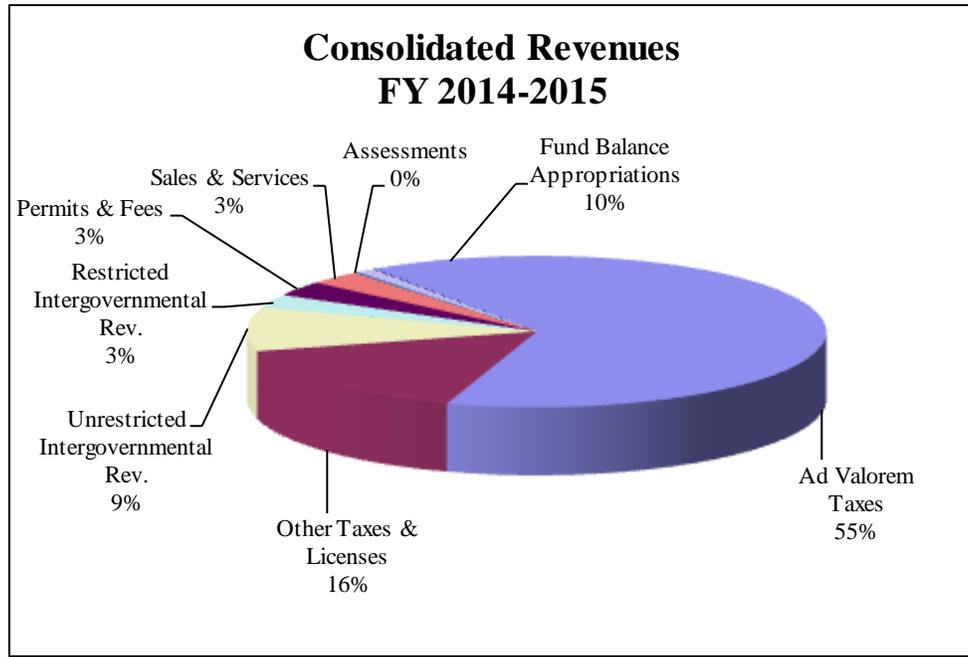




Consolidated Revenues

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.

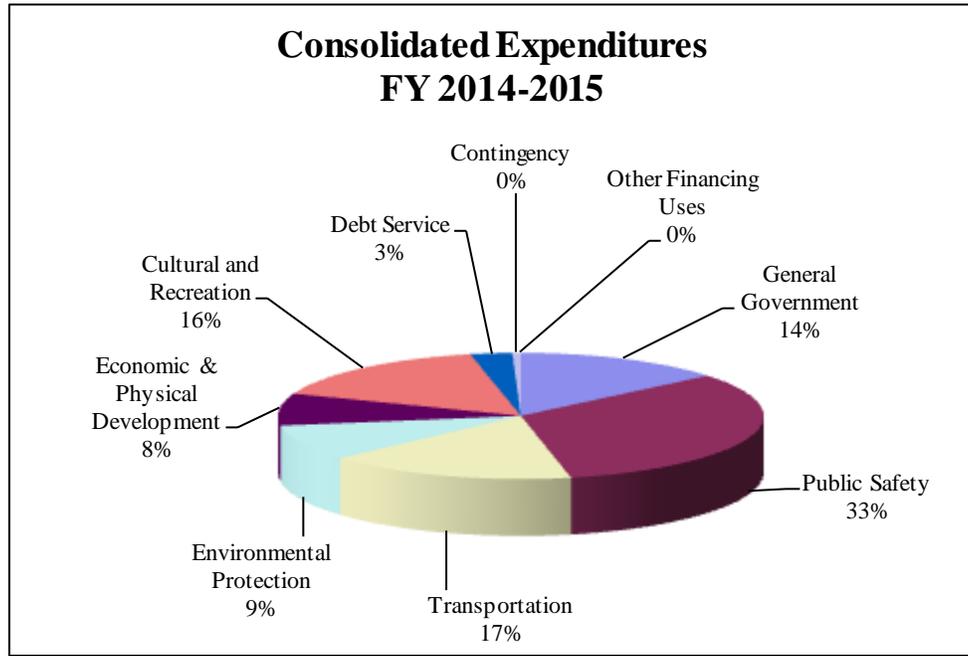


Consolidated Revenues	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Ad Valorem Taxes	\$ 9,557,452	\$ 9,682,000	\$ 9,682,000	\$ 9,767,000	0.9%
Other Taxes & Licenses	2,575,258	2,591,700	2,671,700	2,800,700	4.8%
Unrestricted Intergovernmental Rev.	1,589,133	1,617,200	1,621,200	1,664,900	2.7%
Restricted Intergovernmental Rev.	503,816	546,255	545,420	506,760	-7.1%
Permits & Fees	535,247	1,241,250	1,233,250	557,750	-54.8%
Sales & Services	517,744	514,015	524,015	532,500	1.6%
Assessments	-	12,410	12,410	31,110	150.7%
Other Revenues	324,892	460,597	445,074	193,530	-56.5%
Investment Income	13,455	21,300	20,508	14,105	-31.2%
Revenues	15,616,997	16,686,727	16,755,577	16,068,355	-4.1%
Other Financing Sources	111,883	557,933	550,000	-	-100.0%
Fund Balance Appropriations	-	876,272	-	1,687,710	100.0%
Total Revenues	\$ 15,728,880	\$ 18,120,932	\$ 17,305,577	\$ 17,756,065	2.6%
Per Capita	\$ 1,050	\$ 1,196	\$ 1,142	\$ 1,152	



Consolidated Expenditures

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 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
General Government	\$ 2,246,278	\$ 2,778,305	\$ 2,718,302	\$ 2,483,715	-8.6%
Public Safety	5,197,380	6,224,487	6,041,738	5,806,805	-3.9%
Transportation	2,178,585	2,929,165	2,817,705	2,954,025	4.8%
Environmental Protection	1,347,682	1,667,125	1,489,046	1,633,875	9.7%
Economic & Physical Development	2,131,195	1,599,662	1,587,780	1,452,845	-8.5%
Cultural and Recreation	2,140,905	2,415,768	2,362,160	2,830,275	19.8%
Debt Service	569,449	468,220	468,220	494,525	5.6%
Contingency	-	38,200	38,200	100,000	161.8%
Expenditures	15,811,474	18,120,932	17,523,151	17,756,065	1.3%
Other Financing Uses	-	-	7,876	-	100.0%
Total Expenditures	\$ 15,811,474	\$ 18,120,932	\$ 17,531,027	\$ 17,756,065	1.3%
Per Capita	\$ 1,056	\$ 1,196	\$ 1,157	\$ 1,152	

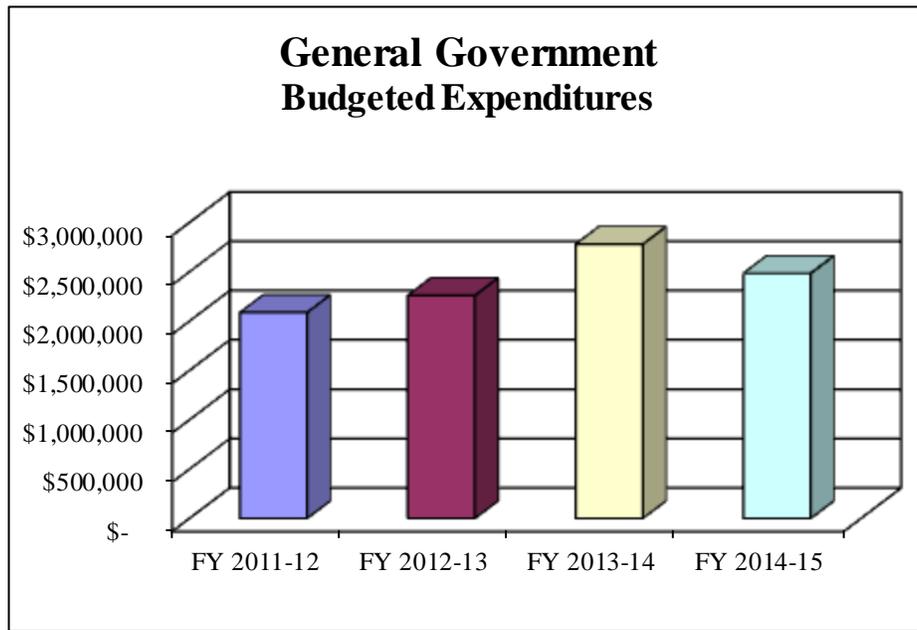


Functional Expenditure Trend Summary

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.



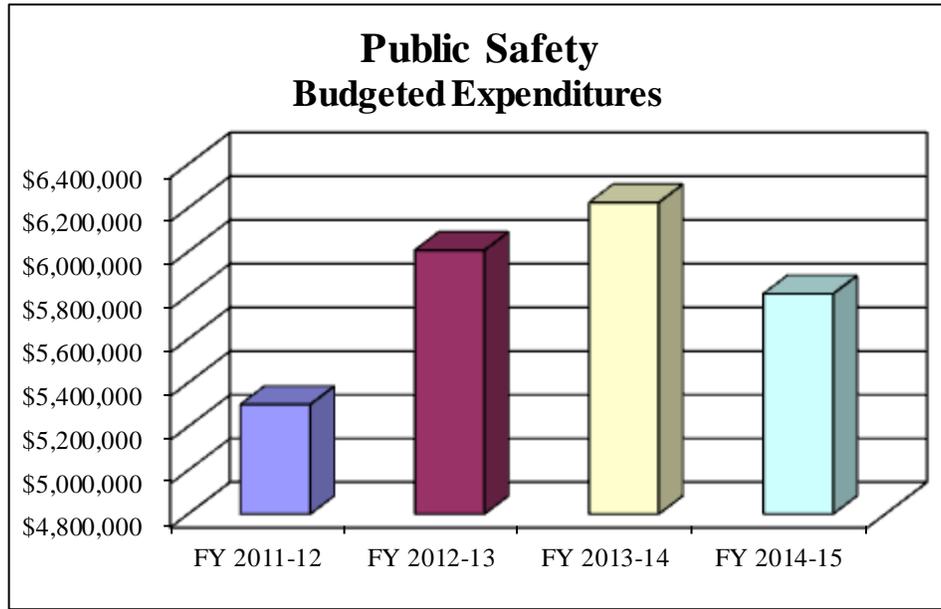
General Government	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 2,086,152	\$ 2,259,044	\$ 2,778,305	\$ 2,483,715
Dollar Change	11,372	172,892	519,261	(294,590)
Percent Change	0.5%	8.3%	23.0%	-10.6%

General Government Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Salaries & Wages	\$ 883,542	\$ 956,620	\$ 936,200	\$ 970,170	3.6%
Operating	1,234,016	1,690,960	1,671,377	1,404,020	-16.0%
Capital	128,720	130,725	110,725	109,525	-1.1%
Total Expenditures	\$ 2,246,278	\$ 2,778,305	\$ 2,718,302	\$ 2,483,715	-8.6%

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



Functional Expenditure Trend Summary



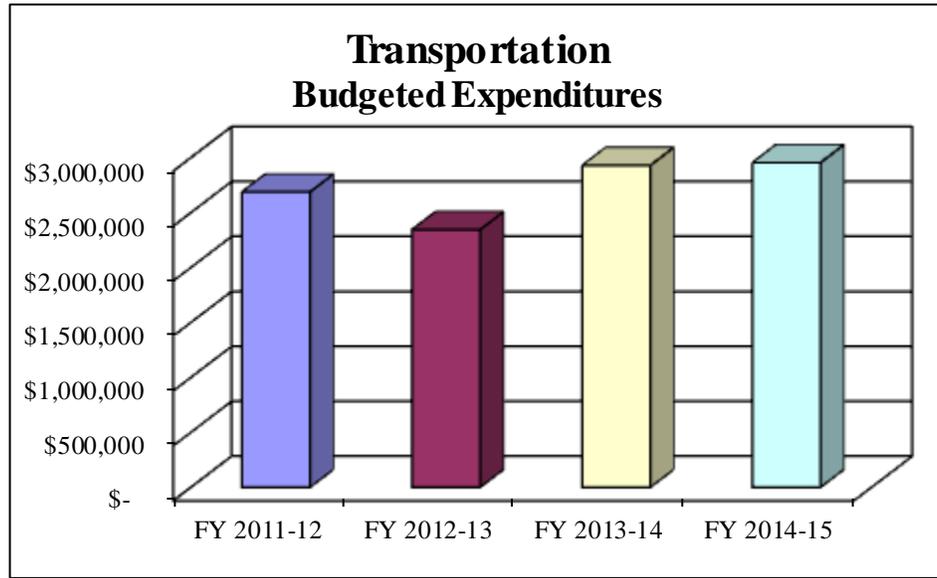
Public Safety	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 5,300,936	\$ 6,006,402	\$ 6,224,487	\$ 5,806,805
Dollar Change	11,644	705,466	218,085	(417,682)
Percent Change	0.2%	13.3%	3.6%	-6.7%

Public Safety Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Salaries & Wages	\$ 2,896,151	\$ 3,049,130	\$ 2,935,100	\$ 3,101,400	5.7%
Operating	2,145,665	2,549,512	2,480,793	2,434,490	-1.9%
Capital	155,564	625,845	625,845	270,915	-56.7%
Total Expenditures	\$ 5,197,380	\$ 6,224,487	\$ 6,041,738	\$ 5,806,805	-3.9%

General Fund Departments/Divisions: Police, Fire and Inspections



Functional Expenditure Trend Summary



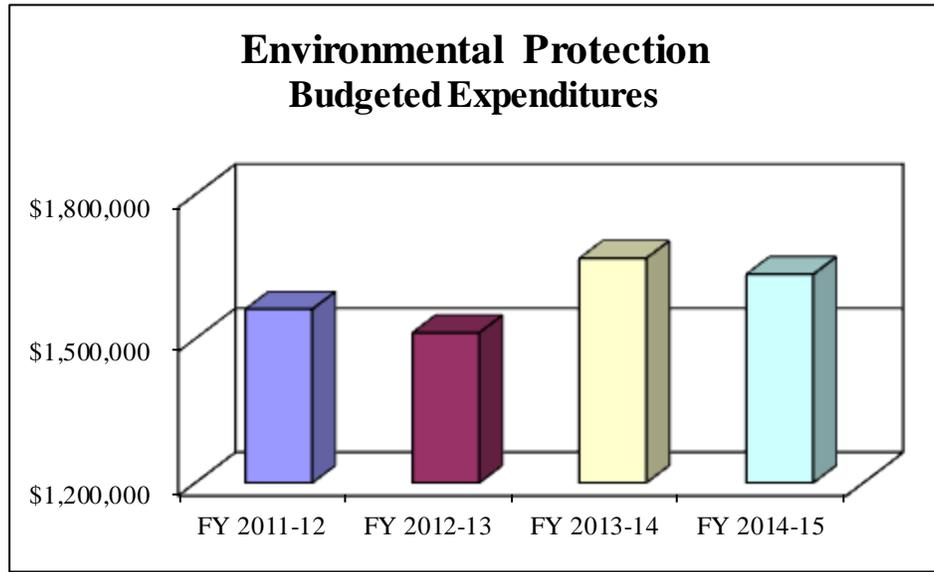
Transportation	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 2,687,093	\$ 2,344,617	\$ 2,929,165	\$ 2,954,025
Dollar Change	159,302	(342,476)	584,548	24,860
Percent Change	6.3%	-12.7%	24.9%	0.8%

Transportation Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Salaries & Wages	\$ 596,002	\$ 636,044	\$ 602,000	\$ 659,775	9.6%
Operating	1,446,287	1,909,191	1,831,775	1,747,215	-4.6%
Capital	136,296	383,930	383,930	547,035	42.5%
Total Expenditures	\$ 2,178,585	\$ 2,929,165	\$ 2,817,705	\$ 2,954,025	4.8%

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



Functional Expenditure Trend Summary



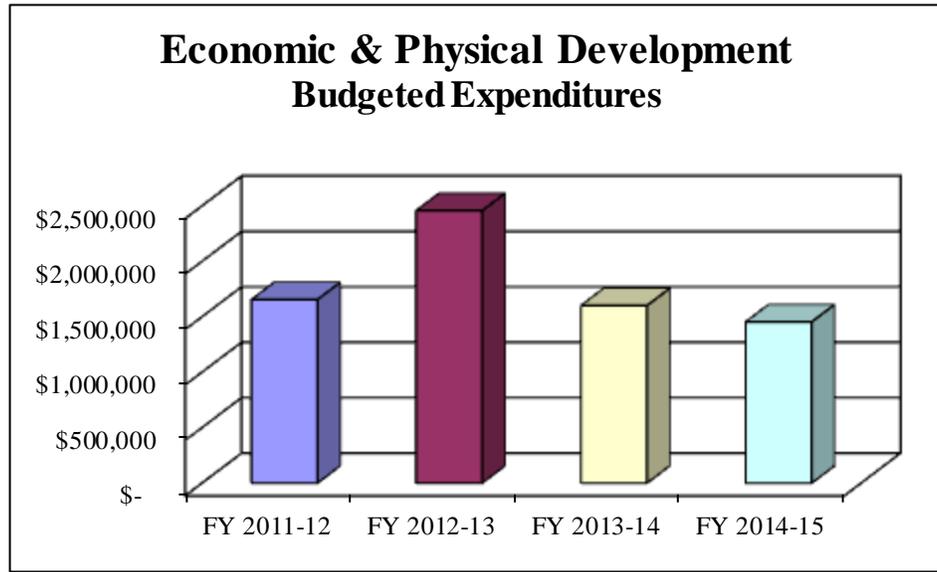
Environmental Protection	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 1,561,353	\$ 1,512,241	\$ 1,667,125	\$ 1,633,875
Dollar Change	(63,632)	(49,112)	154,884	(33,250)
Percent Change	-3.9%	-3.1%	10.2%	-2.0%

Environmental Protection Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Salaries & Wages	\$ 254,538	\$ 271,059	\$ 269,000	\$ 276,615	2.8%
Operating	902,259	1,187,841	1,011,821	1,159,360	14.6%
Capital	190,885	208,225	208,225	197,900	-5.0%
Total Expenditures	\$ 1,347,682	\$ 1,667,125	\$ 1,489,046	\$ 1,633,875	9.7%

General Fund Departments/Divisions: Solid Waste



Functional Expenditure Trend Summary



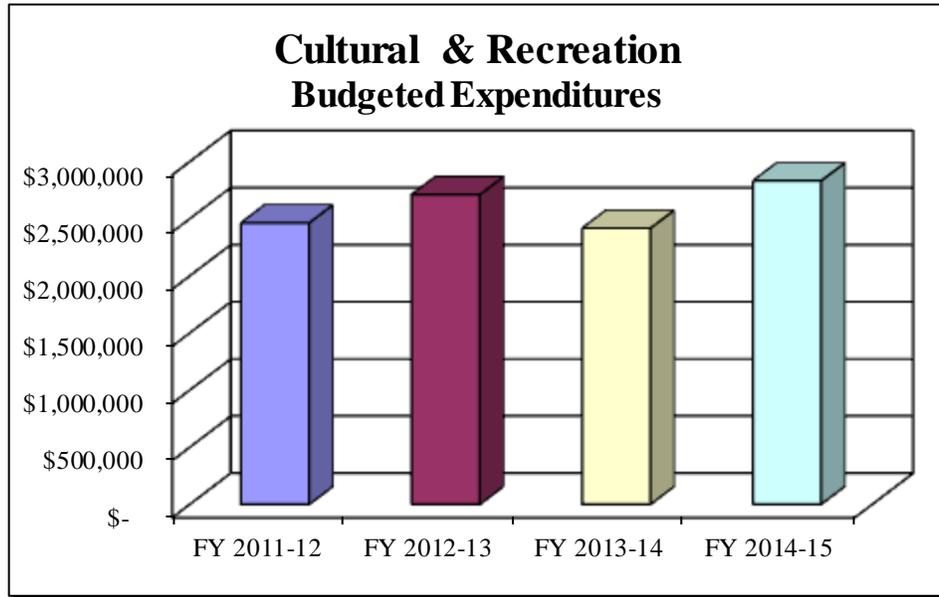
Economic & Physical Dev	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 1,653,934	\$ 2,456,166	\$ 1,599,662	\$ 1,452,845
Dollar Change	296,488	802,232	(856,504)	(146,817)
Percent Change	21.8%	48.5%	-34.9%	-9.2%

Economic & Physical Dev. Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Salaries & Wages	\$ 338,966	\$ 342,375	\$ 344,100	\$ 357,100	3.8%
Operating	538,150	771,785	758,178	595,235	-21.5%
Capital	1,254,079	485,502	485,502	500,510	3.1%
Total Expenditures	\$ 2,131,195	\$ 1,599,662	\$ 1,587,780	\$ 1,452,845	-8.5%

General Fund Departments/Divisions: Planning and Community Development



Functional Expenditure Trend Summary



Cultural & Recreation	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 2,463,401	\$ 2,710,080	\$ 2,415,768	\$ 2,830,275
Dollar Change	325,207	246,679	(294,312)	414,507
Percent Change	15.2%	10.0%	-10.9%	17.2%

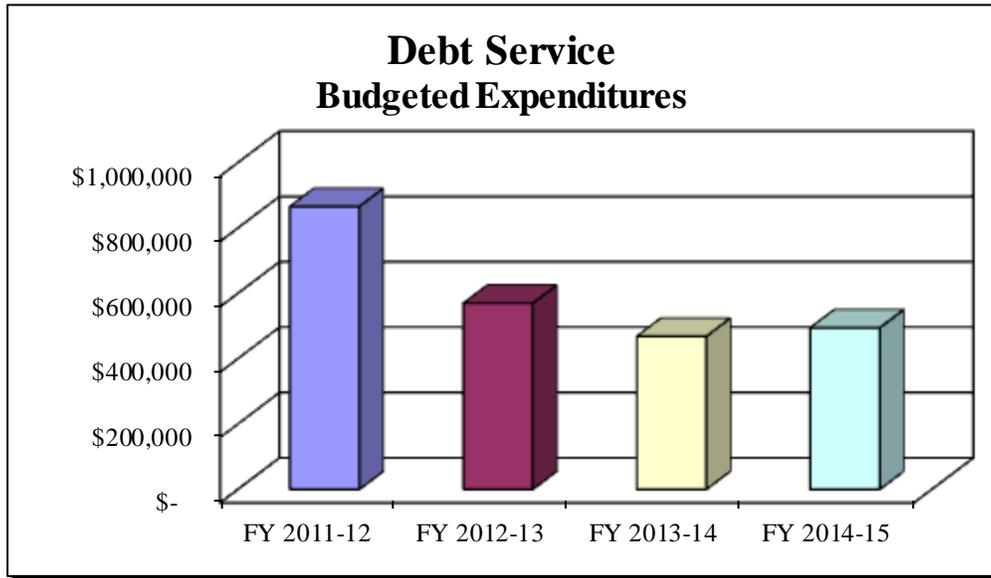
Cultural & Recreation Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Salaries & Wages	\$ 414,157	\$ 503,925	\$ 466,800	\$ 526,795	12.9%
Operating	1,127,178	1,420,849	1,399,366	1,954,965	39.7%
Capital	599,570	490,994	495,994	348,515	-29.7%
Total Expenditures	\$ 2,140,905	\$ 2,415,768	\$ 2,362,160	\$ 2,830,275	19.8%

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

Other Funds Included: Land Dedication Fund



Functional Expenditure Trend Summary



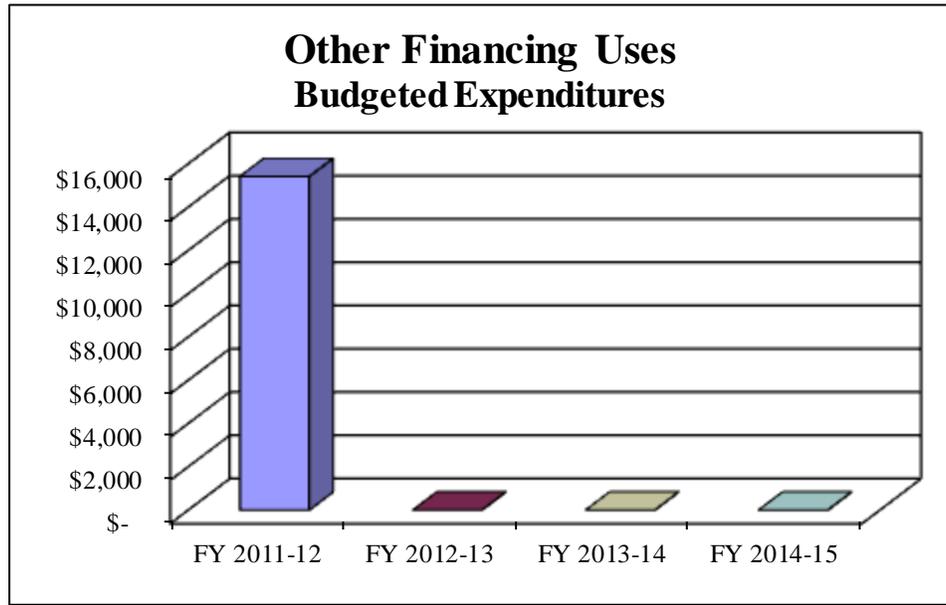
Debt Service	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 865,615	\$ 569,557	\$ 468,220	\$ 494,525
Dollar Change	(176,875)	(296,058)	(101,337)	26,305
Percent Change	-17.0%	-34.2%	-17.8%	5.6%

Debt Service Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Operating	\$ 569,449	\$ 468,220	\$ 468,220	\$ 494,525	5.6%
Total Expenditures	\$ 569,449	\$ 468,220	\$ 468,220	\$ 494,525	5.6%

Funds with Debt Service: General Fund



Functional Expenditure Trend Summary



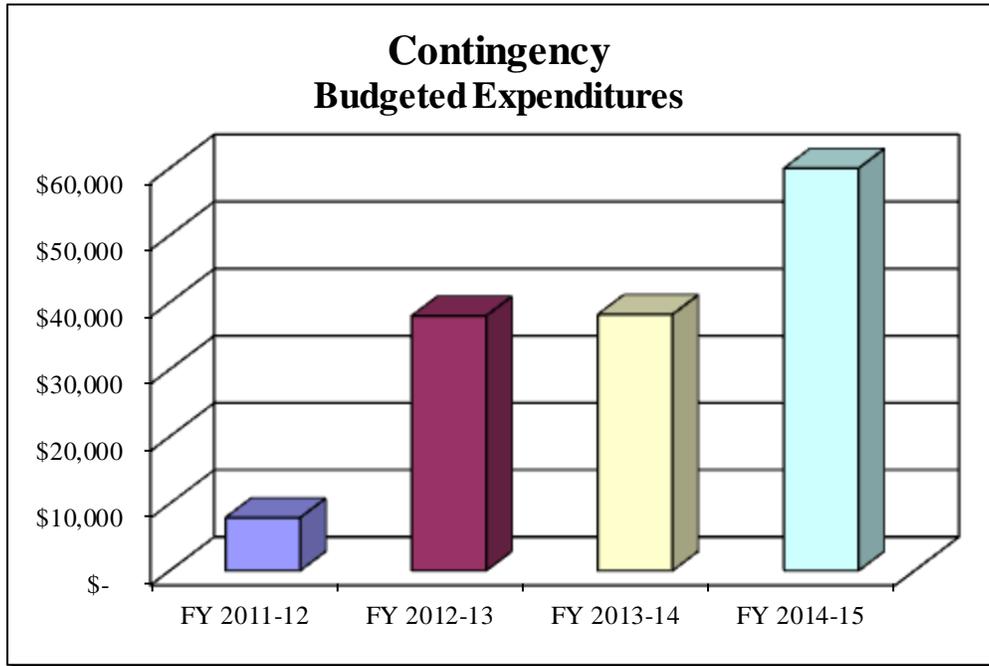
Other Financing Uses	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 15,413	\$ -	\$ -	\$ -
Dollar Change	(20,437)	(15,413)	-	-
Percent Change	-57.0%	-100.0%	#DIV/0!	0.0%

Other Financing Uses Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Operating	\$ -	\$ -	\$ 7,876	\$ -	0.0%
Total Expenditures	\$ -	\$ -	\$ 7,876	\$ -	100.0%

Funds with Other Financing Uses: General Fund



Functional Expenditure Trend Summary



Contingency	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Budgeted Amount	\$ 7,910	\$ 38,000	\$ 38,200	\$ 100,000
Dollar Change	(32,729)	30,090	200	61,800
Percent Change	-80.5%	-100.0%	100.0%	161.8%

Contingency Expenditures	FY 2012-13 Actual	FY 2013-14 Budget	FY 2013-14 Estimated	FY 2014-15 Budgeted	Percent Change
Operating	\$ -	\$ 38,200	\$ 38,200	\$ 100,000	161.8%
Total Expenditures	\$ -	\$ 38,200	\$ 38,200	\$ 100,000	161.8%

Funds with Contingency: General Fund



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.

The following schedules outline the percentage increase or decrease for each of the Village's annually appropriated funds for the FY 2014-2015 budget and three prior fiscal years.

Fund Balances	FY 2011-12 Beginning	FY 2011-12 Ending	Increase/ (Decrease)	% Increase/ (% Decrease)
General Fund	\$ 6,702,209	\$ 7,244,455	\$ 542,246	8.1%
Land Dedication Fund	2,863	2,882	19	0.7%
Residential Assurance - Interest Fund	7,355	7,760	405	5.5%
Municipal Service District Fund	14,084	14,354	270	1.9%
Fund Totals	\$ 6,726,511	\$ 7,269,451	\$ 542,940	8.1%

Fund Balances	FY 2012-13 Beginning	FY 2012-13 Ending	Increase/ (Decrease)	% Increase/ (% Decrease)
General Fund	\$ 7,244,455	\$ 7,161,748	\$ (82,707)	-1.1%
Land Dedication Fund	2,882	2,887	5	0.2%
Residential Assurance - Interest Fund	7,760	7,868	108	1.4%
Municipal Service District Fund	14,354	-	(14,354)	-100.0%
Fund Totals	\$ 7,269,451	\$ 7,172,503	\$ (96,948)	-1.3%

Fund Balances	FY 2013-14 Beginning	FY 2013-14 Estimated Ending	Increase/ (Decrease)	% Increase/ (% Decrease)
General Fund	\$ 7,161,748	\$ 7,410,763	\$ 249,015	3.5%
Land Dedication Fund	2,887	2,893	6	0.2%
Residential Assurance - Interest Fund	7,868	-	(7,868)	-100.0%
Fund Totals	\$ 7,172,503	\$ 7,413,656	\$ 241,153	3.4%



Consolidated Fund Balance

Fund Balances	FY 2014-15 Beginning	FY 2014-15 Estimated Ending	Increase/ (Decrease)	% Increase/ (% Decrease)
General Fund	\$ 7,410,763	\$ 6,648,094	\$ (762,670)	-10.3%
Land Dedication Fund	2,893	2,898	5	0.2%
Fund Totals	\$ 7,413,656	\$ 6,650,992	\$ (762,665)	-10.3%

Fund balance is expected to decrease by 10.3% due to the loss of one-time licensing fees from the United States Golf Association (USGA) for the U. S. Open Championships and continued capital investment by the Village. The Village has committed \$336,000 for sidewalk and lighting improvements along Highway 211, a major gateway into the Village of Pinehurst. Expenditures of \$162,500 for sidewalks and lighting, approximately 40% increase from fiscal year 2014, are also planned for downtown and in neighborhoods to develop connectivity and improve safety and mobility.

Historically in the General Fund operating revenues come in at 101% of budget while operating expenditures typically fall 5% below budget. If this historical trend continues for FY 2014-15, \$762,670 of the \$1,687,710 in fund balance appropriated will be used and ending fund balance will decrease to 37.4% of budgeted expenditures. This level is above the mid-point of the Village's fund balance policy target range.