Village Council
Agenda for Regular Meeting of September 10, 2024
Assembly Hall
395 Magnolia Road, Pinehurst, NC 28374
Pinehurst, North Carolina
4:30 PM

1. Call to Order

2. Invocation and Pledge of Allegiance

3. Reports

   A. Manager

   B. Council

4. Motion to Approve Consent Agenda

   All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

   A. Approval of Village Council Meeting Minutes

   1. August 13, 2024, Regular Meeting Minutes

   2. August 13, 2024, Work Session Minutes

   End of Consent Agenda

5. Public Comments

6. Resolutions

   A. Resolution 24-29 Recognizing the Contributions and Service of Tom Campbell to the Village of Pinehurst

   B. Resolution 24-30 Honoring Ms. Martha Mirman (2024 Ms. North Carolina Senior America)

7. Regular Business

   A. FY 2024 Unaudited Financial Statements

8. Other Business

9. Motion to Adjourn

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.
Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.
Values: Service, Initiative,Teamwork, and Improvement.

August 13, 2024, Regular Meeting Minutes
ADDITIONAL AGENDA DETAILS:

FROM: Shannon Konstantinou, Village Clerk
CC: Village Council; Doug Willardson
DATE OF MEMO: 08/26/2024

MEMO DETAILS

ATTACHMENTS
1. 08.13.2024 DRAFT Regular Meeting Minutes

Village Council
Minutes for the Regular Meeting of August 13, 2024
Assembly Hall
395 Magnolia Road
Pinehurst, North Carolina
4:30 p.m.

The Pinehurst Village Council held a Regular Meeting at 04:30 p.m., Tuesday, August 13, 2024, in the Assembly Hall of Village Hall, 395 Magnolia Road, Pinehurst, North Carolina.

The following were in attendance in Assembly Hall:
Mr. Patrick Pizzella, Mayor
Dr. Jeff Morgan, Councilmember
Ms. Barb Ficklin, Councilmember
Mr. John Taylor, Mayor Pro Tem
Mr. Jack Farrell, Councilmember
Mr. Jeff Sanborn, Village Manager
Mr. Paul Conners, IT Systems Specialist
Ms. JoEllen Richter, IT Technician

And approximately 42 attendees in addition to 40 staff and 1 press.

1. **Call to Order.**
   Mayor Pizzella called the Village Council meeting to order at 04:30 p.m.

2. **Invocation by Mr. Jason Whitaker, Chief Information Officer for the Village of Pinehurst, and Pledge of Allegiance by Tucker Newman.**

3. **Reports:**
   Village Manager
   - Mr. Jeff Sanborn asked the community to be on the lookout for the annual business and resident surveys, which have started being delivered, and reminded everyone how valuable their feedback is to the Village.

   Village Council
   - Mayor Pizzella reiterated the value the annual surveys have to the Village; reported on the July 30, 2024, Parade of Nations for the 2024 U.S. Kids Golf World Championship and commended Pinehurst Resort and the Village for their work on the U.S. Kids Golf events within the community; reported on his August 12, 2024, tour of the FirstHealth Central Energy Plant facility; reminded residents to send in their annual Moore County Tax payment early to receive the discount; and reported on the July 30, 2024, Tri-Cities Managers' Group meeting.

   - Councilmember Morgan reported on a recent meeting he had with Mr. Mickey Foster, CEO of FirstHealth, and the efforts FirstHealth is making to serve the community with increased capacity and facility services.

- Councilmember Ficklin reported on the August 12, 2024, Beautification Committee meeting; the August 12-13, 2024, National Institute for Minority Economic Development; and on the September 14, 2024, Moore County Walk to End Alzheimer's at Sandhills Community College.

- Mayor Pro Tem Taylor reiterated the value the annual surveys have to the Village.

- Councilmember Farrell reiterated the value the annual surveys have to the Village and asked that people speaking during the Public Comment period of Council meetings remember to speak clearly into the microphone so those watching the meeting via Livestream or recording at home can hear what is being said.

4. Motion to Approve Consent Agenda.

All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

A. Approval of Village Council Meeting Minutes

- July 22, 2024, Special Meeting Minutes
- July 22, 2024, Closed Session Minutes
- July 23, 2024, Regular Meeting Minutes
- July 23, 2024, Work Session Minutes
- August 02, 2024, Special Meeting Minutes
- August 02, 2024, Closed Session Minutes
- August 03, 2024, Special Meeting Minutes
- August 03, 2024, Closed Session Minutes

End of Consent Agenda.
Upon a motion by Councilmember Ficklin, seconded by Councilmember Farrell, Council unanimously approved the Consent Agenda by a vote of 5-0.

5. Honorary Resolution.

A. Resolution 24-27 Honoring Mr. Jeff Sanborn

Mayor Pizzella presented Mr. Sanborn with honorary Resolution 24-27.

Mr. Sanborn thanked both past and present Village Councilmembers for the opportunity to serve the Village of Pinehurst community and to work with the wonderful Village of Pinehurst Staff; thanked Mr. Andrew Wilkerson, retired Village Manager; thanked the Village of Pinehurst community members for their involvement and passion for the Village; thanked the Village of Pinehurst Staff for the positive interactions he has with them and for the hard work they do every day for each other and the community; and commended Council on their selection of Mr. Doug Willardson as the new Village Manager.

Mayor Pizzella spoke highly of Mr. Sanborn, stated Mr. Sanborn is a professional manager and leader, thanked Mr. Sanborn for his service to the Village of Pinehurst community, and wished Mr. Sanborn well.

Councilmember Morgan spoke highly of Mr. Sanborn and highlighted his many achievements both with the U.S. Army and with the Village of Pinehurst, noted the tremendous impact Mr. Sanborn has had on the Village of Pinehurst community, and thanked Mr. Sanborn for everything he has done.

Councilmember Ficklin thanked Mr. Sanborn for his service both to the Country and to the Village of Pinehurst and wished Mr. Sanborn well with his new position as Stokes County Manager.

Councilmember Farrell stated upon first meeting Mr. Sanborn he was impressed with Mr. Sanborn's professionalism and commitment, expressed admiration for Mr. Sanborn's continued care and professionalism during his time with the Village, thanked Mr. Sanborn for the terrific work he has done with the Village Staff, and wished Mr. Sanborn well with his new position as Stokes County Manager.

Mayor Pro Tem Taylor noted the large turnout of Village Staff for the presentation of Mr. Sanborn's honorary resolution, recognized Mr. Sanborn's leadership and Staff development, thanked Mr. Sanborn for his service to the Village, and wished Mr. Sanborn well with his new position as Stokes County Manager.

Upon a motion by Mayor Pizzella, seconded by Mayor Pro Tem Taylor, Council unanimously approved Resolution 24-27 Honoring Mr. Jeff Sanborn by a vote of 5-0.

A Resolution Honoring the Service of
Mr. Jeffrey M. Sanborn

That Whereas, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its gratitude and appreciation to Mr. Jeffrey M. Sanborn for 9 years of dedicated public service to its citizens; and

Whereas, Mr. Sanborn was appointed to the position of Village Manager in 2015; and

Whereas, Mr. Sanborn has fostered an environment of service, learning and development, and teamwork amongst the Village Staff; and

Whereas, Mr. Sanborn consistently exhibited fine moral character, impeccable integrity, exemplary leadership and acted in the utmost professional manner while leading substantial and long-lasting enhancements that improved the overall quality of life for all citizens of Pinehurst; and

Whereas, under Mr. Sanborn's management, the Village regularly achieved ratings in the mid to high 90th percentile for quality of life and scored significantly higher than the national average in almost all community survey measures; and

Whereas, Mr. Sanborn oversaw several capital projects including the design and construction of the Cannon Park Community Center and the acquisition and transition of the Given Memorial Library and Tufts Archives to the Village; and

Whereas, Mr. Sanborn directed negotiations with the USGA to designate the Village of Pinehurst as the first US Open anchor site and to establish a second headquarters in the Village of Pinehurst known as Golf House Pinehurst; and

Whereas, Mr. Sanborn was instrumental in the formation of the Sandhills Metropolitan Planning Organization (SMPO) and served as the voting member for the Village of Pinehurst on the Technical Coordinating Committee (TCC – a subcommittee of the SMPO); and

Whereas, Mr. Sanborn represented the Village of Pinehurst as the Chairman of the Board of Directors for the Regional Land Use Advisory Commission.

Now, Therefore, Be It Resolved by the Village Council of the Village of Pinehurst, North Carolina, in a Regular Meeting assembled this 13th day of August 2024 as follows:

Section 1. That the Village Council hereby expresses, on behalf of the citizens of Pinehurst, its great appreciation to Jeffrey M. Sanborn for his 9 years of faithful and dedicated public service to this community as Village Manager.

Section 2. That a copy of this resolution be spread upon the permanent minutes of the Village of Pinehurst and a copy thereof, duly executed by the Mayor, be presented to Mr. Sanborn as a token of our gratitude.

This Resolution passed and adopted this 13th day of August 2024.

6. Public Comments.

Ms. Collett Kolinski, Pinehurst resident, spoke in opposition to the NCDOT proposed Continuous Flow Intersection (CFI) replacement for the Pinehurst Traffic Circle (PTC) and provided alternatives that would improve the existing PTC.

Ms. Jennifer Zarowsky, Pinehurst resident, thanked the Village of Pinehurst community and Village Council for their dedication and spoke in favor of finding ways to save the Pinehurst Traffic Circle (PTC).

Mr. William Bankovich, Pinehurst resident, spoke in favor of findings ways to save the Pinehurst Traffic Circle (PTC) and enforcing a lower speed limit for traffic approaching and traveling within the PTC.

7. Resolutions.

A. Resolution 24-28 Council Resolution to NC-DOT Regarding the Pinehurst Traffic Circle

Mayor Pizzella provided a brief history of the proposed NCDOT work on the Pinehurst Traffic Circle (PTC) and the Village of Pinehurst Council and citizen involvement, and read aloud Resolution 24-28.

Mayor Pro Tem Taylor spoke in support of Resolution 24-28 and Council's desire to work with NCDOT to find a solution to the PTC that is favorable to all those involved.

Councilmember Morgan spoke in support of Resolution 24-28 and Council's desire to work with NCDOT to find a tangible solution to the PTC.

Councilmember Ficklin spoke in favor of Resolution 24-28 and thanked the residents for their efforts to organize and communicate with Council and NCDOT.

Councilmember Farrell spoke in favor of Resolution 24-28, noted Sections 2 and 3 of the resolution, which highlight Council's desire to work with NCDOT to find solutions or alternatives to improve the PTC, thanked the community for their efforts, and reiterated the importance of understanding the impact any changes to the PTC will have on the Village's Landmark status.

Upon a motion by Mayor Pro Tem Taylor, seconded by Councilmember Ficklin, Council unanimously approved Resolution 24-28 a Council resolution opposing the NC-DOT proposal to replace the historic Pinehurst Traffic Circle (PTC) with a Continuous Flow Intersection (CFI) and supporting efforts to work with NC-DOT to improve the PTC and find a constructive solution by a vote of 5-0.

RESOLUTION #24-28:

A COUNCIL RESOLUTION OPPOSING THE NC-DOT PROPOSAL TO REPLACE THE HISTORIC PINEHURST TRAFFIC CIRCLE (PTC) WITH A CONTINUOUS FLOW INTERSECTION (CFI) AND SUPPORTING EFFORTS TO WORK WITH NCDOT TO IMPROVE THE PTC AND FIND A CONSTRUCTIVE SOLUTION.

WHEREAS, the NC-DOT has proposed a project (U-5976) that may have a negative impact on our National Historic Landmark status and the historic road system in our 129-year-old community that will totally replace the 68-year-old Traffic Circle and surrounding roads with a large complex intersection; and

WHEREAS, the CFI could remove almost all six acres of longleaf pine trees and replace them with mostly a rectangle of concrete, turn signals and traffic lights; and would authorize the state of North Carolina to take the homes of at least six of our residents through purchase of right of way or use of eminent domain; and would eliminate the iconic Midland Road entrance into Pinehurst and permanently disrupt this majestic drive for the many visitors that arrive in Pinehurst each year; and

WHEREAS, in January 2023 the Village of Pinehurst Council forwarded to NC-DOT nine recommendations to improve circulation issues around the Circle and NC-DOT adopted two of our nine recommendations: (1) install barriers to prevent crossover from slip lane to primary lane and (2) overhead signs on approaches to the Circle, advising of lane restrictions; and

WHEREAS, the NC-DOT plan for CFI does not call for construction to begin until 2030 and to finish in 2032 resulting in major disruption to those that utilize the Circle and nearby road systems; and

WHEREAS, the overwhelming majority of our residents have expressed their opposition to the CFI by collecting over 3,000 signatures requesting that the PTC be improved, not destroyed; writing numerous letters & e-mails to Village Council members, other Moore County elected officials and the Governor of North Carolina expressing opposition and approximately 1,500 community members attended 3 public meetings organized by NC-DOT expressing their concerns; and

WHEREAS, the Southern Pines Garden Club, the Pinehurst Garden Club, and the Garden Club of the Sandhills have adopted resolutions opposing NC-DOT's CFI.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 13th day of August 2024 as follows:

SECTION 1. We, the Village Council, do hereby proclaim we oppose the NC-DOT proposed CFI intersection that would replace our 68-year-old Traffic Circle. We believe if undertaken as proposed, it would be harmful and disruptive to our residents and it would have a negative impact to the special character of our Village and the integrity of our National Historic Landmark status.

SECTION 2. We, the Village Council, are prepared to, and want to, work with NC-DOT on a regular basis to improve the traffic flow around the PTC in seeking sensible and practical solutions—with a minimum of construction disruption – that hopefully may be accomplished in the next couple of years, rather than 8 years from now. We are very encouraged by the NC-DOT statement of Wednesday, July 03rd, 2024, and the August 07th, 2024, Editorial in The Pilot, which states "NC-DOT has heard the concerns from the community and is already reviewing all concepts and looking for opportunities to minimize impacts to the area. The department plans to improve the design based on the local input received and assure traffic safety and mobility is maximized."

SECTION 3. We, the Village Council, request NC-DOT explore other options that could improve the flow of traffic at PTC – but not destroy it, that they would refrain from taking property from any of our residents and preserve the historic Midland Road (often referred to as "The Fifth Avenue of Golf") access to the Circle. These could include other options discarded in the past, comments received from attendees at NC-DOT recent public meetings, as well as new options emerging from technological advances in the area of traffic management.

SECTION 4. We, the Village Council, additionally request the NC-DOT further review the remaining 7 of our 9 recommendations from our January 2023 letter and discern if any of them could also be implemented. We are thankful they adopted two of our suggestions in January 2024 and look forward to working with NC-DOT on their review of the others.

SECTION 5. We, the Village Council, intend to formally propose a joint working group consisting of VOP and NC-DOT representatives to explore and evaluate all possibilities, in lieu of CFI, that can be shared with Pinehurst residents to provide feedback once again in public meetings

THIS RESOLUTION passed and adopted this 13th day of August 2024.

Upon a motion by Councilmember Morgan, seconded by Councilmember Farrell, Council unanimously approved to recess the Regular Meeting and enter into Public Hearing No.1 by a vote of 5-0.

8. Public Hearing.

A. Public Hearing No. 1 - SanStone Midland Major Site Plan

Mr. Alex Cameron, Planning and Inspections Director, reviewed a PowerPoint presentation outlining the Staff Report on the proposed Major Site Plan for SanStone Midland and decision options Council has.

Council discussed the permitted uses under Neighborhood Commercial zoning, the Average Daily Trips data, the anticipated number of employees for the facility, the proposed parking area, ingress and egress points.

Mr. Cameron provided clarification on the size of development permitted and the process / requirements that must be met for final plat approval.

Council discussed the facility being referred to as a Skilled Nursing Facility, SanStone being the largest Skilled Nursing Facility in Pinehurst once the proposed facility is completed, the need for adequate buffering / landscaping around the perimeter of the property, the proposed facility being in line with the types of commercial service already provided within the Village, additional information from the Average Daily Trips data, and preservation of existing trees and landscaping.

Ms. Scharee Lee, Vice President of Provider Relations for SanStone Health and Rehabilitation, reviewed a PowerPoint presentation outlining the SanStone Executive Team; company background, operations, and culture; and facility concept.

Ms. Lynsie Barnes, Civil Engineer for Timmons Group, reviewed a PowerPoint presentation outlining Site Overview and Compliance, cross-sections views of the project, and renderings.

Council discussed grading and elevations and outdoor space for patients of the facility.

Mayor Pizzella opened the Public Hearing to Public Comments.

Dr. Neil Conti, Pinehurst resident and adjacent property owner, expressed concerns about light pollution from vehicles entering and exiting the facility and the size of the facility not being appropriate for the area or the zoning.

Mr. Cameron noted there would be landscape buffer requirements the Applicant would need to meet for final plat approval and there is a 10-foot elevation difference between the facility property and Mr. Conti's property, which will help with any potential vehicular light pollution.

Mr. Bob Klug, Pinehurst resident and business owner, expressed concerns about traffic safety in the area given the increased volume of traffic the facility will bring and asked whether Council had any feedback from NCDOT on the proposed Midland Road crossover closures.

Mayor Pizzella stated NCDOT was non-committal on whether they would consider adjustments to which crossovers will be closed but noted this as something to discuss with NCDOT.

Council discussed whether there were any allowable conditions to impose on approval of the proposed Major Site Plan and determined there were none.

Upon a motion by Councilmember Morgan, seconded by Councilmember Ficklin, Council unanimously approved the proposed Major Site Plan for SanStone Midland located at 2178 Midland Road, Moore County PID# 00033365 by a vote of 5-0.

Upon a motion by Councilmember Taylor, seconded by Mayor Pro Tem Taylor, Council unanimously approved to adjourn Public Hearing No. 1 and re-enter the Regular Meeting by a vote of 5-0.

9. Ordinances.

A. Discuss and Consider Ordinance 24-16 Amending the FY 2025 Budget for Reappropriations from FY 2024

Ms. Dana Van Nostrand, Financial Services Director, reviewed a memo detailing the proposed amendments to the FY 2025 Budget for the reappropriation of unspent FY 2024 funds, discussed how the reappropriations would be broken down by department and specific project, and provided examples of use restrictions for funds from external parties.

Upon a motion by Councilmember Farrell, seconded by Councilmember Morgan, Council unanimously approved Ordinance 24-16 Amending the FY 2025 Budget for Reappropriations from FY 2024 by a vote of 5-0.

ORDINANCE #24-16:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2025, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND (RE-APPROPRIATE UNSPENT FY 2024 FUNDS IN FY 2025).

THAT WHEREAS, funds that were restricted to specific uses were received by the Village in the fiscal year ending June 30, 2024, that were not expended but are expected to be expended in the fiscal year ending June 30, 2025 including Police donations, Fire donations, Library & Archives donations, Recreation donations, greenway wildlife habitat donations, Police controlled substance taxes, and Police equitable sharing funds; and

WHEREAS, the Village budgeted for expenditures in the fiscal year ending June 30, 2024 for various other projects that were not incurred, but are expected to be incurred in the fiscal year ending June 30, 2025; and

WHEREAS, the Village did not appropriate these funds in the original budget adopted for the year ended June 30, 2025 in Ordinance #24-11;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the regular meeting assembled this 13th day of August 2024, as follows:

SECTION 1. To amend the General Fund budgeted expenditures, the following amounts are to be added to the original expenditure appropriations for FY 2025:

GENERAL FUND EXPENDITURES:

Governing Body	$ 16,776
Administration	18,246
Financial Services	3,000
Human Resources	9,000
Police	101,173
Fire	158,090
Inspections	2,700
Public Services Administration	4,500
Streets & Grounds	1,176,119
Solid Waste	3,000
Planning	332,700
Recreation	61,081
Library & Archives	8,725
Harness Track	12,982
Fair Barn	41,950
TOTAL EXPENDITURES REAPPROPRIATION	$1,950,042

SECTION 2. To amend the General Fund budgeted revenues, the following amount should be added to the original estimated revenues for FY 2025:

GENERAL FUND REVENUES:
Fund Balance Appropriated $ 1,950,042

TOTAL GENERAL FUND REVENUES $ 1,950,042

SECTION 3. Copies of this budget amendment shall be furnished to the Village Clerk, Village Manager and to the Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 13th day of August 2024.

B. Discuss and Consider Ordinance 24-17 Amending the FY 2025 General Fund Budget for a New SBITA

Ms. Dana Van Nostrand, Financial Services Director, reviewed a memo detailing the proposed amendments to the FY 2025 Budget for a new subscription-based information technology agreement (SBITA) related to timekeeping.

Upon a motion by Mayor Pro Tem Taylor, seconded by Councilmember Farrell, Council unanimously approved Ordinance 24-17 Amending the FY 2025 General Fund Budget for a New SBITA by a vote of 5-0.

ORDINANCE #24-17:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2025, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND (SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS REPORTING REQUIREMENTS UNDER GASB STATEMENT NO. 96)

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

WHEREAS, Ordinance 24-11, adopted on June 4, 2025, appropriated funds for the FY2025 General Fund budget based on the subscription-based information technology arrangements (SBITAs) known at the time; and

WHEREAS, an amendment is needed to increase expenditure appropriations and amend anticipated revenues in the General Fund for a new SBITA that was not included in Ordinance 24-11 for a new time and attendance software subscription.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the regular meeting assembled this 13th day of August, 2024, as follows:

SECTION 1. To amend the FY 2025 General Fund budgeted expenditures, the following amounts are to be added to the expenditure appropriations:

GENERAL FUND EXPENDITURES:	
Financial Services	$ 20,200
Debt Service	6,400
TOTAL EXPENDITURES AMENDMENT	$ 26,600

SECTION 2. To amend the General Fund budgeted revenues, the following amount should be added to the original estimated revenues for FY 2025:

GENERAL FUND REVENUES:	
Other Financing Sources	$ 26,600
TOTAL REVENUES AMENDMENT	$ 26,600

SECTION 3. Copies of this budget amendment shall be furnished to the Village Clerk, Village Manager, and Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 13th day of August 2024.

Mayor Pizzella recessed the Regular Meeting for a 5-minute break at 06:49 p.m.

Mayor Pizzella reconvened the Regular Meeting at 06:55 p.m.

10. Regular Business

A. FY2024 End of Year Summary Reports for the Police Department and Fire Department

Police Chief Glen Webb and Interim Fire Chief Derrick Clouston presented the FY 2024 End of Year Summary Reports for their departments and answered questions from Council.

B. Overview of Fundraising Report from the Given Tufts Organization and Capital Development

Ms. Cara Mathis, Executive Director of the Given Tufts Foundation, Mr. Bailey Jordan, Treasurer of the Given Tufts Foundation, and Mr. Allan Burrows, CEO of CapDev, reviewed a PowerPoint presentation on the CapDev Given Tufts Foundation Feasibility Study Results focusing on the Overview, Objectives, and Summary Highlights; and answered questions from Council.

C. Parks and Recreation Overview

Ms. Angie Whisnant, Parks and Recreation Director, reviewed a memo detailing an overview of the Parks and Recreation department for FY 2025, discussed the CAPRA accreditation requirements and process, and answered questions from Council.

Council asked that a detailed discussion of the Harness Track be done in either September 2024 or October 2024.

D. Approval of Village Manager Contract

Upon a motion by Councilmember Morgan, seconded by Mayor Pro Tem Taylor, Council unanimously approved the Employment Agreement made and entered into this 13th day of August 2024 between the Village of Pinehurst and Mr. Douglas C. Willardson, effective September 07th, 2024, for the term of 5-years and terminating on September 06th, 2029, by a vote of 5-0.

Mayor Pizzella noted that Council reviewed 39 applications, which were narrowed down to 6 Applicants to provide additional information in the form of written answers, interviewed 2 finalists, and made a unanimous decision to offer the position to Mr. Doug Willardson, current Assistant Village Manager. Mayor Pizzella welcomed Mr. Doug Willardson as the new Village Manager.

Mr. Willardson stated he looks forward to working with Council and thanked Village Staff, Mr. Jeff Sanborn, Village Manager, Mr. Jeff Batton, retired Assistant Village Manager, and Mr. Carlton Cole, Assistant Village Manager.

11. Other Business

None.

12. Motion to Adjourn.

Upon a motion by Mayor Pro Tem Taylor, seconded by Councilmember Ficklin, Council unanimously approved to adjourn the Regular Meeting by a vote of 5-0 at 08:37 p.m.

Respectfully Submitted,

Shannon Konstantinou
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org
Vision: The Village of Pinehurst is a charming, vibrant community, which reflects our rich history and traditions.
Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.
Values: Service, Initiative, Teamwork, and Improvement

August 13, 2024, Work Session Minutes
ADDITIONAL AGENDA DETAILS:

FROM:	Shannon Konstantinou, Village Clerk
CC:	Village Council; Doug Willardson
DATE OF MEMO:	08/22/2024

MEMO DETAILS

ATTACHMENTS
1. 08.13.2024 DRAFT Work Session Minutes

Village Council
Minutes for the Work Session of August 13, 2024
Assembly Hall
395 Magnolia Road
Pinehurst, North Carolina
4:30 p.m.

The Pinehurst Village Council did not hold a Work Session meeting on August 13, 2024, following the Regular Meeting as there was no business to conduct in Work Session.

Respectfully Submitted,

Shannon Konstantinou
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org
Vision: The Village of Pinehurst is a charming, vibrant community, which reflects our rich history and traditions.
Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.
Values: Service, Initiative, Teamwork, and Improvement

Resolution 24-29 Recognizing the Contributions and Service of Tom Campbell to the Village of Pinehurst

ADDITIONAL AGENDA DETAILS:

FROM: Doug Willardson, Village Manager
CC: Village Council;
DATE OF MEMO: 08/06/2024

MEMO DETAILS

ATTACHMENTS

1. DRAFT Resolution 24-29 Honoring Mr. Thomas Campbell

A Resolution Honoring the Service of
Mr. Thomas Campbell

WHEREAS, Thomas Campbell has been a dedicated and invaluable member of the Village of Pinehurst community; and

WHEREAS, Mr. Campbell has generously volunteered his time and expertise to serve on several Village Boards and Committees; and

WHEREAS, Mr. Campbell served with distinction on the Planning & Zoning Board from 2005 to 2012, making significant contributions to the thoughtful and responsible growth of the Village; and

WHEREAS, Mr. Campbell continued his commitment to the Village by serving on the Conservation Committee from 2012 to 2017, where his knowledge and passion for environmental stewardship were instrumental in preserving the Village's natural beauty; and

WHEREAS, Mr. Campbell's dedication to enhancing the quality of life for residents and visitors alike was further demonstrated through his service on the Bicycle and Pedestrian Advisory Committee from 2015 to 2024; and

WHEREAS, Mr. Campbell's contributions to these Boards and Committees have had a profound and lasting impact on the Village of Pinehurst.

Now, Therefore, Be It Resolved by the Village Council of the Village of Pinehurst, North Carolina, in a Regular Meeting assembled this 10th day of September 2024 as follows:

Section 1. That the Village Council hereby expresses, on behalf of the citizens of Pinehurst, its sincere gratitude and appreciation to Mr. Thomas Campbell for his exemplary service and dedication to the community.

Section 2. That a copy of this resolution be spread upon the permanent minutes of the Village of Pinehurst and a copy thereof, duly executed by the Mayor, be presented to Mr. Campbell as a token of our esteem.

This Resolution passed and adopted this 10th day of September 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: ____________________________
Patrick Pizzella, Mayor

Resolution 24-29

Resolution 24-30 Honoring Ms. Martha Mirman (2024 Ms. North Carolina Senior America)

ADDITIONAL AGENDA DETAILS:

FROM: Shannon Konstantinou, Village Clerk
CC: Village Council;
DATE OF MEMO: 08/30/2024

MEMO DETAILS

ATTACHMENTS

1. DRAFT Resolution 24-30 Honoring Ms. Martha Mirman (Ms. North Carolina Senior America 2024)

RESOLUTION #24-30:

RESOLUTION HONORING MS. MARTHA MIRMAN THE WINNER OF THE 2024 MS. NORTH CAROLINA SENIOR AMERICA PAGEANT.

WHEREAS, on September 10th, 2024, we recognize and celebrate the 2024 Ms. Senior America Pageant winner, Ms. Martha Mirman; and

WHEREAS, it is with great pride and admiration that the Pinehurst Village Council acknowledges the outstanding achievements of our esteemed resident, Ms. Mirman; and

WHEREAS, Ms. Mirman has brought honor and distinction to our community by being crowned Ms. North Carolina Senior America for the year 2024; and

WHEREAS, Ms. Mirman has demonstrated an unwavering commitment to excellence and service through her dedication, grace, and exemplary representation of North Carolina's values and spirit; and

WHEREAS, Ms. Mirman will be traveling to Atlantic City, New Jersey in late September 2024, to compete for the esteemed title of Ms. Senior America at the national level; and

WHEREAS, Ms. Mirman's participation in this prestigious competition not only showcases her remarkable talents and achievements but, also, reflects the vibrant and supportive community of Pinehurst; and

WHEREAS, the Village Council extends our heartfelt support and encouragement to Ms. Mirman as she embarks on this national endeavor.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a Regular Meeting assembled this 10th day of September 2024, as follows:

The Village Council does hereby honor and congratulate Ms. Martha Mirman for her exceptional achievement as Ms. North Carolina Senior America. We commend her for her dedication, poise, and the positive example she sets for all residents. We extend our best wishes for her continued success and look forward to celebrating her achievements as she represents the Village of Pinehurst and the state of North Carolina on the national stage.

This Resolution passed and adopted this 10th day of September 2024.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: ___________________________
Patrick Pizzella, Mayor

FY 2024 Unaudited Financial Statements
ADDITIONAL AGENDA DETAILS:

FROM: Dana Van Nostrand, Financial Services Director
CC: Village Council;
DATE OF MEMO: 09/03/2024

MEMO DETAILS
Attached are the unaudited financial statements and commentary memo as of and for the fiscal year ended June 30, 2024.

ATTACHMENTS
None

VILLAGE OF PINEHURST

FINANCIAL STATEMENTS

(Unaudited)

FOR THE TWELVE MONTHS ENDED
JUNE 30, 2024

Village of Pinehurst
Financial Statements
Table of Contents

Combined Balance Sheet..1

General Fund
Statement of Revenues, Expenditures, and Changes in Fund
Balance - Budget and Actual 2

Schedule of Cash and Investments..4

Investment Yield Summary...5

Schedule of Budget Amendments..6

Schedule of Fair Barn Revenues and Expenditures 7

Schedule of Harness Track Revenues and Expenditures.........................8

Schedule of Capital Outlay by Function and Activity................................9

Schedule of Fund Balance 11

Library Expansion Capital Project Fund
Statement of Revenues, Expenditures, and Changes in Fund
Balance – Budget and Actual..12

SMPO Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund
Balance – Budget and Actual..13

Schedule of General Long-Term Debt 14

Schedule of Ad Valorem Property Tax Collections 15

Schedule of Ad Valorem Property Tax Levy 16

Residential Building Permits Summary 17

Village of Pinehurst
Combined Balance Sheet - All Fund Types
June 30, 2024

	Governmental Fund Type			Account Groups			
	General Fund	Capital Project Fund	Special Revenue Fund	General Capital Assets	General Long-Term Debt	Totals June 30, 2024	Totals June 30, 2023
ASSETS							
Cash & investments	$ 21,938,257	$ 1,310,552	$ -	$ -	$ -	$ 23,248,809	$ 20,531,499
Taxes receivable	10,329	-	-	-	-	10,329	14,967
Assessments receivable	-	-		-	-	-	-
Accrued interest receivable on leases	97	-		-	-	97	122
Dues receivable	-	-	3,272	-	-	3,272	-
Other receivables	31,922	-	-	-	-	31,922	25,846
Lease receivable	25,748	-	-	-	-	25,748	32,519
Due from other governmental agencies	2,683,641	-	18,442	-	-	2,702,083	2,481,260
Due from other funds	21,714	-	-	-	-	21,714	-
Prepaid items	260,111	-	-	-	-	260,111	98,579
Inventory	47,318	-	-	-	-	47,318	52,537
Capital assets	-	-	-	62,138,117	-	62,138,117	59,609,560
Right to use leased assets	-	-	-	17,885	-	17,885	36,123
Right to use subscription assets	-	-	-	794,016	-	794,016	583,135
Amounts to be provided for retirement of general long-term debt	-	-	-	-	9,654,289	9,654,289	8,815,492
TOTAL ASSETS	$ 25,019,137	$ 1,310,552	$ 21,714	$ 62,950,018	$ 9,654,289	$ 98,955,710	$ 92,281,639
LIABILITIES AND FUND EQUITY							
Accounts payable	$ 422,028	$ 53,090	$ -	$ -	$ -	$ 475,118	$ 618,248
Withholdings & accrued expenses	776,511	-	-	-	-	776,511	560,542
Due to other funds	-	-	21,714	-	-	21,714	-
Lease liabilities	-	-	-	-	12,041	12,041	12,897
Subscription liabilities	-	-	-	-	275,565	275,565	361,158
Accrued vacation	-	-	-	-	968,924	968,924	870,527
Total pension liability (LEO)	-	-	-	-	1,454,976	1,454,976	1,440,370
Net pension liability (LGERS)	-	-	-	-	6,942,783	6,942,783	6,130,540
Deposits	253,646	-	-	-	-	253,646	243,083
Lease revenue - deferred Inflow of resources	23,190	-	-	-	-	23,190	30,919
Unavailable revenues	10,162	-	-	-	-	10,162	20,918
Total Liabilities	1,485,537	53,090	21,714	-	9,654,289	11,214,630	10,289,202
EQUITY							
Investment in general capital assets	-	-	-	62,138,117	-	62,138,117	59,609,560
Investment in right to use lease assets	-	-	-	17,885	-	17,885	36,123
Investment in right to use subscription assets	-	-	-	794,016	-	794,016	583,135
Fund Balance:							
Nonspendable:							
Inventory	47,318	-	-	-	-	47,318	52,537
Prepaid items	260,111	-	-	-	-	260,111	98,579
Lease Revenue	2,655	-	-	-	-	2,655	1,722
Restricted:							
Stabilization by state statute	3,096,997	-	-	-	-	3,096,997	3,067,395
Public safety	10,551	-		-	-	10,551	19,469
Committed:							
Library and archives	544,777	1,257,462	-	-	-	1,802,239	1,946,332
Future capital	9,707,165	-	-	-	-	9,707,165	10,572,049
Assigned:							
Designated for expenditures	6,130,090	-	-	-	-	6,130,090	600,100
Unassigned	3,733,936	-	-	-	-	3,733,936	5,405,436
Total equity	23,533,600	1,257,462	-	62,950,018	-	87,741,080	81,992,437
TOTAL LIABILITIES & EQUITY	$ 25,019,137	$ 1,310,552	$ 21,714	$ 62,950,018	$ 9,654,289	$ 98,955,710	$ 92,281,639

Village of Pinehurst
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Period Ended June 30, 2024

	Annual Budget as of 06/30/2024	Quarterly Budget as of 06/30/2024	YTD as of 06/30/2024	YTD as of 06/30/2023	Current Year Over (Under) Prior Year	% of 2024 Budget Spent / Received YTD
Revenues						
Ad valorem taxes & penalties	$ 13,689,000	$ 13,689,000	$ 13,649,608	12,342,069	$ 1,307,539	99.71%
Other taxes and licenses	4,500	4,500	6,555	5,430	1,125	145.67%
Intergovernmental revenues:						
Unrestricted	8,762,900	8,762,900	9,001,677	8,478,949	522,728	102.72%
Restricted	668,287	668,287	672,194	715,133	(42,939)	100.58%
Permits & fees	1,319,300	1,319,300	1,414,264	989,779	424,485	107.20%
Sales & services	848,100	848,100	890,346	878,263	12,083	104.98%
Other revenues	602,800	602,800	712,773	531,642	181,131	118.24%
Investment earnings	854,100	854,100	1,195,928	719,748	476,180	140.02%
TOTAL REVENUES	26,748,987	26,748,987	27,543,345	24,661,013	2,882,332	102.97%
Operating Expenditures						
Governing Body	210,000	210,000	143,850	160,670	(16,820)	68.50%
Administration	1,633,293	1,633,293	1,524,387	1,431,644	92,743	93.33%
Financial Services	894,990	894,990	872,980	796,362	76,618	97.54%
Human Resources	642,785	642,785	549,332	460,192	89,140	85.46%
Police	4,210,821	4,210,821	3,638,490	3,867,131	(228,641)	86.41%
Fire	4,135,862	4,135,862	3,859,349	3,192,161	667,188	93.31%
Inspections	435,430	435,430	403,007	357,935	45,072	92.55%
Public Services Administration	687,370	687,370	615,832	679,381	(63,549)	89.59%
Streets & Grounds	1,811,087	1,811,087	1,619,575	1,385,871	233,704	89.43%
Powell Bill Funds	1,500,100	1,500,100	1,486,825	1,430,291	56,534	99.12%
Solid Waste	2,337,290	2,337,290	2,205,654	1,967,731	237,923	94.37%
Recreation	2,383,116	2,383,116	2,228,122	2,034,857	193,265	93.50%
Library	633,532	633,532	527,554	526,152	1,402	83.27%
Harness Track	655,484	655,484	559,213	581,174	(21,961)	85.31%
Fair Barn	407,965	407,965	378,931	346,400	32,531	92.88%
Planning	1,412,040	1,412,040	960,373	852,715	107,658	68.01%
Community Development	176,704	176,704	148,565	124,451	24,114	84.08%
Debt Service	314,830	314,830	304,261	161,109	143,152	96.64%
Total Operating Expenditures	24,482,699	24,482,699	22,026,300	20,356,227	1,670,073	89.97%
Capital Outlay Expenditures						
Administration	146,462	146,462	143,655	204,730	(61,075)	98.08%
Financial Services	350	350	350	28,439	(28,089)	100.00%
Human Resources	975	975	975	30,337	(29,362)	100.00%
Police	668,633	668,633	599,993	539,359	60,634	89.73%
Fire	134,983	134,983	35,526	436,502	(400,976)	26.32%
Inspections	360	360	350	57,065	(56,715)	97.22%
Public Services Administration	36,363	36,363	9,347	82,866	(73,519)	25.70%
Streets & Grounds	2,384,922	2,384,922	1,200,252	581,538	618,714	50.33%
Solid Waste	594,284	594,284	561,358	240,509	320,849	94.46%
Recreation	145,190	145,190	81,983	1,364,413	(1,282,430)	56.47%
Library	7,940	7,940	6,954	10,195	(3,241)	87.58%
Harness Track	209,559	209,559	195,911	230,670	(34,759)	93.49%
Fair Barn	61,340	61,340	18,846	30,899	(12,053)	30.72%
Planning	20,700	20,700	10,954	279,056	(268,102)	52.92%
Community Development	150	150	150	2,233	(2,083)	100.00%
Total Capital Outlay Expenditures	4,412,211	4,412,211	2,866,604	4,118,811	(1,252,207)	64.97%
TOTAL EXPENDITURES [1]	28,894,910	28,894,910	24,892,904	24,475,038	417,866	86.15%
REVENUES OVER (UNDER) EXPENDITURES	(2,145,923)	(2,145,923)	2,650,441	185,975	2,464,466	

Village of Pinehurst
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Period Ended June 30, 2024

	Annual Budget as of 06/30/2024	Quarterly Budget as of 06/30/2024	YTD as of 06/30/2024	YTD as of 06/30/2023	Current Year Over (Under) Prior Year	% of 2024 Budget Spent / Received YTD
Other Financing Sources (Uses)						
Operating transfers in	$ -	$ -	$ -	$ 5,405,038	$ (5,405,038)	0.00%
Operating transfers out	(80,000)	(80,000)	-	(1,000,000)	1,000,000	0.00%
Sales of capital assets	310,000	310,000	310,330	13,250	297,080	100.11%
Lease liabilities issued	25,100	25,100	10,799	-	10,799	43.02%
Subscription liabilities issued	200,050	200,050	199,966	517,842	(317,876)	99.96%
Total Other Fin. Sources (Uses)	455,150	455,150	521,095	4,936,130	(4,415,035)	114.49%
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXP AND OTHER FINANCING USES	(1,690,773)	(1,690,773)	3,171,536	5,122,105	(1,950,569)	
Appropriated Fund Balance	1,690,773	1,690,773	-	-	-	
NET CHANGE IN FUND BALANCE	$ -	$ (3,381,546)	3,171,536	$ 5,122,105	$ (1,950,569)	
FUND BALANCE, JULY 1			20,362,064			
FUND BALANCE, JUNE 30 [2]			$ 23,533,600			

	YTD as of 06/30/2024	% of Total Expenditures
[1] **Total Expenditures by Type**		
Salaries & Benefits	$ 14,256,537	57%
Operating	7,769,763	31%
Capital	2,866,604	12%
Total Expenditures by Type	$ 24,892,904	100%

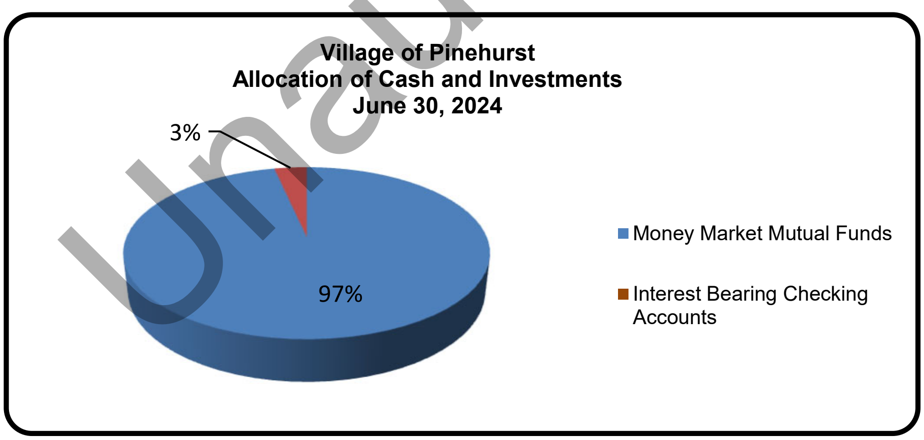
[2] **Fund Balance as a % of Budgeted Expenditures**	
Fund Balance, June 30, 2024	$ 23,533,600
Annual Budgeted Expenditures	28,894,910
Fund balance as a % of Budgeted Expenditures	81%

Village of Pinehurst
Schedule of Cash and Investments
June 30, 2024

Investment	Bond/Bank Ratings	Purchase Date	Maturity Date		Cost
Money Market Mutual Funds					
North Carolina Capital Management Trust - Government Portfolio	AAAm (S&P)			$	22,454,591
Interest Bearing Checking Accounts					
PNC Bank Operating					793,267
Petty Cash					950
Total Cash and Investments				$	23,248,808
Total Cash and Investments (same quarter previous year)				$	20,531,499

Summary of Cash and Investments

Money Market Mutual Funds	$ 22,454,591
Interest Bearing Checking Accounts	793,267
Petty Cash	950
	$ 23,248,808



Village of Pinehurst
Investment Yield Summary

	FY 2023			FY 2024		
	Cash Balance	Investment Earnings	Investment Yield*	Cash Balance	Investment Earnings	Investment Yield*
July	$ 16,142,428	$ 20,950	1.50%	$ 18,862,993	$ 82,712	5.11%
August	18,973,465	32,919	2.28%	18,083,921	80,448	5.30%
September	25,636,101	42,371	2.31%	27,662,154	90,544	4.82%
October	25,909,852	63,212	2.98%	26,873,392	119,915	5.35%
November	25,233,554	73,093	3.48%	26,537,765	113,659	5.18%
December	25,143,347	81,478	3.94%	26,694,818	116,117	5.31%
January	25,393,383	89,022	4.29%	27,218,380	117,216	5.29%
February	25,371,186	84,979	4.07%	27,061,950	110,247	4.94%
March	23,797,873	94,462	4.67%	26,233,886	117,202	5.35%
April	22,095,420	89,183	4.73%	25,613,717	110,340	5.18%
May	21,434,430	90,696	5.07%	23,467,198	106,920	5.30%
June	20,531,499	84,464	4.90%	23,248,808	98,085	5.11%
Average	$ 22,971,878	$ 846,829	3.69%	$ 24,796,582	$ 1,263,405	5.10%

* Investment yield is annualized and presented on an accrual basis.

Village of Pinehurst
Schedule of Budget Amendments - General Fund
For the Fiscal Period Ended June 30, 2024

	Original FY 2024 Budget	Amended * Qtr Ended 9/30/2023	Amended Qtr Ended 12/31/2023	Amended Qtr Ended 3/31/2024	Amended Qtr Ended 6/30/2024	Total Amendments	Amended FY 2024 Budget
REVENUES							
Ad valorem taxes	$ 13,639,000	$ -	$ -	$ 50,000	$ -	$ 50,000	$ 13,689,000
Other taxes and licenses	4,500	-	-	-	-	-	4,500
Unrestricted Intergov't Revenues	8,762,900	-	-	-	-	-	8,762,900
Restricted Intergov't Revenues	599,500	2,203	-	66,584	-	68,787	668,287
Permits & Fees	1,290,300	-	-	29,000	-	29,000	1,319,300
Sales & Services	853,100	-	-	(5,000)	-	(5,000)	848,100
Other Revenues	516,800	-	-	396,000	-	396,000	912,800
Investment Income	640,100	-	-	214,000	-	214,000	854,100
Other Financing Sources	25,100	-	-	200,050	-	200,050	225,150
Appropriated Fund Balance	600,100	2,051,257	-	(960,584)	-	1,090,673	1,690,773
TOTAL REVENUES	**$ 26,931,400**	**$ 2,053,460**	**$ -**	**$ (9,950)**	**$ -**	**$ 2,043,510**	**$ 28,974,910**
OPERATING EXPENDITURES							
Governing Body	253,000	-	-	(43,000)	-	(43,000)	210,000
Administration	1,696,380	(20,790)	(3,500)	(34,567)	(4,230)	(63,087)	1,633,293
Financial Services	900,620	(8,580)	-	-	2,950	(5,630)	894,990
Human Resources	696,660	(12,800)	-	(50,000)	8,925	(53,875)	642,785
Police	4,227,810	(7,904)	(2,270)	(5,500)	(1,315)	(16,989)	4,210,821
Fire	4,023,730	98,967	-	(20,000)	33,165	112,132	4,135,862
Inspections	434,310	(1,830)	-	-	2,950	1,120	435,430
Public Services Administration	679,190	2,765	-	-	5,415	8,180	687,370
Streets & Grounds	1,833,210	27,477	-	(54,500)	4,900	(22,123)	1,811,087
Powell Bill	1,500,100	-	-	-	-	-	1,500,100
Solid Waste	2,346,020	(1,830)	-	(9,850)	2,950	(8,730)	2,337,290
Planning	1,255,690	148,450	-	-	7,900	156,350	1,412,040
Community Development	165,720	2,034	-	8,000	950	10,984	176,704
Recreation	2,331,080	32,253	(502)	7,000	13,285	52,036	2,383,116
Library	624,260	4,037	-	2,000	3,235	9,272	633,532
Harness Track	638,940	23,624	-	(14,000)	6,920	16,544	655,484
Fair Barn	421,080	(1,220)	(500)	(10,000)	(1,395)	(13,115)	407,965
Debt Service	19,100	146,870	-	148,860	-	295,730	314,830
Other Financing Uses	80,000	-	-	-	-	-	80,000
Total Operating Expenditures	24,126,900	431,523	(6,772)	(75,557)	86,605	435,799	24,562,699
CAPITAL EXPENDITURES							
Administration	70,905	30,890	3,500	46,937	(5,770)	75,557	146,462
Financial Services	3,300	-	-	-	(2,950)	(2,950)	350
Human Resources	9,900	-	-	-	(8,925)	(8,925)	975
Police	517,737	162,981	2,270	5,330	(19,685)	150,896	668,633
Fire	127,494	22,654	-	-	(15,165)	7,489	134,983
Inspections	3,310	-	-	-	(2,950)	(2,950)	360
Public Services Administration	15,778	25,000	-	-	(4,415)	20,585	36,363
Streets & Grounds	1,264,580	1,128,242	-	-	(7,900)	1,120,342	2,384,922
Solid Waste	349,690	234,204	-	13,340	(2,950)	244,594	594,284
Planning	28,600	-	-	-	(7,900)	(7,900)	20,700
Community Development	1,100	-	-	-	(950)	(950)	150
Recreation	108,473	40,500	502	-	(4,285)	36,717	145,190
Library	11,175	-	-	-	(3,235)	(3,235)	7,940
Harness Track	231,013	(22,534)	-	-	1,080	(21,454)	209,559
Fair Barn	61,445	-	500	-	(605)	(105)	61,340
Total Capital Expenditures	$ 2,804,500	$ 1,621,937	$ 6,772	$ 65,607	$ (86,605)	$ 1,607,711	$ 4,412,211
TOTAL EXPENDITURES	**$ 26,931,400**	**$ 2,053,460**	**$ -**	**$ (9,950)**	**$ -**	**$ 2,043,510**	**$ 28,974,910**
Less reappropriation amendment from FY 2023		(1,940,660)				(1,940,660)	(1,940,660)
Amendments excluding reappropriations		**$ 112,800**	**$ -**	**$ (9,950)**	**$ -**	**$ 102,850**	**$ 27,034,250**
Amended Budget as a % of Original Budget		100.4%	100.4%	100.4%	100.4%		100.4%

* Includes $1,940,660 that was reappropriated from FY 2023.
Amended Budget as a % of Original Budget is not inclusive of reappropriated amounts from FY 2023.

Village of Pinehurst
Schedule of Fair Barn Revenues and Expenditures
For the Fiscal Period Ended June 30, 2024

	Annual Budget as of 6/30/2024	Quarterly Budget as of 6/30/2024	Actual 6/30/2024	YTD as of 6/30/2023	Current Year Over (Under) Prior Year	% of 2024 Budget Spent / Received YTD
Fair Barn						
Revenues	$ 282,500	$ 282,500	$ 445,871	$ 408,107	$ 37,764	157.83%
Expenditures						
Operating	407,965	407,965	378,931	346,400	32,531	92.88%
Capital	61,340	61,340	18,846	30,899	(12,053)	30.72%
	469,305	469,305	397,777	377,299	20,478	84.76%
Net Before Discounts	(186,805)	(186,805)	48,094	30,808	17,286	-25.75%
Event Revenue Discounts			(149,642)	(112,733)	(36,909)	
Net After Discounts	$ (186,805)	$ (186,805)	$ (101,548)	$ (81,925)	$ (19,623)	54.36%
Operating Revenues as a % of Operating Expenditures - **Before Discounts**	69%	69%	118%	118%		
Operating Revenues as a % of Operating Expenditures - **After Discounts**	69%	69%	78%	85%		
Target			95%			

Village of Pinehurst
Schedule of Harness Track Revenues and Expenditures
For the Fiscal Period Ended June 30, 2024

	Annual Budget as of 6/30/2024	Quarterly Budget as of 6/30/2024	Actual 6/30/2024	YTD as of 6/30/2023	Current Year Over (Under) Prior Year	% of 2024 Budget Spent / Received YTD
Harness Track						
Revenues	$ 204,900	$ 204,900	$ 202,858	$ 213,926	$ (11,068)	99.00%
Expenditures						
Operating	655,484	655,484	559,213	581,174	(21,961)	85.31%
Capital	209,559	209,559	195,911	230,670	(34,759)	93.49%
	865,043	865,043	755,124	811,844	(56,720)	87.29%
Net Before Discounts	(660,143)	(660,143)	(552,266)	(597,918)	45,652	83.66%
Event Revenue Discounts			-	-	-	
Net After Discounts	$ (660,143)	$ (660,143)	$ (552,266)	$ (597,918)	$ 45,652	83.66%
Operating Revenues as a % of Operating Expenditures - **Before Discounts**	31%	31%	36%	37%		
Operating Revenues as a % of Operating Expenditures - **After Discounts**	31%	31%	36%	37%		
Target			47%			

Village of Pinehurst
Schedule of Capital Outlay by Function and Activity - General Fund
For the Fiscal Period Ended June 30, 2024

	Annual Budget	YTD Budget	YTD Expenditures	Remaining Balance
Land				
Administration	$ 6,000	$ 6,000	$ -	$ 6,000
Public Services Administration	25,000	25,000	3,589	21,411
Streets & Grounds	328,667	328,667	211,393	117,274
Recreation	40,500	40,500	5,659	34,841
Harness Track	95,905	95,905	95,204	701
	496,072	496,072	315,845	180,227
Buildings and Grounds				
Administration	71,457	71,457	67,536	3,921
Fire	22,455	22,455	9,346	13,109
Harness Track	81,336	81,336	69,964	11,372
Fair Barn	38,000	38,000	-	38,000
	213,248	213,248	146,846	66,402
Equipment and Furniture				
Administration	18,273	18,273	14,958	3,315
Police	245,884	245,884	195,048	50,836
Fire	102,738	102,738	22,413	80,325
Inspections	10	10	-	10
Public Services Administration	4,414	4,414	3,700	714
Streets & Grounds	6,180	6,180	-	6,180
Solid Waste	7,090	7,090	-	7,090
Recreation	94,254	94,254	70,969	23,285
Library	5,459	5,459	4,585	874
Harness Track	28,995	28,995	27,599	1,396
Fair Barn	19,169	19,169	14,892	4,277
Planning	15,000	15,000	10,054	4,946
	547,466	547,466	364,218	183,248
Vehicles				
Administration	6,462	6,462	6,098	364
Police	269,309	269,309	256,331	12,978
Fire	2,190	2,190	2,068	122
Public Services Administration	1,599	1,599	1,508	91
Streets & Grounds	110,000	110,000	108,404	1,596
Solid Waste	549,204	549,204	542,113	7,091
Recreation	4,986	4,986	4,705	281
Library	1,981	1,981	1,869	112
Harness Track	3,173	3,173	2,994	179
Fair Barn	3,871	3,871	3,654	217
	952,775	952,775	929,744	23,031
Infrastructure				
Streets & Grounds	1,939,575	1,939,575	879,955	1,059,620
	1,939,575	1,939,575	879,955	1,059,620
Right to Use Assets				
Administration	44,270	44,270	55,063	(10,793)
Financial Services	350	350	350	-
Human Resources	975	975	975	-
Police	153,440	153,440	148,613	4,827
Fire	7,600	7,600	1,700	5,900
Inspections	350	350	350	-
Public Services Administration	5,350	5,350	550	4,800
Streets & Grounds	500	500	500	-
Solid Waste	37,990	37,990	19,245	18,745
Recreation	5,450	5,450	650	4,800

Village of Pinehurst
Schedule of Capital Outlay by Function and Activity - General Fund
For the Fiscal Period Ended June 30, 2024

	Annual Budget	YTD Budget	YTD Expenditures	Remaining Balance
Library	500	500	500	-
Harness Track	150	150	150	-
Fair Barn	300	300	300	-
Planning	5,700	5,700	900	4,800
Community Development	150	150	150	-
	263,075	263,075	229,996	33,079
Total	$ 4,412,211	$ 4,412,211	$ 2,866,604	$ 1,545,607

% of YTD Capital Outlay Budget Expended	64.97%

Note: This Schedule includes Fleet Maintenance, Buildings & Grounds and Information Technology Capital Outlays allocated to the respective departments. Any overexpenditure of budget is covered by available budget in other line items within that department's appropriation.

Village of Pinehurst
Schedule of Fund Balance - General Fund
June 30, 2024

	Fund Balance at 06/30/24	Fund Balance at 06/30/23	Increase (Decrease)
General Fund			
Nonspendable:			
Inventory	$ 47,318	$ 52,537	$ (5,219)
Prepaid Items	260,111	98,579	161,532
Lease Revenue	2,655	1,722	933
Restricted:			
Stabilization by State Statute	3,096,997	3,067,395	29,602
Public Safety	10,551	19,469	(8,918)
Committed:			
Library and Archives	544,777	544,777	-
Future Capital	9,707,165	10,572,049	(864,884)
Assigned			
Subsequent year's expenditures	6,130,090	600,100	5,529,990
Unassigned	3,733,936	5,405,436	(1,671,500)
	$ 23,533,600	$ 20,362,064	$ 3,171,536

Village of Pinehurst
Library Expansion Capital Project Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Period Ended June 30, 2024

	Project Budget	Actual: Prior Years	Actual: Current Year	Actual: Total To Date
Revenues				
Investment earnings	$ 20,000	$ 23,330	$ 67,477	$ 90,807
TOTAL REVENUES	20,000	23,330	67,477	90,807
Expenditures				
Design costs	600,900	21,775	211,570	233,345
Construction costs	819,100	-		-
TOTAL EXPENDITURES	1,420,000	21,775	211,570	233,345
REVENUES OVER (UNDER) EXPENDITURES	(1,400,000)	1,555	(144,093)	(142,538)
Other Financing Sources (Uses)				
Transfer from General Fund	1,400,000	1,400,000	-	1,400,000
TOTAL OTHER FIN. SOURCES (USES)	1,400,000	1,400,000	-	1,400,000
NET CHANGE IN FUND BALANCE	$ -	$ 1,401,555	(144,093)	$ 1,257,462
FUND BALANCE, JULY 1			1,401,555	
FUND BALANCE, JUNE 30			$ 1,257,462	

Village of Pinehurst
SMPO Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Period Ended June 30, 2024

	Annual Budget 06/30/2024	Quarterly Budget as of 06/30/2024	YTD as of 06/30/2024
Revenues			
Restricted intergovernmental:			
Grant revenue	$ 80,000	$ 80,000	$ 18,442
Dues	20,000	20,000	4,610
TOTAL REVENUES	100,000	100,000	23,052
Expenditures			
Salaries & benefits	81,300	81,300	19,615
Operating	18,700	18,700	3,437
TOTAL EXPENDITURES	100,000	100,000	23,052
REVENUES OVER (UNDER) EXPENDITURES	-	-	-
NET CHANGE IN FUND BALANCE	$ -	$ -	-
FUND BALANCE, JULY 1			-
FUND BALANCE, JUNE 30			$ -

Village of Pinehurst
Schedule of General Long-Term Debt
June 30, 2024

	Balance at 06/30/2024	Balance at 06/30/2023	Increase (Decrease)
Lease Liabilities	$ 12,041	$ 12,897	$ (856)
Subscription Liabilities	275,565	361,158	(85,593)
Total Pension Liability (LEO) *	1,454,976	1,440,370	14,606
Net Pension Liability (LGERS) *	6,942,783	6,130,540	812,243
Accumulated Vacation	968,924	870,526	98,398
	9,654,289	8,815,491	838,798
	$ 9,654,289	$ 8,815,491	$ 838,798

* Based on an independent annual actuarial valuation

Village of Pinehurst
Schedule of Ad Valorem Property Tax Collections
For the Fiscal Period Ended June 30, 2024

Real and Personal

	For the Fiscal Period Ended June 30, 2024			For the Fiscal Period Ended June 30, 2023		
Tax Year	Budgeted Collections	Gross Collections	% Collected Through 06/30/2024	Budgeted Collections	Gross Collections	% Collected Through 06/30/2024
Third Prior Year	$ -	$ 1,256	100.00%	$ -	$ 3,074	100.00%
Second Prior Year	-	1,854	100.00%	-	1,571	100.00%
First Prior Year	5,000	6,406	128.12%	5,000	6,364	127.28%
Current Year	12,889,000	12,888,670	100.00%	11,347,000	11,403,734	100.50%
	$ 12,894,000	$ 12,898,186	100.03%	$ 11,352,000	$ 11,414,743	100.55%

Motor Vehicles

	For the Fiscal Period Ended June 30, 2024			For the Fiscal Period Ended June 30, 2023		
Tax Year	Budgeted Collections	Gross Collections	% Collected Through 06/30/2024	Budgeted Collections	Gross Collections	% Collected Through 06/30/2024
Third Prior Year	$ -	$ -	0.00%	$ -	$ -	0.00%
Second Prior Year	-	-	0.00%	-	-	0.00%
First Prior Year	-	-	0.00%	-	-	0.00%
Current Year	800,000	752,938	94.12%	910,000	932,048	102.42%
	$ 800,000	$ 752,938	94.12%	$ 910,000	$ 932,048	102.42%
Refunds/Reliefs	(10,000)	(13,587)	135.87%	(5,000)	(16,002)	320.04%
Tax Interest	5,000	12,071	241.42%	5,000	11,280	225.60%
TOTAL	$ 13,689,000	$ 13,649,608	99.71%	$ 12,262,000	$ 12,342,069	100.65%

Village of Pinehurst
Schedule of Ad Valorem Property Tax Levy
For the Fiscal Period Ended June 30, 2024

Property Valuation

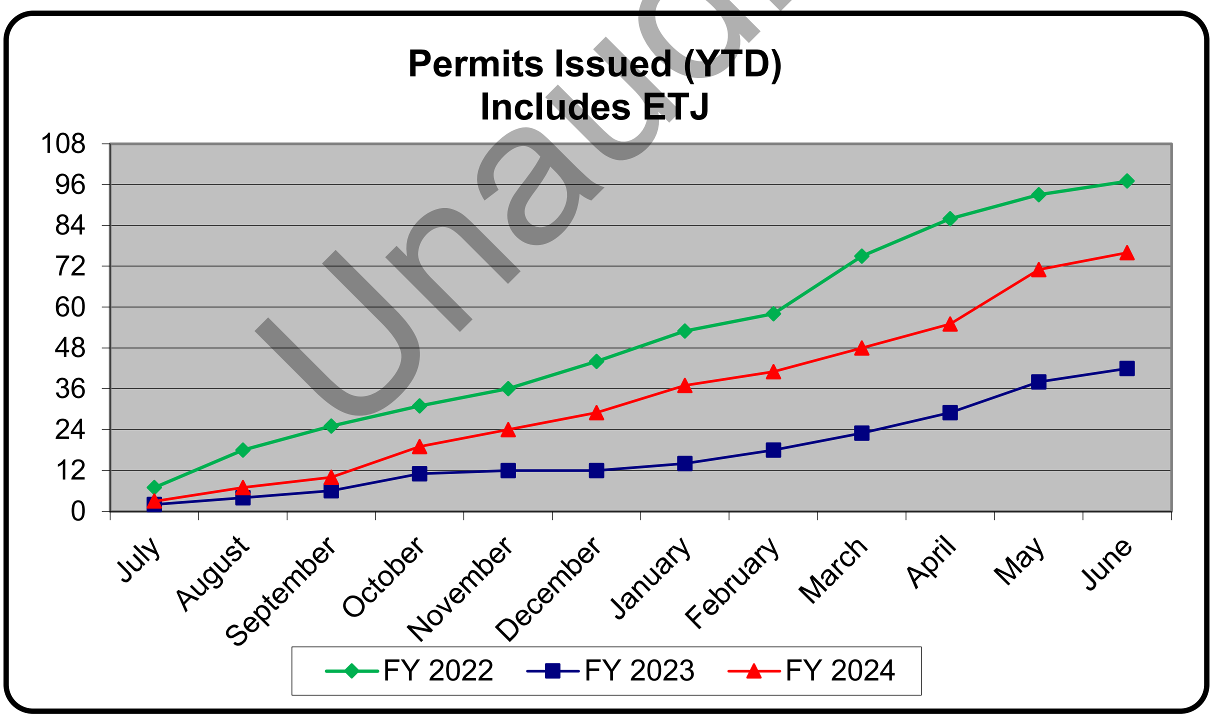
	For the Fiscal Period Ended June 30, 2024	For the Fiscal Period Ended June 30, 2023	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal	$ 5,605,256,353	$ 3,680,724,271	$ 1,924,532,082	52.29%
Motor Vehicles	304,708,399	299,161,674	5,546,725	1.85%
	$ 5,909,964,752	$ 3,979,885,945	$ 1,930,078,807	48.50%

Levy

	For the Fiscal Period Ended June 30, 2024	For the Fiscal Period Ended June 30, 2023	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal	$ 12,893,729	$ 11,412,341	$ 1,481,388	12.98%
Motor Vehicles	752,312	930,635	(178,323)	-19.16%
	$ 13,646,041	$ 12,342,976	$ 1,303,065	10.56%
Current levy collection percentage	99.96%	99.93%		

Village of Pinehurst
Residential Building Permits - Includes ETJ

	FY 2022		FY 2023		FY 2024		Construction Costs Percentage Change YTD
	# of Permits Issued	Est. Construction Costs	# of Permits Issued	Est. Construction Costs	# of Permits Issued	Est. Construction Costs	
July	7	$ 2,564,160	2	$ 1,374,067	3	$ 3,909,059	184.49%
August	11	2,497,720	2	250,000	4	1,015,072	203.20%
September	7	1,735,473	2	1,781,032	3	1,226,769	80.64%
October	6	4,424,927	5	1,928,099	9	2,476,240	61.76%
November	5	4,238,749	1	-	5	4,668,800	149.31%
December	8	4,134,890	-	-	5	3,734,652	219.33%
January	9	4,291,865	2	1,484,590	8	4,760,000	219.61%
February	5	1,903,000	4	2,352,000	4	4,395,955	185.57%
March	17	5,049,597	5	1,550,950	7	3,173,000	173.86%
April	11	3,646,072	6	862,779	7	6,286,116	207.73%
May	7	2,878,150	9	2,482,645	16	3,427,750	177.78%
June	4	1,137,453	4	2,486,900	5	2,512,577	151.23%
YTD	97	$ 38,502,056	42	$ 16,553,062	76	$ 41,585,990	



Dana Van Nostrand
395 Magnolia Road
Pinehurst, NC 28374
Phone: 910-295-8646
Fax: 910-295-4434
e-mail: dvannostrand@vopnc.org

Memo

To: Village Council

From: Dana Van Nostrand

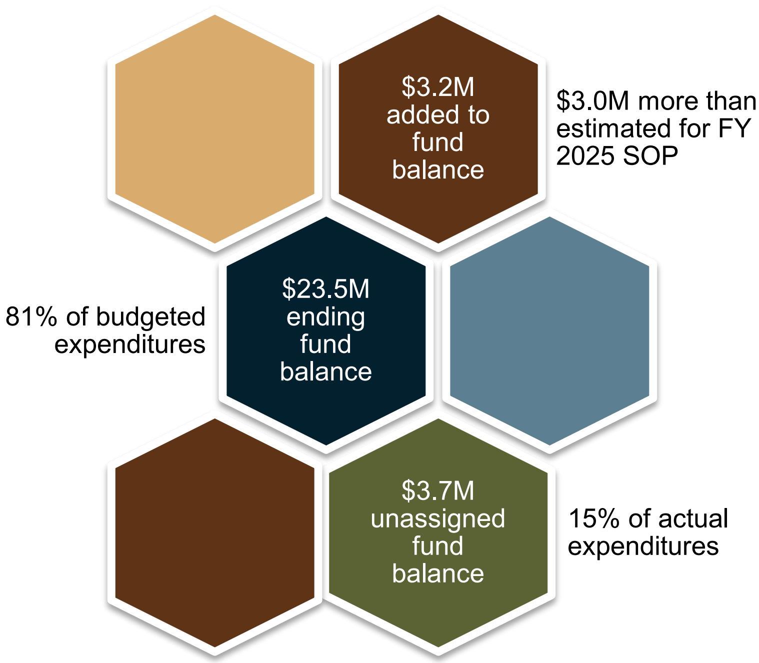
CC: Jeff Sanborn & Senior Leadership

Date: September 4, 2024

Re: Financial Statements for the Fiscal Year Ended June 30, 2024

Executive Summary:

Attached are the unaudited financial statements for the fiscal year ended June 30, 2024. The Village ended the fiscal year in a strong financial position with our General Fund fund balance higher than projected for the FY 2025 Strategic Operating Plan (SOP) and in compliance with Council's fund balance policy requirements. These results, combined with our robust performance management system, position us well to carry out the objectives outlined in the FY 2025 SOP, including the five-year financial forecast.



Revenues exceeded budget by $794 thousand and expenditures were $4.0 million below budget. Out of the $4.0 million expenditure surplus, nearly $2.0 million was reappropriated to be spent in FY 2025. The FY 2024 results confirm the estimated budget-to-actual variance assumptions used in preparing the SOPs continue to be achieved and are a valid basis for our projections. Management and staff are diligent in their spending and budget monitoring and consistently adhere to the Village's policies and procedures. The Village ended the year with $23.2 million in cash and investments.

Financial Position:

General Fund

The Village's General Fund revenues grew by $2.9 million over FY 2023, driven by additional property tax revenue from adopting the inflation-adjusted revenue-neutral property tax rate in FY 2024, growth in sales tax revenues and investment income, and the US Open licensing fee of $350 thousand in FY 2024. In addition, our operating expenditures were $1.6 million higher than last year, due to COLA, merit, and market adjustment salary increases and higher retirement contribution rates which equated to a 12.6% increase in salaries and benefits. This is consistent with the planned increase in the budget. Capital outlay expenditures were over $1.2 million less than FY 2023, primarily due to the Cannon Park turf project that occurred in FY 2023.

Amounts in thousands	FY 2024 YTD Budget	FY 2024 Actual	Over (Under) YTD Budget	FY 2023 YTD Actual	Current Year Over (Under) Prior Year
Total revenues	**$ 26,749**	**$ 27,543**	**$ 794**	**$ 24,661**	**$ 2,882**
Operating expenditures	24,483	22,026	(2,457)	20,356	1,670
Capital outlays	4,412	2,867	(1,545)	4,119	(1,252)
Total expenditures	**$ 28,895**	**$ 24,893**	**$ (4,002)**	**$ 24,475**	**$ 418**
Revenues over (under) expenditures	**$ (2,146)**	**$ 2,650**	**$ 4,796**	**$ 186**	**$ 2,464**
Other financing sources	$ 535	$ 521	$ (14)	$ 5,936	$ (5,415)
Other financing uses	(80)	-	80	(1,000)	1,000
Appropriated fund balance	(1,691)	-	1,691	-	-
Change in fund balance	**$ (3,382)**	**$ 3,171**	**$ 6,553**	**$ 5,122**	**$ (1,951)**
Beginning fund balance		$ 20,362		$ 15,240	$ 5,122
Ending fund balance		**$ 23,533**		**$ 20,362**	**$ 3,171**

The Village's Fund Balance Policy contains three key provisions designed to preserve the Village's working capital (cash flow) and prepare us for emergencies and opportunities that may arise:

- When preparing the General Fund budget, anticipated ending total fund balance should be at least 30% of budgeted expenditures;
- Unassigned General Fund fund balance as reported in the Annual Comprehensive Financial Report (ACFR) should be greater than 15% of actual General Fund expenditures reported in the ACFR; and
- When total fund balance reported in the ACFR is in excess of 40% of actual General Fund expenditures, Council may commit excess fund balance for future capital needs.

Ending General Fund fund balance for fiscal year 2024 was $23.5 million, which was higher than estimated when preparing the FY 2025 budget. This is due to higher than estimated budget-to-actual variances for several reasons explained in the Revenues & Expenditures section below. The Village's General Fund fund balance was 81% of budgeted expenditures, compared to 71% the previous year, which is above the policy minimum of 30%. This means the projected ending fund balance included in the FY 2025 SOP is still a reasonable target and the Village has the resources planned to execute the SOP.

Amounts in thousands	Estimated June 30, 2024	Actual June 30, 2024	Over (Under) Estimate
Beginning fund balance	$ 20,362	$ 20,362	
Change in fund balance*	208	3,171	
Ending fund balance	$ 20,570	$ 23,533	$ 2,963
Less reappropriations			(1,950)
Net addition to fund balance compared to estimate			$ 1,013
Fund balance as a % of budgeted expenditures	70.5%	81.4%	10.9%

* Estimated change in fund balance from the FY 2025 SOP includes an assumed budget-to-actual variance for revenues and expenditures.

Fund balance is reported in various classifications in the ACFR. The table below shows the trend of the General Fund fund balance over the last three years. The Village has intentionally been building up fund balance reserves in anticipation of major capital projects, primarily the library and archives. The General Fund fund balance has increased nearly $8.3 million from June 30, 2022 to June 30, 2024, with the most notable increase in the amount committed by Council for future capital. The unassigned fund balance is 15% of FY 2024 actual expenditures which is equal to the policy minimum of 15%. The higher assigned fund balance in 2024, which represents the fund balance appropriation in the FY 2025 budget, is what caused the decrease in unassigned and committed fund balance.

Amounts in thousands	As of June 30		
	2024	2023	2022
Nonspendable	$ 310	$ 153	$ 146
Restricted	3,107	3,087	2,930
Committed[1]	10,252	11,117	7,487
Assigned[2]	6,130	600	-
Unassigned	3,734	5,405	4,677
Total fund balance	$ 23,533	$ 20,362	$ 15,240
% Increase from prior year	16%	34%	36%
Unassigned fund balance as a % of actual expenditures	15%	22%	24%

[1] Committed fund balance as of June 30, 2024 consists of $9,707 for future capital and $545 for Library and Archives.

[2] Assigned fund balance is the fund balance appropriation budgeted in FY 2025.

Library Expansion Capital Project Fund

The Library Expansion Capital Project Fund (LECPF) began FY 2024 with $1.4 million of fund balance. Design expenditures started in FY 2023 and ramped up in FY 2024 with $212 thousand in design costs. The funds in the LECPF earned $67 thousand in investment income in FY 2024, bringing the ending fund balance to over $1.2 million. In addition to the $1.2 million of fund balance in the LECPF, there is $545 thousand of fund balance in the General Fund that is committed for the Library and Archives, bringing the total funding committed for the Library and Archives to $1.8 million. The $545 thousand is the unspent balance remaining from the $1.0 million commitment for Given Memorial Library & Tufts Archives building and other operational improvements made in Resolution 21-10 in accordance with the agreement with the Given Memorial Library/Tufts Archives Board. The $545 thousand of committed General Fund fund balance will be used first to cover library construction costs in the LECPF in FY 2025.

SMPO Special Revenue Fund

The SMPO Special Revenue Fund was established in February 2024 to account for the revenues and expenditures of the Sandhills Metropolitan Planning Organization (SMPO) after the SMPO was approved by the Governor in December 2023. As the Lead Planning Agency (LPA), the Village must maintain accountability for the grant funds and member dues that fully support the expenditures of the SMPO. The SMPO incurred $23 thousand of expenditures in FY 2024, primarily consisting of Village staff time performing SMPO tasks, recruiting costs, and training expenditures. These expenditures were covered by $18 thousand of federal grant revenues and $5 thousand in member dues. The grant revenues and member dues are collected on a reimbursement basis after the actual expenditures are incurred. The SMPO expenditures are initially paid from General Fund cash. As such, the SMPO Special Revenue Fund owes the General Fund $22 thousand as of June 30, 2024 which will be reimbursed to the General Fund in FY 2025 as the grant and member dues payments are received.

Cash & Investments

The Village's total cash and investment balances increased by $2.7 million, or 13%, compared with the previous year, primarily due to the higher property and sales tax revenues and investment income in FY 2024. Of the $23.2 million in cash and investments on June 30, 2024, $22.5 million, or 97%, was held in the North Carolina Capital Management Trust (NCCMT) Government Portfolio. The cash and investments yielded 5.10% in fiscal year 2024. This is a significant increase compared to the fiscal year 2023 yield of 3.69% as interest rates continued to rise.

Debt

The Village had no installment purchase debt outstanding as of June 30, 2024. The Village follows Governmental Accounting Standards Board (GASB) Statements No. 87, *Leases*, and No. 96, *Subscription-Based IT Arrangements*, which require us to report certain leases and software subscription agreements as financings with the lease and subscription payments reported as debt service principal and interest. The total debt service payments in FY 2024 for the leases and subscriptions were $304 thousand, or 1.2% of actual expenditures.

Capital Assets

Capital investments (net) of $2.5 million during the year increased the Village's total capital assets to $62.0 million. The most significant additions were:

- Two garbage trucks – $486 thousand
- Four police vehicles – $237 thousand
- Sidewalks and pathways – $583 thousand
- Stormwater improvements – $322 thousand
- Harness Track improvements – $165 thousand
- Winston Pines Drive and associated right of way and sidewalks (donated) – $680 thousand

The undepreciated value of the Village's depreciable assets (excluding land and construction in progress) is 44% of their original cost remaining which is consistent with prior years. This consistency demonstrates the Village is replacing assets on a reasonable basis and is not allowing them to significantly age beyond their useful life.

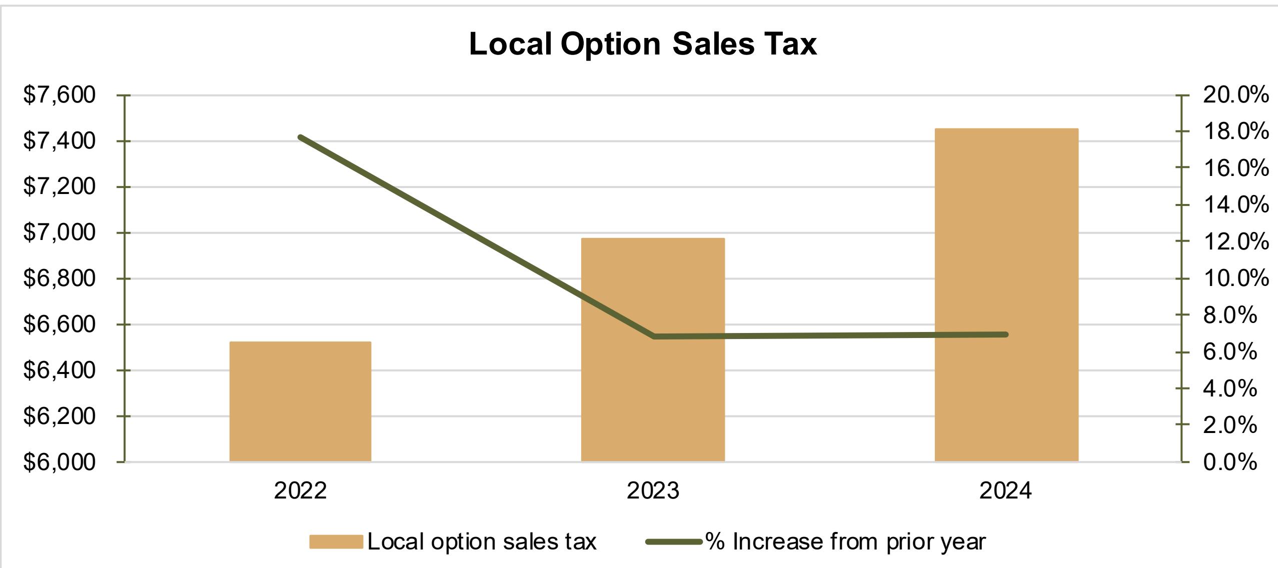
As of June 30, 2024, the Village has $812 thousand in right-to-use assets which represent the gross value of the lease and subscription assets the Village is using under certain agreements subject to GASB Statements No. 87 and 96.

<u>Revenues:</u>

General fund revenues were $794 thousand, or 3.0%, above the amended FY 2024 budget. The FY 2024 fund balance projection anticipated 1% more in actual revenues than budgeted so this target was exceeded. Investment income was the primary driver in exceeding the revenue budget projections.

Property tax revenues were $40 thousand below budget due to motor vehicle collections being less than the amended budget. Our collection rate remains very high at 99.96%.

Local option sales taxes (reported in unrestricted intergovernmental revenues) of nearly $7.5 million were $155 thousand, or 2.1%, ahead of the FY 2024 budget and $482 thousand, or 6.9% greater than last year. While we are continuing to see sales tax revenue growth year-over-year, the growth is slowing compared to the double-digit increases seen the last few years (over 17% in FY 2022 and FY 2021). The NCLM anticipated FY 2024 statewide average sales tax growth to be 2.9% over FY 2023 in its March 2024 projections and the actual statewide average growth was 2.8%. Moore County's growth typically outpaces the statewide average and 7.5% growth was realized in FY 2024. The decline in growth is consistent with economic signs of potential recession. Budgeted FY 2025 local option sales tax revenues are a 6.5% increase over the FY 2024 estimate at the time which seems reasonable. We will re-evaluate our sales tax revenue estimates during the FY 2025 mid-year amendment process and make any necessary budget adjustments at that time.



Investment income totaling $1.2 million was $342 thousand, or 40%, above the budget. This was driven by higher interest rates and a consistently high cash and investments balance, averaging $24.8 million in FY 2024. In FY 2024, the rate of return on the Village's cash and investments of 5.10% was only 0.27% less than the annual return of the NCCMT Government Portfolio. This is due to the very low interest earned on the cash balance maintained in the bank.

Expenditures:

The majority of the favorable budget-to-actual variance in FY 2024 came from expenditures. We underspent the budget by $4.0 million, or 13.9%, compared to our planned budget-to-actual variance (BAV) of 8% for non-capital expenditures in the FY 2024 SOP. After adjusting for the $1.9 million that was reappropriated in FY 2025, the true BAV to be realized by the Village is 7.1% which is more aligned with our assumptions.

Amounts in thousands	FY 2024 Budget	FY 2024 Actual	BAV	% of Budget	FY 2025 Reapprop	Adjusted BAV	% of Budget
Salaries & benefits	$ 15,244	$ 14,256	$ (988)	-6.5%	$ -	$ (988)	-6.5%
Operating expenditures	9,239	7,770	(1,469)	-15.9%	568	(901)	-9.8%
Capital outlays	4,412	2,867	(1,545)	-35.0%	1,382	(163)	-3.7%
Total expenditures	**$ 28,895**	**$ 24,893**	**$ (4,002)**	**-13.9%**	**$ 1,950**	**$ (2,052)**	**-7.1%**
% of budget					6.7%		

Salaries and benefits of $14.3 million were underspent by $988 thousand, or 6.5%, of the budget. This is primarily due to salary and benefits savings from vacancies during the year, particularly in the police department, and insurance premiums being lower than budgeted.

Operating expenditures were underspent by approximately $1.5 million, or 15.9%. Of this balance, $568 thousand was reappropriated in FY 2025 to complete work in progress or receive items with open purchase orders. The $901 thousand remaining balance of budget savings was primarily comprised of:

- $282 thousand of underspending in the Fleet, Buildings & Grounds, and IT internal service department budgets, including fuel savings of $40 thousand, fleet and B&G maintenance savings of $94 thousand, $24 thousand of unspent funds for downtown beautification grants, and IT software maintenance savings of $49 thousand. The operating costs for these internal service departments are fully allocated to all other departments and reported as operating expenditures of those departments.

- $216 thousand of savings in contracted services, notably $75 thousand from not resurfacing the Village Green parking lot, $25 thousand from road patching, $13 thousand from Powell Bill road resurfacing, $12 thousand from manure hauling, and $10 thousand from Harness Track road improvements.

- $74 thousand in unused departmental contingency funds ($110 thousand of contingency was used during the year)

- $62 thousand unspent for departmental supplies, primarily from the Streets & Grounds and Solid Waste department for landscaping supplies and solid waste carts

- $60 thousand surplus in travel and training expenditures

- $52 thousand budgeted for professional services was not spent or reappropriated

- $29 thousand in advertising

- $25 thousand of savings in landfill fees

Capital outlays contributed over $1.5 million towards the total budget-to-actual variance, however, nearly all of this (almost $1.4 million) was approved for reappropriation in FY 2025, most notably $1.1 million for stormwater, streetscape, intersection, and pedestrian projects and $117 thousand for the Magnolia and Chinquapin intersection enhancement. See the reappropriation memo accompanying Ordinance #24-16 for details of the capital balances that were reappropriated. Of the $163 thousand of net budget savings from capital after the reappropriation, $21 thousand was left from the public services land due diligence funds, the fiber installation to Rassie Wicker and Cannon Parks was $19 less than budgeted, and $33 thousand was budgeted but not needed for the acquisition of right-to-use leases and subscriptions. The remainder was small savings on vehicles, equipment, and other projects.

<u>Financial Outlook:</u>

The outlook for future growth in the Village's property tax base rebounded slightly in FY 2024. In FY 2024, the Village issued 76 new residential building permits valued at $41.6 million, compared to 42 new permits issued in FY 2023 and 96 in FY 2022. Of the new residential permits issued, 17 valued at $10.5 million are in the ETJ (Hollycrest) and will not be added to the Village's tax base when completed.

The USGA Golf House Pinehurst is completed and the buildings have been added to the Village's tax base. The personal property in the buildings will be added to the tax base next year. Under the terms of the economic incentive agreement, the Village will reimburse the USGA 90% of their tax payments for ten years as long as the performance commitments are met. The USGA has not yet communicated its election of the first year of incentive payments to the Village. No incentive payment was budgeted in FY 2025.

The library expansion project is nearing the end of the design phase, and the construction bid will be advertised later this year. The FY 2025 budget has $2.8 million budgeted to transfer from the General Fund to the Library Expansion Capital Project Fund for construction expenditures.

The table below shows the five-year financial forecast fund balance summary from the FY 2025 SOP updated with the FY 2024 ending fund balance of $23.5 million as the beginning fund balance and the $1.9 million of reappropriations added to the Revenues Over (Under) Exp row (the fund balance appropriation in the budget) in FY 2025. All other assumptions remained the same. This increases the ending FY 2029 fund balance by $1.0 million and improves the FY 2029 ending fund balance from 39.6% of expenditures as estimated in the FY 2025 SOP to 42.9% of budgeted expenditures, demonstrating the Village currently has the resources to support the five-year forecast.

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Beginning Fund Balance	$ 23,533,600	$ 17,917,383	$ 16,568,980	$ 14,532,118	$ 13,064,420
Revenues Over (Under) Exp	(8,080,132)	(3,880,190)	(4,665,008)	(4,176,020)	(2,697,100)
Budget to Actual Variance [1]	2,463,915	2,531,787	2,628,146	2,708,322	2,812,189
Projected Actual Gain/(Loss)	(5,616,217)	(1,348,403)	(2,036,862)	(1,467,698)	115,089
Projected Ending GF Bal	$ 17,917,383	$ 16,568,980	$ 14,532,118	$ 13,064,420	$ 13,179,509
% of Total Budget	**55.1%**	**54.8%**	**46.3%**	**41.9%**	**42.9%**

[1] Assumes actual revenues of 101% of budget and actual operating expenditures of 91% of budget

Other Items:

In FY 2024, the Fair Barn revenues (after discounts) exceeded budget by $14 thousand and only covered 78% of operating expenditures. This is a decrease compared to 85% last year and is below the balanced scorecard target of 95%. The US Open closed the Fair Barn for 25 days which impacted its revenues during a prime time of year for rentals. The compensation for the USGA's use of the Fair Barn was included in the licensing fee which is reported in Permits and Fees revenues. Revenues after discounts were flat year-over-year despite the Fair Barn being closed to other renters for nearly a month in June 2024.

The Harness Track covered 36% of its operating expenditures this year, which is 1% less than last year. This is below our balanced scorecard target of 47% coverage of operating expenses with revenues. Revenues were close to budget, with the stall rentals falling short of budget. Additionally, the Village has been making significant investments to improve the Harness Track facilities which has increased expenditures. The budgeted expenditure coverage ratio for FY 2024 was 31%. This was exceeded due to operating cost savings.

The FY 2024 audit is underway and the ACFR is on track to be issued before the October 31, 2024 deadline. It is possible that adjustments will be made to these unaudited financial results reported. There are no known adjustments to the financials as of the date of this memo. The final FY 2024 audit results will be presented to Council after the report is issued.

Conclusion:

Overall, the Village ended FY 2024 in a better position than projected which will allow us to carry out the initiatives in the FY 2025 SOP as planned. The $3.2 million increase in fund balance was over $3.0 million higher than the estimate in the FY 2025 SOP. After deducting the $1.9 million in reappropriations, we added $1.0 million to fund balance that was not projected in the five-year financial forecast. This was driven by higher revenues than projected from passive revenue sources the Village cannot control, such as sales taxes and investment income, in combination with savings from lapse salaries and insurance benefits.

Should you have any questions about these statements, please feel free to contact me.

FINANCIAL STATEMENTS
(Unaudited)

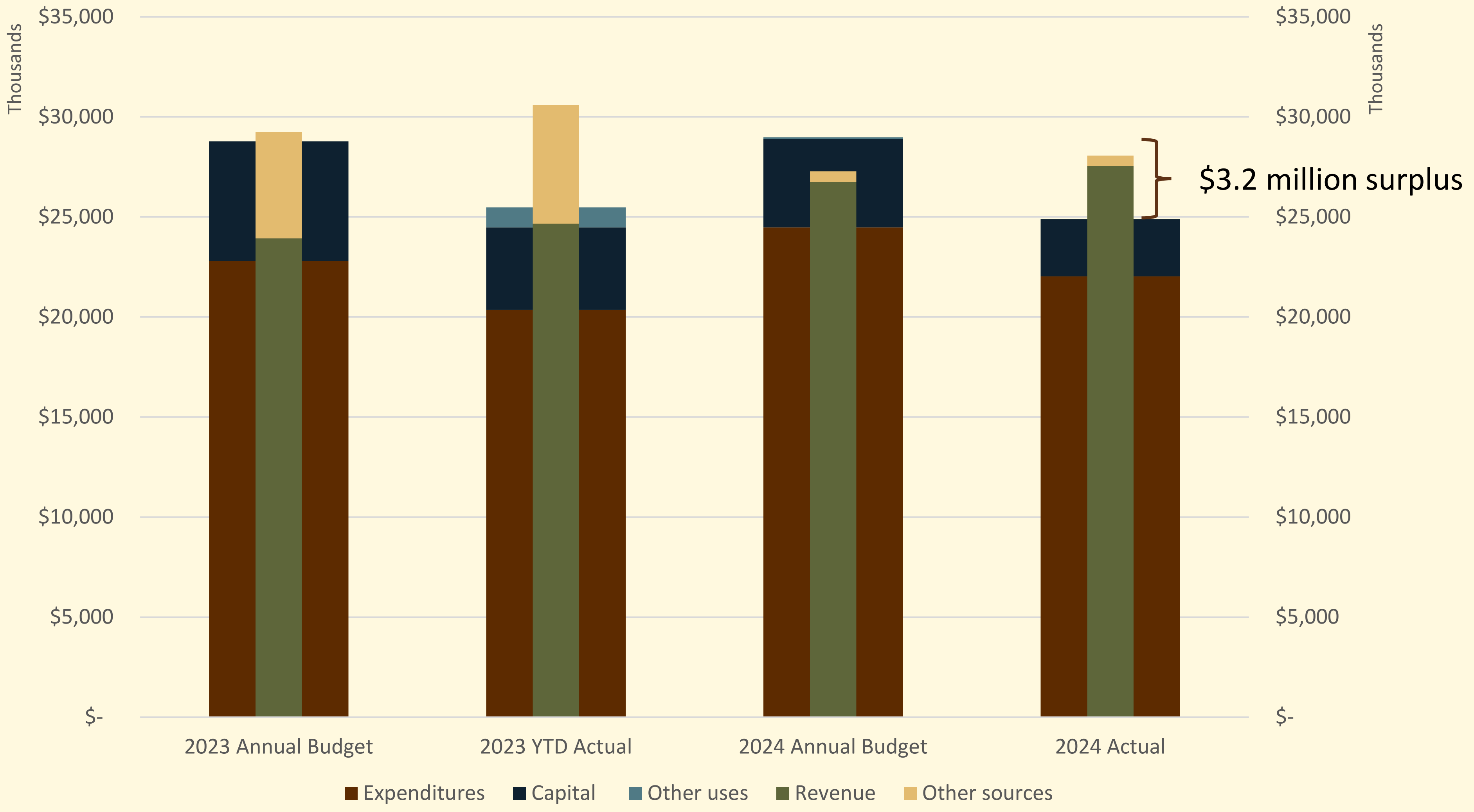
Fiscal Year Ended **June 30, 2024**

General Fund Budget

Budget-to-Actual Summary

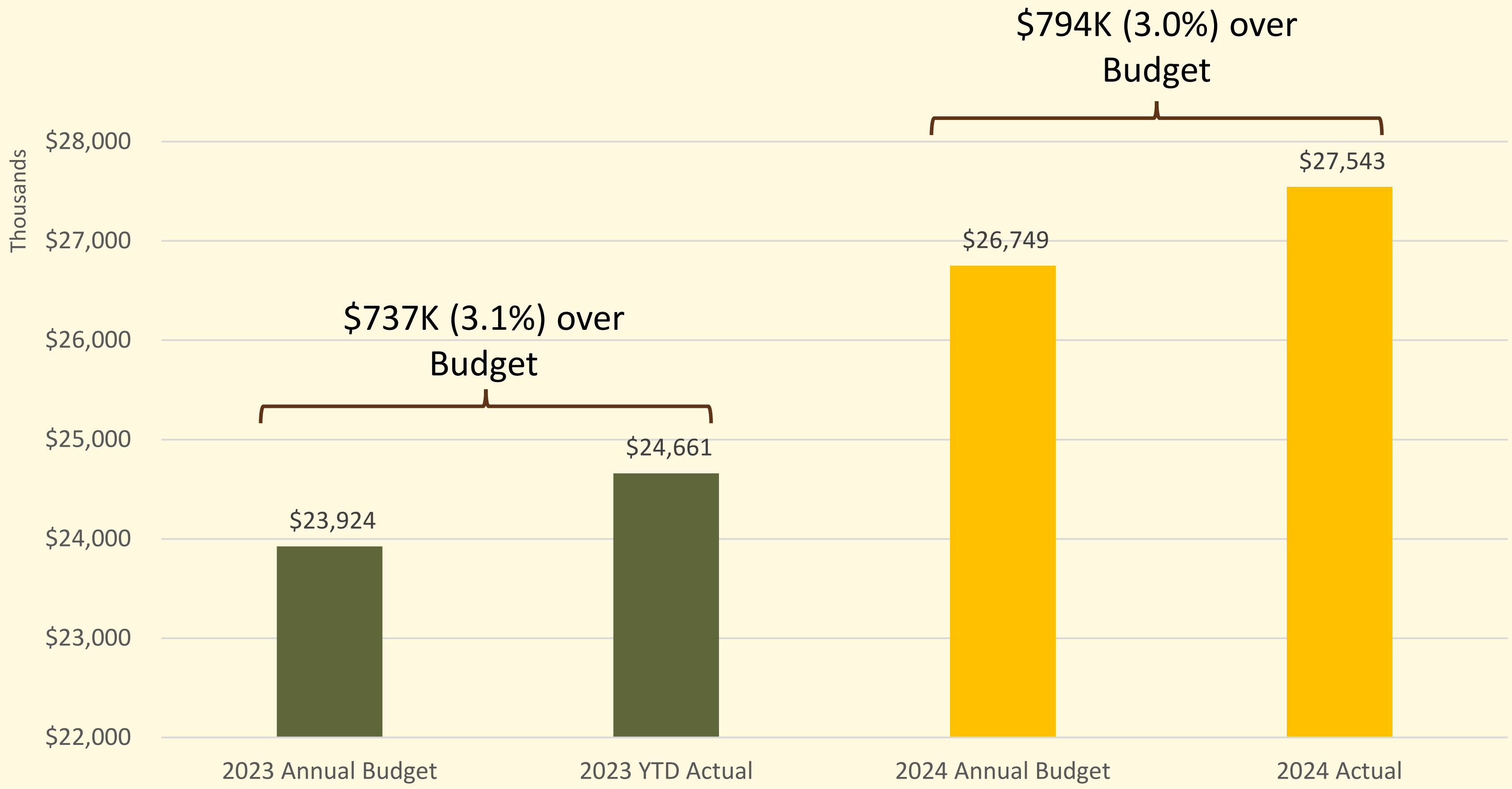
Amounts in thousands	FY 2024 YTD Budget	FY 2024 Actual	Over (Under) YTD Budget	FY 2023 YTD Actual	Current Year Over (Under) Prior Year
Total revenues	**$ 26,749**	**$ 27,543**	**$ 794**	**$ 24,661**	**$ 2,882**
Operating expenditures	24,483	22,026	(2,457)	20,356	1,670
Capital outlays	4,412	2,867	(1,545)	4,119	(1,252)
Total expenditures	**$ 28,895**	**$ 24,893**	**$ (4,002)**	**$ 24,475**	**$ 418**
Revenues over (under) expenditures	**$ (2,146)**	**$ 2,650**	**$ 4,796**	**$ 186**	**$ 2,464**
Other financing sources	$ 535	$ 521	$ (14)	$ 5,936	$ (5,415)
Other financing uses	(80)	-	80	(1,000)	1,000
Appropriated fund balance	(1,691)	-	1,691	-	-
Change in fund balance	**$ (3,382)**	**$ 3,171**	**$ 6,553**	**$ 5,122**	**$ (1,951)**
Beginning fund balance		$ 20,362		$ 15,240	$ 5,122
Ending fund balance		**$ 23,533**		**$ 20,362**	**$ 3,171**

Revenues vs. Expenditures



General Fund Revenues

General Fund Revenues

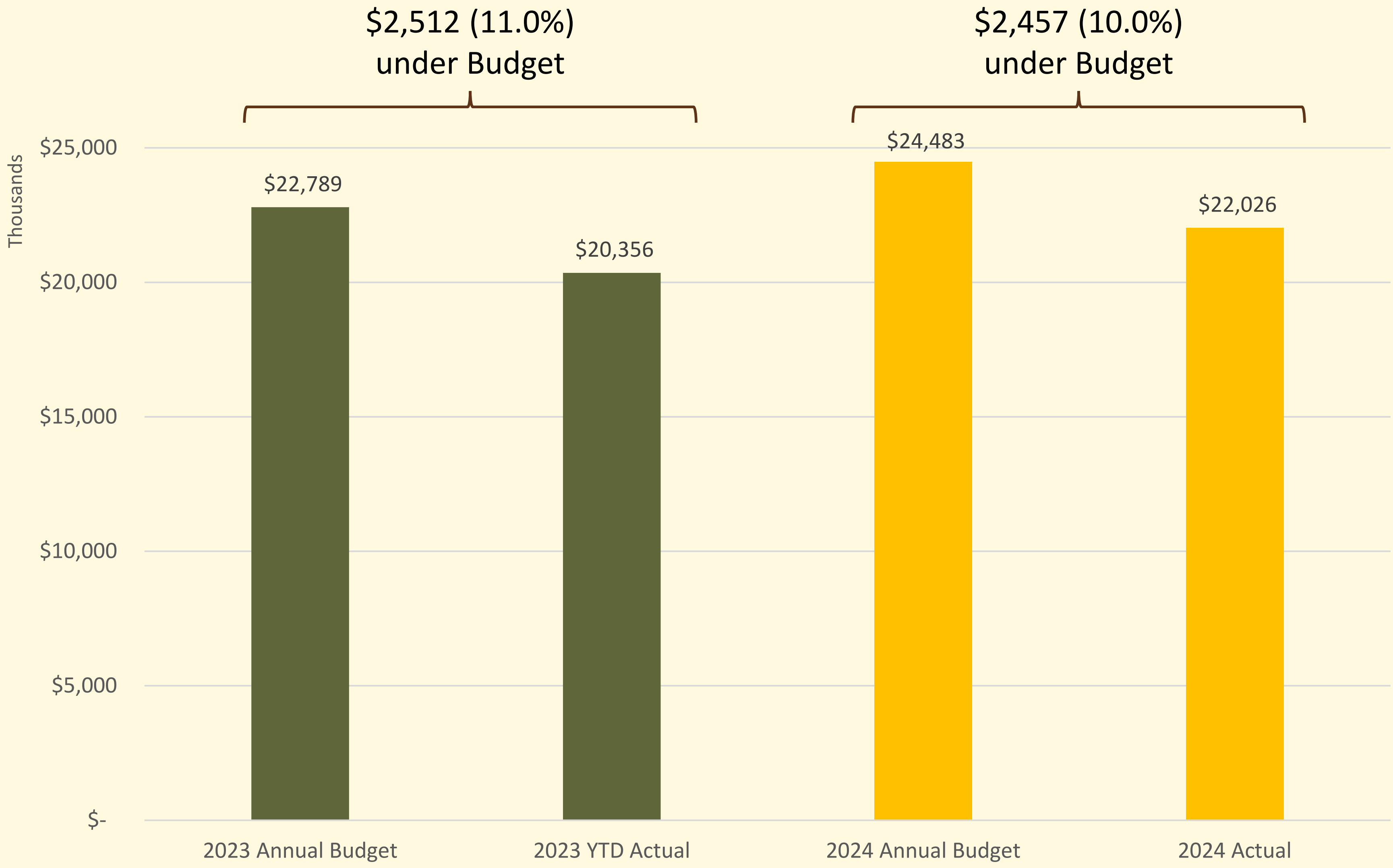


Revenues to Note

- Property Taxes:
  - Motor Vehicle taxes were $40K short of budget.
  - R&P taxes had 99.96% collection rate.
- Sales Taxes
  - $523K (6.2%) more collected this FY over last FY for all sales taxes
  - Local Option Sales Tax of $7.5 million collected, which is $482K (6.9%) growth and higher than the 4.8% growth budgeted
  - Growth is still strong compared to the statewide average of 2.8%
- Investment Income
  - Earned $1.2M, which is $476K more than last year and $342K more than budgeted due to interest rates holding steady
  - Annual investment yield was 5.1% on an average balance of $24.8M

General Fund Expenditures

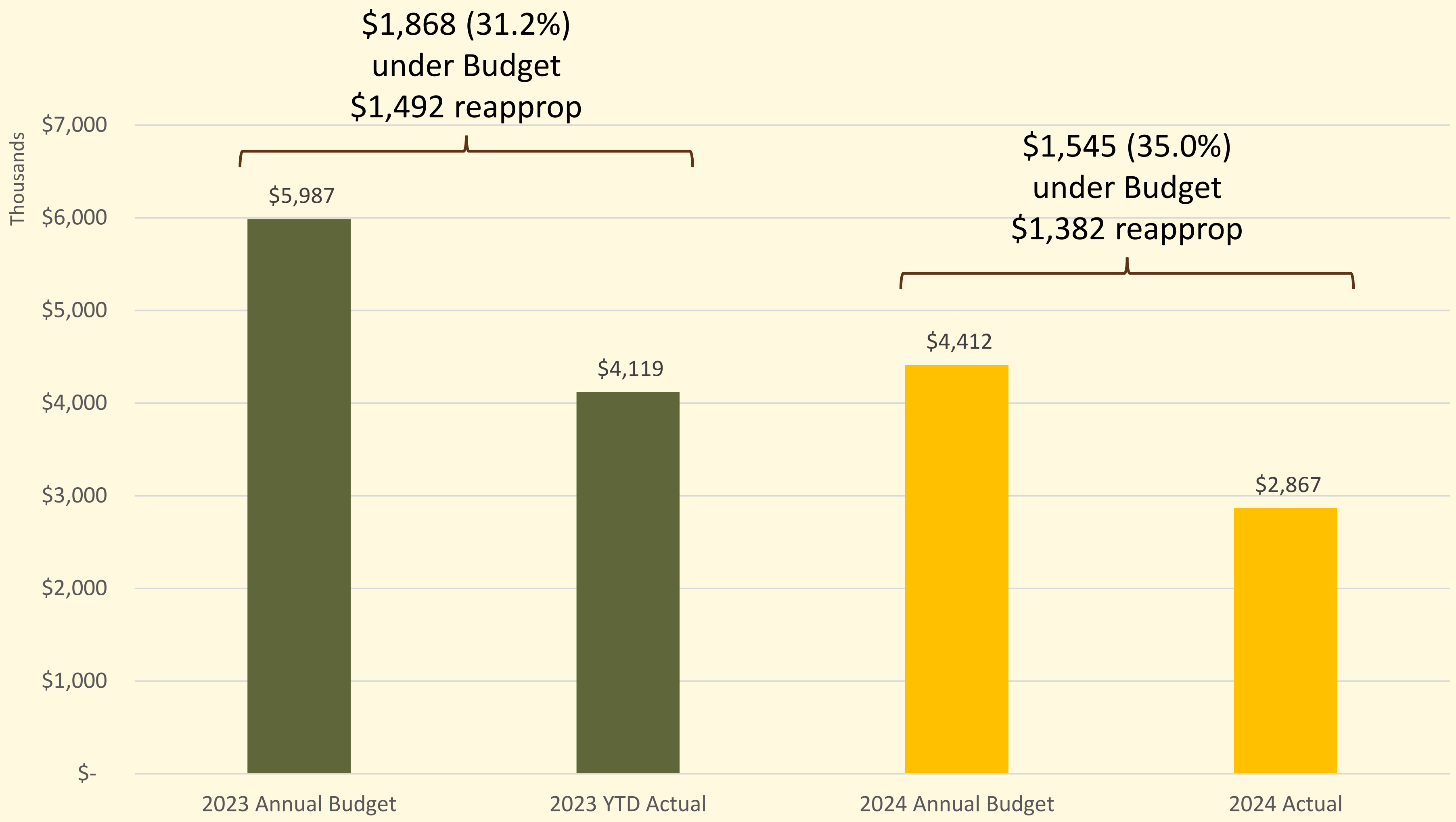
Operating Expenditures



Operating Expenditures to Note

- Personnel Expenses:
  - $14.3M (93.5%) of $15.2M personnel budget expended
  - $988K budget-to-actual variance
  - Notable lapse salary in the Police department
  - Savings in group and worker's comp insurance premiums
- Contracted Services $216K of $2.9M budget unspent
  - Streets & Grounds: $75K Village Green parking lot + $25K pavement patching
- Internal Service Charges $470K of $4.0 million budget unused
  - $73K salaries and benefits
  - $143K maintenance costs
  - $40K fuel

Capital Expenditures



Capital Expenditures to Note

- Capital Projects Completed in FY 2024:
  - Fleet vehicle and equipment purchases: $1.0M
  - Pedestrian Projects: $558K
  - Stormwater and Intersection Improvements: $322K
  - Equipment for Police and Fire departments: $239K
  - Harness Track Improvements: $163K
  - Elevator and HVAC Upgrades: $61K
  - IT Projects: $47K
- Capital Dollars Saved in FY 2024:
  - Public Services land due diligence: $21K
  - Fiber to Rassie Wicker and Cannon Parks: $19K
  - Right-to-use lease and subscription assets: $33K
  - All other: $90K

Financial Position & Outlook

Financial Position

- The $3.2M actual change in fund balance was $3.0M more than the $208K projected for the FY 2025 SOP.
- After deducting reappropriations in FY 2025 of $1.9 million, an additional $1.0 million was added to fund balance compared to the estimate.

Amounts in thousands	Estimated June 30, 2024	Actual June 30, 2024	Over (Under) Estimate
Beginning fund balance	$ 20,362	$ 20,362	
Change in fund balance*	208	3,171	
Ending fund balance	$ 20,570	$ 23,533	$ 2,963
Less reappropriations			(1,950)
Net addition to fund balance compared to estimate			$ 1,013
Fund balance as a % of budgeted expenditures	70.5%	81.4%	10.9%

* Estimated change in fund balance from the FY 2025 SOP includes an assumed budget-to-actual variance for revenues and expenditures.

Financial Outlook

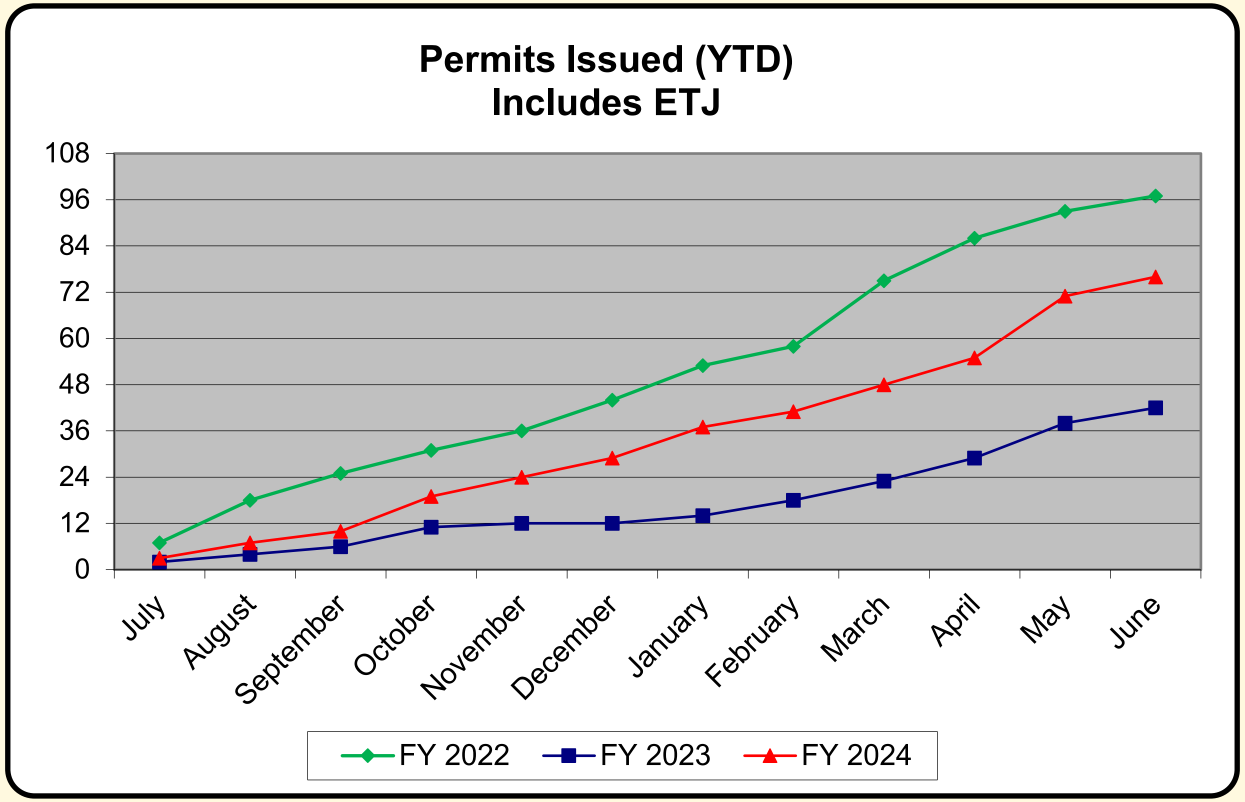
- The additional $1.7 million added to fund balance compared to the estimate in the FY 2024 SOP increases the FY 2028 ending fund balance to $11.4 million vs. $9.7 million
- This improves the FY 2028 ending fund balance to 35.3% of budgeted expenditures vs. 30.0% as projected in the SOP (the fund balance policy minimum)

Projected Impact on Fund Balance in the General Fund:

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Beginning Fund Balance	$ 20,362,064	$ 20,128,932	$ 16,251,683	$ 13,862,936	$ 12,705,936
Revenues Over (Under) Exp	(2,538,557)	(6,200,120)	(4,832,887)	(3,666,592)	(3,908,414)
Budget to Actual Variance [1]	2,305,425	2,322,871	2,444,139	2,509,593	2,585,618
Projected Actual Gain/(Loss)	(233,132)	(3,877,249)	(2,388,747)	(1,156,999)	(1,322,796)
Projected Ending GF Bal	$ 20,128,932	$ 16,251,683	$ 13,862,936	$ 12,705,936	$ 11,383,140
% of Total Budget	**74.7%**	**49.9%**	**43.4%**	**40.9%**	**35.3%**

[1] Assumes actual revenues of 101% of budget and actual operating expenditures of 92% of budget

- Property Taxes:
  - 50% of Village revenues in FY 2024
  - Residential building permits have picked up from last year



Financial Outlook

Shaded rows are revaluation years

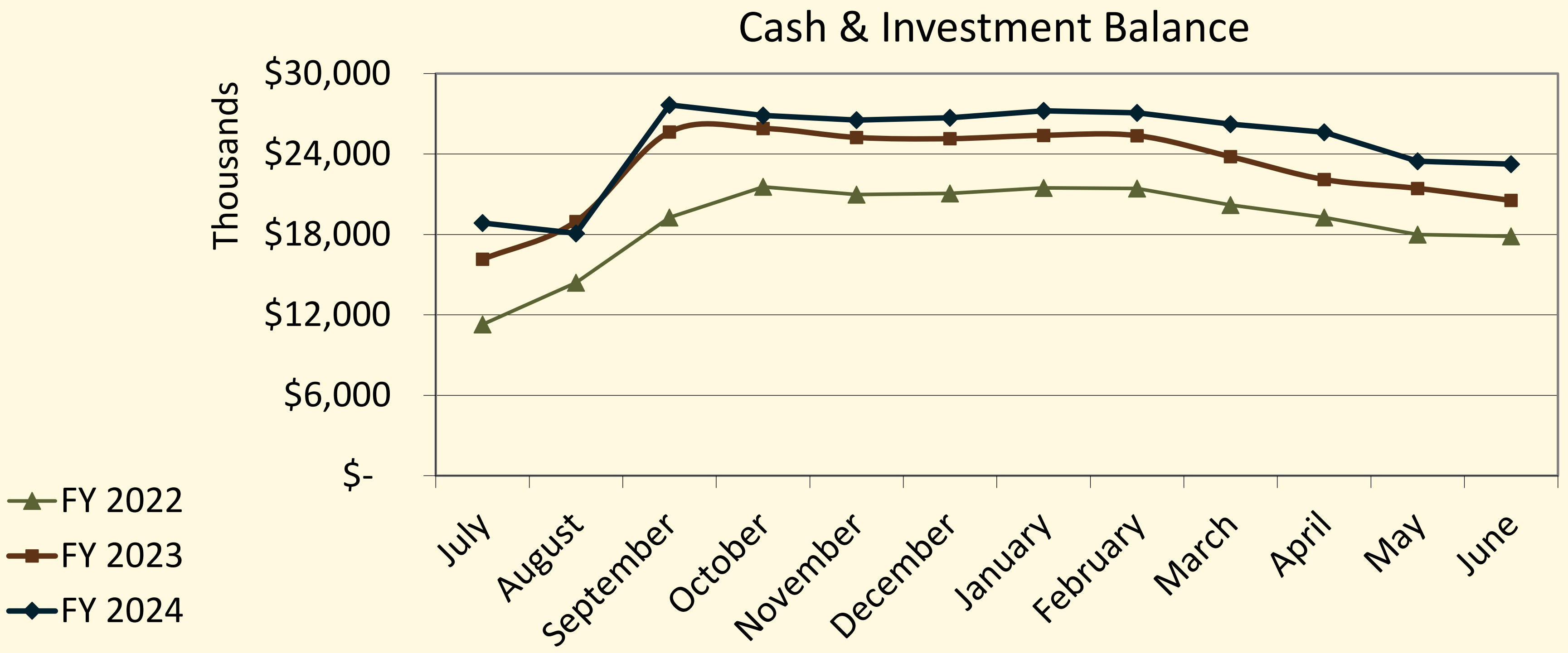
In Millions	Residential Tax Base	Non-Residential Tax Base	Tax Exempt Property	Total Taxable Assessed Value	% Change YoY
FY08	$2,719	$327	$268	$2,778	
FY09	$2,762	$335	$270	$2,827	1.76%
FY10	$2,808	$339	$272	$2,875	1.70%
FY11*	$3,312	$356	$309	$3,359	16.83%
FY12	$3,334	$366	$309	$3,391	0.95%
FY13	$3,368	$364	$313	$3,419	0.83%
FY14	$3,434	$364	$314	$3,483	1.87%
FY15	$3,434	$375	$316	$3,492	0.26%
FY16	$3,353	$394	$404	$3,343	-4.27%
FY17	$3,398	$395	$406	$3,388	1.35%
FY18	$3,439	$403	$406	$3,435	1.39%
FY19	$3,496	$413	$405	$3,503	1.98%
FY20	$3,738	$451	$438	$3,751	7.08%
FY21	$3,810	$454	$435	$3,829	2.08%
FY22	$3,911	$445	$464	$3,892	1.65%
FY23	$4,011	$446	$477	$3,980	2.26%
FY24	$4,970	$537	$644	$5,910	48.49%
FY25 Est				$5,976	1.12%
FY08-FY24 Increase	$2,251	$210	$376	$3,132	
% Increase	82.79%	64.22%	140.30%	112.74%	
FY08-FY25 Increase				$3,198	
% Increase				115.12%	

*Pinewild Annexed

Cash & Investment Balances

Cash and Investment Balance

- Total cash and investments balance increased $2.7 million from June 30, 2023 to June 30, 2024, due to higher property tax, sales tax, and investment income revenues
- Of the $23.2 million in cash and investments, 97% is held in the North Carolina Capital Management Trust Government Portfolio.



Library Expansion Capital Project Fund

Library Expansion Capital Project Fund

- $1.4M in fund balance at the beginning of the year
- Investment income of $67K and $212K in design expenditures in FY 2024 resulted in $1.3M in fund balance as of June 30, 2024
- Additional $545K in committed General Fund fund balance for the library and archives that is not reflected here

	Project Budget	Actual: Prior Years	Actual: Current Year	Actual: Total To Date
Revenues				
Investment earnings	$ 20,000	$ 23,330	$ 67,477	$ 90,807
TOTAL REVENUES	20,000	23,330	67,477	90,807
Expenditures				
Design costs	600,900	21,775	211,570	233,345
Construction costs	819,100	-		-
TOTAL EXPENDITURES	1,420,000	21,775	211,570	233,345
REVENUES OVER (UNDER) EXPENDITURES	(1,400,000)	1,555	(144,093)	(142,538)
Other Financing Sources (Uses)				
Transfer from General Fund	1,400,000	1,400,000	-	1,400,000
TOTAL OTHER FIN. SOURCES (USES)	1,400,000	1,400,000	-	1,400,000
NET CHANGE IN FUND BALANCE	$ -	$ 1,401,555	(144,093)	$ 1,257,462
FUND BALANCE, JULY 1			1,401,555	
FUND BALANCE, JUNE 30			$ 1,257,462	