1895
VILLAGE OF
PINEHURST

VILLAGE COUNCIL
AGENDA FOR REGULAR MEETING OF FEBRUARY 9, 2021
ASSEMBLY HALL
395 MAGONOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM

1. Call to Order.

2. Reports:

   Manager

   Council

3. 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.
      January 19, 2021 Special Meeting
      January 19, 2021 Closed Session
      January 26, 2021 Special Meeting
      January 26, 2021 Closed Session
      January 26, 2021 Regular Meeting
      January 26, 2021 Work Session

   End of Consent Agenda.

4. Motion to Recess Regular Meeting and Enter Public Hearing.

5. Public Hearing No. 1

   The purpose of the public hearing is to receive public comments on a proposed moratorium on real estate development activities in two limited geographic areas within the Village of Pinehurst. The areas are identified as the Village Place/Rattlesnake Trail Corridor area and the Pinehurst South/ NC Highway 5 Commercial Area (Focus Area 4 and 2 of the 2019 Comprehensive Plan).

6. Motion to Adjourn Public Hearing and Re-Enter Regular Meeting.

7. Discuss and Consider an Ordinance for a Moratorium for the Village Place/Rattlesnake Trail Corridor and the Pinehurst South/NC Highway 5 Commercial Area (Focus Area 4 and 2 of the 2019 Comprehensive Plan)

   Council is being asked to approve a Moratorium Ordinance on development activity in two Comprehensive Plan Focus Areas (4 and 2) to allow time for Small Area Plans to be developed for the two areas. These areas include the Pinehurst South/NC Highway 5 Commercial Area (Focus Area 2) and the Village Place/Rattlesnake Trail Corridor (Focus Area 4) as identified on the exhibit maps, A and B, attached to the draft Moratorium Ordinance.

8. Presentation of Financial Statements for the Quarter Ended December 31, 2020.

9. Discuss and Consider Resolution Amending the Village's Fund Balance Policy.

10. Other Business.

11. Comments from Attendees.

12. 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.

COUNCIL
ADDITIONAL AGENDA DETAILS:

ATTACHMENTS:

	Description
🗋	2021 Key Partner List

Council Member to Report	Partners & Collaborators
John Strickland	Moore County Transportation Committee
	Neighborhood Advisory Committee
	Pinehurst Resort
Judy Davis	Tri-Cities Work Group (Pinehurst, So. Pines, Aberdeen)
	FirstHealth
	Moore County
Lydia Boesch	Convention and Visitors Bureau
	Bicycle and Pedestrian Advisory Committee
Kevin Drum	Triangle J. COG
	Partners in Progress
	NCDOT/TARPO
Jane Hogeman	Beautification Committee
	Moore County Schools
	Pinehurst Business Partners

APPROVAL OF VILLAGE COUNCIL MEETING MINUTES.

ADDITIONAL AGENDA DETAILS:

January 19, 2021 Special Meeting
January 19, 2021 Closed Session
January 26, 2021 Special Meeting
January 26, 2021 Closed Session
January 26, 2021 Regular Meeting
January 26, 2021 Work Session

FROM:
Beth Dunn

CC:
Jeff Sanborn

DATE OF MEMO:
2/4/2021

MEMO DETAILS:
Attached are the draft minutes from the January 19th special meeting and closed session, the January 26th special meeting, regular meeting and work session.

ATTACHMENTS:

Description

- January 19, 2021 Special Meeting
- January 26, 2021 Special Meeting
- January 26, 2021 Regular Meeting
- January 26, 2021 Work Session

VILLAGE COUNCIL
MINUTES FOR SPECIAL MEETING OF JANUARY 19, 2021
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA

The Pinehurst Village Council held a remote special meeting at 1:30 p.m., Tuesday, January 19, 2021 in Assembly Hall at Village Hall, 395 Magnolia Road, Pinehurst, North Carolina and via the electronic meeting platform ZOOM. The meeting was streamed in real time on the Village's website.

The following were in attendance in Assembly Hall:

Mr. John C. Strickland, Mayor
Ms. Beth Dunn, Village Clerk

The following were in remote attendance:

Ms. Judy Davis, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Kevin Drum, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey Sanborn, Village Manager

And approximately 3 attendees, including 3 staff.

1. **Call to Order.**
   Mayor John Strickland, called the Council special meeting to order.

2. **Discuss Library Needs Assessment.**
   Natalie Hawkins, Assistant Village Manager, explained the objective of today's meeting is to have an understanding of the basis of the need for square footage in a library that will meet the needs of residents. Ms. Hawkins reviewed a summary of the recommended ranges of square feet (sf) needed to address the library needs of Pinehurst residents that were expressed throughout the Library Needs Assessment and especially in the ETC Library Services Survey conducted in June 2020. The overall recommendation would be a library a size of 10,000 – 12,000 sf.

   Ms. Hawkins explained that the recommendation is to expand the current collection of 15,000 titles to 30,000 titles, which would consume somewhere between 4,250 and 5,600 (sf). This would result in 1.8 books per capita, which is lower than benchmark comparisons and also more sf than the entire amount of space utilized by the library in their current building. Ms. Hawkins explained that in NC, municipal libraries have on average 3.0 books per capita. Pinehurst's population of 17,100 residents, would suggest a collection of 51,300 titles may be needed. In comparison, the Town of Southern Pines Library, that serves a population of approximately 14,000 residents, has a collection of 65,785 titles, or over 4.0 books per capita. Councilmember Hogeman stated that the Given Memorial Library now has access to digital state resources as they are now part of the Public Library System. Ms. Hawkins noted that was true but other municipal libraries also have access to digital resources.

   Ms. Hawkins stated that currently there is 525 sf of children's program space, which includes the book collections as well. The recommendation would be to expand the program space to 700 to 800 sf. In 2019, the Given Memorial Library offered 5.4 children's programs per month. This is significantly less than the 14.8 children's programs offered per month in the nearby Town of Southern Pines, which serves a smaller population. Ms. Hawkins stated that the Given Memorial Library has only one public computer for residents to access. The recommendation is to expand the number of computers for the public to access to somewhere between two and four computers, with access to print, copy, & scan services. Four public computers would equate to

1.17 computers per 5,000 residents, which is still well below benchmark comparisons. Two to four public computers and printer/scanner/copier space would be approximately 190 to 340 sf of space. Ms. Hawkins noted that in NC, municipal libraries provide 9.7 computers for every 5,000 residents.

Book clubs, discussion groups, and adult programs are currently held in approximately 575 sf of space at the library. The recommendation would be to expand the amount of space for adult programming to up to 1,000 sf. This space should be flexible to meet the different needs of adult & teen groups and clubs. Ms. Hawkins noted that 60% of residents in two younger demographics indicated expansion is extremely or very needed.

Ms. Hawkins explained that libraries must also contain general space for administrative office, storage, restrooms, and mechanical space, which must also be incorporated into the overall space needs. The amount of general circulation space is calculated as 20% to 30% of total building square feet, depending on the layout of the building. Ms. Hawkins stated that using the square footage ranges previously recommended, the total amount of general circulation space would range from 1,700 – 3,400 square feet. Council discussed varying situations that would play a factor into the general circulation space.

Ms. Hawkins explained there are three other key spaces commonly found in libraries that some segments of respondents to the ETC survey indicated a demand for. Those recommendations would be to add three additional dedicated spaces: flexible space to house adult & teen programs at 300 – 700 sf, 6-8 person conference room at 150 – 200 sf, and an individual study or quiet space at 600 – 800 sf. Ms. Hawkins reviewed the current layout of the Given Memorial Library and Tufts Archives.

Councilmember Hogeman asked what determines the number of library staff that will be needed. Ms. Hawkins explained the recommendation is that there is a librarian and supporting staff, which could be driven by the size of the building, operating hours, and programing. Councilmember Hogeman asked what the sf number of shared space is for the archives and library, such as offices and restrooms. Ms. Hawkins stated the shared space is currently 750 sf.

3. **Motion to Recess the Special Meeting and Enter Closed Session.**
   Upon a motion by Mayor Pro Tem Davis, seconded by Councilmember Boesch, Council unanimously approved to recess the special meeting and enter into a closed session pursuant to NCGS §143-318.11(a)(5)(i) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, by a vote of 5-0.

4. **Closed Session.**
   Council held a closed session to discuss the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease.

5. **Motion to adjourn the Closed Session and Re-enter the Special Meeting.**
   Upon a motion by Councilmember Boesch, seconded by Councilmember Drum, Council unanimously to adjourn the closed session and re-enter the special meeting, by a vote of 5-0.

6. **Motion to Adjourn**
   Upon a motion by Mayor Pro Tem Davis, seconded by Councilmember Boesch, Council unanimously approved to adjourn the special meeting, by a vote of 5-0, at 5:00 p.m.

Respectfully Submitted,

Beth Dunn,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

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VILLAGE COUNCIL
MINUTES FOR SPECIAL MEETING OF JANUARY 26, 2021
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA

The Pinehurst Village Council held a remote special meeting at 3:30 p.m., Tuesday, January 26, 2021 in Assembly Hall at Village Hall, 395 Magnolia Road, Pinehurst, North Carolina and via the electronic meeting platform ZOOM.

The following were in attendance:

Mr. John C. Strickland, Mayor
Ms. Beth Dunn, Village Clerk

The following were in remote attendance:

Ms. Judy Davis, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Kevin Drum, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey Sanborn, Village Manager

And approximately 3 attendees, including 3 staff.

1. **Call to Order.**
   Mayor John Strickland, called the Council special meeting to order.

2. **Motion to Recess the Special Meeting and Enter Closed Session.**
   Upon a motion by M____, seconded by Councilmember _____, Council unanimously approved to recess the special meeting and enter into a closed session pursuant to NCGS §143-318.11(a)(5)(i) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, by a vote of 5-0.

3. **Closed Session.**
   Council held a closed session to discuss the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease.

4. **Motion to adjourn the Closed Session and Re-enter the Special Meeting.**
   Upon a motion by Councilmember___, seconded by Councilmember ___, Council unanimously to adjourn the closed session and re-enter the special meeting, by a vote of 5-0.

5. **Motion to Adjourn**
   Upon a motion by ____, seconded by Councilmember ___, Council unanimously approved to adjourn the special meeting, by a vote of 5-0, at ____ p.m.

Respectfully Submitted,

Beth Dunn,
Village Clerk

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VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF JANUARY 26, 2021
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday, January 26, 2021 in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina and via the electronic meeting platform ZOOM. The meeting was streamed in real time on the Village's website.

The following were in remote attendance:
Mr. John C. Strickland, Mayor
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Judy Davis, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Kevin Drum, Councilmember
Ms. Jane Hogeman, Councilmember

The following were in attendance in Assembly Hall:
Ms. Beth Dunn, Village Clerk

And approximately 11 attendees, including 8 staff and 1 press.

1. Call to Order.
   Mayor Strickland, called the Village Council meeting to order.

2. Reports:
   Village Manager
   - Matt Day from TARPO gave an update on the NCDOT Strategic Transportation Implementation Plan (STIP). In 2022 they plan to contract for the Highway 15-501 and Morganton Road minor improvements, which includes the installation of dual left hand turn lanes on 15-501 and improvements at Page and Memorial with 15-501. In 2024 they plan to begin the widening of Highway 211 out past Seven Lakes, improvements to the Highway 15-501 and Highway 24-47 intersection in Carthage, Highway 5 widening from Highway 1 to Blake Boulevard, and initiate the superstreet work on Highway 15-501 and Highway 1 in Aberdeen. In 2025 the Pinehurst Traffic Circle improvements will begin and in 2028 the widening of Highway15-501 north of the traffic circle. In 2030 the improvements to Highway 5, the section in Village limits to Highway 211. In 2031 the improvements to the intersection of Morganton Road and Highway 15-501, which would include an interchange.
   - Glen Webb, Police Chief, had some good comments on the crime stat report. He noted arrests are up but he stated both self-initiated activity and more seasoned officers with recognizing violations and making arrests. This proactivity and the ability to retain good officers reflect directly to the success. Mr. Sanborn noted it is bad news looking at the data but Chief Webb sees some positive trends as well.

Village Council

- Mayor Strickland vaccination operations at the Fair Barn are going well. They exceed the 2,000 doses they thought they would administer, with 2,800 doses being administered. Asked the public to continue to wash, wait, and wear.
- Mayor Pro Tem Davis stated she went to a TriCites meeting today. The group is looking at ways to work together on Parks and Recreation programs.
- Councilmember Drum stated the Triangle J helped Moore County in supplying a planner when they were short. He didn't realize they would do that.
- Councilmember Hogeman thanked Councilmember Boesch for all she has done getting the National Park Service here and getting the program set up and noted she believes this will be a wonderful opportunity.
- Councilmember Boesch stated the National Park Service (NPS) is conducting a study on the National Historic Landmark District. As a Landmark District we are in the top 3% of the 9,000 properties that are listed on the registry of historic places. Next week the NPS will solicit public comments. She thanked everyone who has signed up to participate in the community meetings next week. Ms. Boesch stated that we have a great story to tell and what we have done to preserve the character in the Village of Pinehurst. She thanked Natalie Hawkins for her work keeping the project going and being a great connection between the NPS and the Village. Moore information on this study can be found on the Village's website.

3. 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.

- Public Safety Reports
  - December, 2020 Police Report
  - December 2020, Fire Report
- Approval of Village Council Meeting Minutes.
  - January 12, 2021 Regular Meeting
  - January 12, 2021 Work Session

End of Consent Agenda.

Upon a motion by Councilmember Boesch, seconded by Councilmember Drum, Council unanimously approved the Consent agenda by a vote of 5-0.

4. Presentation of Final Library Needs Assessment Report.

Natalie Hawkins, Assistant Village Manager, explained this item is to receive the Final Library Services Needs Assessment Report from the Village's consultant. Ms. Hawkins noted that Debbie Joy of Library IQ and Fred Belledin of Clearscapes will present a high level review of the Final Library Services Needs Assessment Report. Ms. Hawkins explained that the Library Services Needs Assessment has been underway since the fall of 2019 and many residents have contributed their valuable time to help the Council understand our community needs for library services. Ms. Hawkins thanked Audrey Moriarty, Executive Director of Given Memorial Library, for all of her support throughout the entire needs assessment process and she promptly provided requested information, her support was invaluable.

Ms. Joy reviewed the comprehensive process the Library Needs Assessment. Findings indicate residents would like to see expanded library services. Top expansion requests include children's collection, digital media, children's programs and classes and young adult collection. Ms. Joy explained that from the mailed ETC survey conducted 67% of residents believe the Village should fund a library. 57% of residents were in support of at least $.01 tax increase and 43% of residents do not support any tax increase.

Ms. Joy explained the recommended square footage (sf) needed to meet basic library services is 10,000 to 12,000 sf, she noted that currently the library has 3,825 sf in the existing building. Mr. Belledin reviewed the recommended sf for the expressed needs of the community, broken down into two tiers. Tier one includes room for expanded collection size, children's program space, computer space, and flexible small group meeting space. Tier two includes all tier one spaces, flexible space for adult and teen programs, and a small conference room with technology and quiet study spaces. The recommended size of 10,000 to 12,000 would be the high end of tier one and low end of tier two. Mr. Belledin reviewed library facility options and approximate construction costs.

Ms. Joy reviewed various library operation components. She stated they recommend 28,000 to 30,000 titles, including the existing 15,500 titles. The recommendation is based on community input, NC state per capita averages and projected building size. For programming they recommend expanding curriculum-based educational programs and enrichment programs for adults. Ms. Joy noted they did hear a desire for extended operational hours, particularly from younger working families. They are recommending hours of operation increase from 40.5 hours to 48 hours per week. Increased technology for the library is recommended, public access computers, Wi-Fi, and library operation technology.

Ms. Joy reviewed various funding mechanisms for construction including long term debt, conducting fundraising campaign, and seek State Library of North Carolina LSTA grants. Ms. Joy reviewed funding mechanisms for operations such as non-resident user fees for library cards, apply for NC State Aid, generate additional property tax revenue, and seeks grants from Library Services and Technology Act. The approximate annual cost to operate a 10,000 to 12,000 sf library is about \$800,000 to \$940,000. Ms. Joy noted that would be an increase in annual Village funding of \$650,000 - \$790,000.

Mayor Strickland asked for them to elaborate on the library of the future with digital media. Ms. Joy stated if there is one word to sum up the library of the future it would be "flexibility". Mr. Belledin stated they haven't seen a trend in libraries of moving away from print material. Mayor Pro Tem Davis asked if there were any of the library site options that limit expanding past 14,000 sf. Mr. Bellidin explained the existing location of the current library would be challenging with the existing architecture and depending how discussion with the National Park Service goes. He also noted the Historic Fire House could have limits, depending on the land acquisition around it. Mayor Pro Tem how much grant money typically is given with the LSTA grants. Ms. Joy stated she would get that information but in her experience it's typically not a game changing number for the budget. Mayor Pro Tem Davis asked if the additional operational hours included more weekend hours. Ms. Hawkins stated the operation hours recommended were 10:00 a.m. to 7:00 p.m. Monday through Thursday, 10:00 a.m. to 5:00 p.m. on Friday, and 10:00 a.m. to 3:00 p.m. on Saturday.

5. Review and Approve the FY 2022 Balanced Scorecard, Including the FY 2022 Areas of Focus, and the FY 2022-2026 Initiative Action Plans.

Lauren Craig, Organizational Performance Director, explained this agenda item is to review and approve several items related to the development of the FY 2022 Strategic Operating Plan (SOP) based on Council's discussions at the December 10-11, 2020 Strategic Planning Retreat. Documents including the proposed Initiative Action Plans, projects, and FY 2022 Balanced Scorecard were discussed at the January 12th work session and since that time, staff amended the materials based on Council's input. Ms. Craig stated today, we are seeking Council's approval by motion for the FY 2022 Balanced Scorecard, including the FY 2022 Areas of Focus. She also noted staff is seeking a consensus on the proposed list of FY 2022-2026 Initiative Action Plans. This is being done now to ensure that Senior Leaders develop the FY 2022 SOP and submit budget requests that align to Council's priorities. Ms. Craig reviewed the FY 2022 Balanced Scorecard, which indicates strategic objectives, key performance indicators (KPIs), and goals (short-term and long-term).

Ms. Craig reviewed the 6 Initiative Action Plans (IAPs) for FY 2022-2026. Councilmember Hogeman stated she disagrees with extending the IAP to re-write the Pinehurst Development Ordinance (PDO) over 3 years and disagrees with hiring a consultant to complete the re-write. Council discussed the pro and cons of hiring a consultant. Ms. Craig noted that this IAP is just in the starting phase and there will be more details to come. Councilmember Hogeman explained she wants to add an IAP to compete PDO text amendments to protect Focus Area 5, on Highway 211. Mayor Pro Tem Davis stated she doesn't believe creating an IAP for that action is necessary, as did the consensus of Council. Mr. Sanborn stated he believes a project to establish a highway corridor overlay district is the best way to handle Focus Area 5. Councilmember Drum stated he sees more pressures in Focus Area 1, the medical district.

Upon a motion by Mayor Pro Tem Davis seconded by Councilmember Boesch, Council unanimously approve the fiscal year 2022 Balanced Scorecard and Areas of Focus, as presented, by a vote of 5-0.

6. Other Business.

- Councilmember Drum stated the Boys and Girls Club are moving into the old Elmore's Furniture store, they are an incredible non-profit serving the Tri-Cities area. Mayor Strickland stated he was asked several months ago to serve on an informal advisory board for the Boys and Girls Club.

- Jeff Sanborn stated the police department just informed him that the suspect that escaped from the hospital a week ago is now back in custody.

7. Comments from Attendees.
There were no comments from attendees.

8. Motion to Adjourn.
Upon a motion by Councilmember Boesch, seconded by Councilmember Hogeman, Council unanimously approved to adjourn the regular meeting by a vote of 5-0 at 6:04 p.m.

Respectfully Submitted,

Beth Dunn,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

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VILLAGE COUNCIL
MINUTES FOR WORK SESSION OF JANUARY 26, 2021
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA

IMMEDIATLEY FOLLOWING THE REGULAR MEETING

The Pinehurst Village Council held a work session at 6:16 p.m., Tuesday, January 26, 2021, in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina and via the electronic meeting platform ZOOM. The meeting was streamed in real time on the Village's website.

The follow were in remote attendance:

Mr. John C. Strickland, Mayor
Ms. Judy Davis, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Kevin Drum, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey Sanborn, Village Manager

The following were in attendance in Assembly Hall:

Ms. Beth Dunn, Village Clerk

And approximately 7 attendees, including 4 staff and 1 press.

1. **Call to Order.**
   Mayor John Strickland, called the Council work session to order.

2. **Discuss Potential Changes to the Village's Fund Balance Policy.**
   Natalie Hawkins, Assistant Village Manager, stated this agenda item is to discuss Village staff's recommendation on potential modifications to the Village's Fund Balance Policy. The Council discussed the Fund Balance Policy at their annual Strategic Planning Retreat in December. Ms. Hawkins explained the purpose of Fund Balance (FB) and noted the NC Local Government Commission (LGC) requires a minimum FB of 8% of expenditures. She reviewed the historic FB percentages of the Village, and noted the Village has historically maintained a lower FB in the General Fund than comparable communities.

   Ms. Hawkins explained the first part of the Fund Balance Policy is measured at the beginning of the year and the second part is measured at the end of the year. Ms. Hawkins explained the difference in creating a capital reserve fund verses committing unassigned fund balance for capital needs. Staff is not recommending creating a capital reserve fund, as the funds would be forever committed to capital and much more restricted. Staff recommends moving a portion of unassigned fund balance to a separate line item in the general fund for future capital needs, which would be detailed out of financial statements.

   The recommended changes to the Village's Fund Balance Policy are:

- Budget so that ending Fund Balance is a minimum of 30%.
- No changes recommended; Maintain requirement of 15% of actual expenditures in unassigned Fund Balance.
- Add a provision to commit a portion of unassigned fund balance for future capital needs if total FB exceeds 40%, with a floor to maintain the 15% of actual expenditures in unassigned FB.

Councilmember Hogeman stated she doesn't believe this process, for moving unassigned fund balance for capital needs, should be put on auto-pilot and we should say we will look at making this commitment every year and laying out the standards that would be examined to make that decision. Mr. Sanborn explained that the General Statues requires that Council adopt a resolution to move money around in the General Fund. He noted they are waiting on clarification from the School of Government on if a resolution would need to be adopted every year or if an adopted policy would cover this on an annual reoccurring basis. Councilmember Drum stated if the funds were going into capital reserve fund then he could see the need for approving every year, however, the fund are staying in the general fund so he doesn't think that is necessary to have to bring to Council annually. Mr. Sanborn stated these funds would be revisited every year during the Strategic Planning Process and any changes could be made by a resolution at any time. Staff will bring the amended policy to Council at their next regular meeting for consideration.

3. **Discuss a Moratorium for Small Area Plan Focus Areas.**
Darryn Burich, Planning and Inspections Director, explained this item is a carryover from Council's last work session on January 12th. He stated they have made some changes to the exclusions of the proposed moratorium ordinance to include projects currently undergoing Technical Review Committee as of the effective date of the project and alterations and repairs to existing buildings regulated by North Carolina State Building Codes, site improvements required to comply with the American with Disabilities Act, and changes in occupancy to existing structures not involving building or site additions and not requiring rezoning action and any development in an approved subdivision in which substantial infrastructure expenditures have been incurred, including roadway, water, and/or sewer infrastructure, regardless of whether individual parcel owners within the subdivision have submitted a complete application for development approval.

Mr. Burich explained the public hearing will be held on February 9th and the legal notice will be published in The Pilot, tomorrow, January 27th and on February 3rd. Mr. Burich noted he is working on FAQ relating to what you can and can't do during the moratorium which will be published on the Village's website. Council reviewed the public hearing notice and discussed communication efforts with the public.

4. **Discuss Strategies for Working with the Planning and Zoning Board.**
Mayor Strickland, stated I believes having a meeting with the Planning Boards and Historic Preservation Commission from time to time to understand what Council is working on and as well as what they are working on. Mayor Strickland noted that all Chairs were very agreeable to have these meetings and one of the key items for discussion would be overall training needs of the boards. Darryn Burich, Planning and Inspections Director, explained the various training methods and material currently used for the Planning Boards. Mayor Strickland suggested providing the board members with the history of Pinehurst.

Mayor Strickland suggested using the planning boards to set up subcommittees to help support staff and work on items such text amendments and PDO issues. Jeff Sanborn, Village Manager, explained that open meeting laws would apply to subcommittee work by appointed boards. Councilmember Hogeman read the duties of the Planning Board from the Municipal Code. Mayor Pro Tem Davis stated she has a concern with creating a delicate balance and undue influence by meeting with the Planning and Zoning Board and she is also concerned with the time commitment this would require. Councilmember Boesch stated she is worried about burning volunteers out. Mayor Pro Tem Davis stated she believes it would be ok to have a conversation with them to gage their appetite to work on additional items. Mr. Sanborn suggested meeting with the boards to find out what we can do to assist them.

Mayor Strickland suggested changing the process for appointing or re-appointing planning board members to give more time for Council to get to know them and be involved in the interview process along with the Department Head and Chair of the Board. Council discussed ways to be more involved in the interview process. Mayor Pro Tem Davis stated she has a concern with the top down approach, and doesn't believe Council needs to be part of the interview process. Mr. Sanborn explained the current selection process which consists of his self, the Planning Director, and the Board Chair reviewing all the current applications on file to select the applicants to interview and then they all 3 conduct the interviews and make a recommendation to Council. Councilmember Hogeman stated the Municipal Code states Council should appoint the board members and she believes with Council not being part of the interview process the goes against what the code says. Councilmember Boesch says she wants to trust staff to select the candidates and then Council can talk to the candidate before they are appointed. Darryn Burich, Planning and Inspections Director, asked if there is specific information Council is not getting that could be added to the application. Mayor Strickland stated he would do some follow up with Mr. Sanborn and Mr. Burich.

Mayor Strickland stated the Planning Boards want to know more about the proposed moratorium and that he will work on arranging a joint meeting with the Planning Board. Council discussed ways the Planning Board can bring items to their attention so Council can address the underlying issues.

5. **Other Work Session Business**
Jeff Sanborn, Village Manager, stated that during the TriCities meeting today they discussed the County's occupancy tax. Both Aberdeen and Southern Pines both have resolve for an equitable share for occupancy tax. Mr. Sanborn explained a year ago what was proposed was to take an additional 1% that is available for tourism and add it to the existing 1% and put it into a tourism

development fund. Then anyone could nominate a project to use the additional funds for. Mayor Strickland asked if the County had rescheduled the meeting to discuss. Mr. Sanborn stated the County told him it hasn't been re-scheduled yet. Councilmember Drum stated he would like reserve judgment on this issue until we know all the details and implications.

6. Potential Future Agenda Topics.
No topics were discussed.

7. Motion to Adjourn.
Upon a motion by Mayor Pro Tem Davis, seconded by Councilmember Boesch, Council unanimously approved to adjourn the work session by a vote of 5-0 at 8:50 p.m.

Respectfully Submitted,

Beth Dunn,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

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PUBLIC HEARING NO. 1
ADDITIONAL AGENDA DETAILS:

The purpose of the public hearing is to receive public comments on a proposed moratorium on real estate development activities in two limited geographic areas within the Village of Pinehurst. The areas are identified as the Village Place/Rattlesnake Trail Corridor area and the Pinehurst South/ NC Highway 5 Commercial Area (Focus Area 4 and 2 of the 2019 Comprehensive Plan).

FROM:
Darryn Burich

CC:
Jeff Sanborn and Natalie Hawkins

DATE OF MEMO:
2/3/2021

MEMO DETAILS:
During the Village Council's annual strategic planning retreat in December, Council indicated it would like to consider a moratorium on development in the two Focus Areas to allow time for the Small Area Plans to be completed. Design Collective, the firm engaged by the Council to complete the Small Area Plans, is scheduled to have the plans and design standards completed later this calendar year.

The moratorium is being proposed because existing zoning and design standards in these two Focus Areas are inconsistent with the stated vision of these areas as discussed in the 2019 Comprehensive Plan. This moratorium could prevent future development or re-development from occurring that is incompatible with this vision until such time as new development regulations and standards are adopted later this year.

Section 160D-107 of NC General Statutes (NCGS) authorize municipalities to implement moratoriums on development.

Staff have attached the following documents to this agenda item:

1. Staff memo - This provides additional information about the proposed moratorium and explains several exclusions to the moratorium that are being proposed by staff.
2. Draft moratorium ordinance - This represents suggested language for an ordinance to adopt a temporary (9-month) moratorium allowing for two 90 day extensions.
3. Exhibits A & B - These indicate the boundary areas of the proposed moratorium.
4. NCGS 160D-107 - These are the statutes that provide local governments with the authority to implement a moratorium. While these statutes became effective January 1, 2021, municipalities have long held the authority to implement a moratorium (previously under NCGS 160A-381).

Council and the public can access Geographic Information Systems (GIS) maps of the two Focus Areas using **this link** to an online interactive map.

ATTACHMENTS:

	Description
🗋	Staff Cover Memo

- Draft Moratorium Ordinance
- Exhibit A - Moratorium Boundary Map -NC Hwy 5 Commercial Area
- Exhibit B - Moratorium Boundary Map - Village Place/Rattlesnake Trail Corridor
- NCGS 160D-107

MEMORANDUM

To: Village Council
From: Natalie Hawkins and Darryn Burich
Date: February 4, 2021
Subject: Proposed Moratorium for the Village Place/Rattlesnake Trail Corridor and the Pinehurst South/NC Highway 5 Commercial Area

Council is being asked to approve a temporary Moratorium Ordinance on development activity in two Comprehensive Plan Focus Areas (4 and 2) to allow time for Small Area Plans to be developed for the two areas. These areas include the Pinehurst South/NC Highway 5 Commercial Area (Focus Area 2) and the Village Place/Rattlesnake Trail Corridor (Focus Area 4) as identified on the exhibit maps attached to the draft Moratorium Ordinance. N.C. General Statutes (NCGS) 160D-107(a) authorize municipalities to adopt temporary moratoria on any development approval required by law, except for the purpose of developing and adopting new or amended plans or development regulations governing residential uses. The proposed Moratorium Ordinance was drafted in consultation with the Village Attorney to meet the requirements of NCGS 160D-107. Included with this agenda item is the draft Moratorium Ordinance based on previous Council discussion.

During the Village Council's annual strategic planning retreat in December 2020, Council indicated it would like to consider a moratorium on development in two of the Focus Areas identified in the 2019 Comprehensive Plan while Small Area Plans are being prepared. Council discussed the draft Moratorium Ordinance at its January 12 and January 26 work sessions and the Council consensus was to move the ordinance forward to a public hearing on February 9, 2021. Design Collective, the firm completing the Small Area Plans, is anticipated to have the plans and form based codes (development standards) completed later this calendar year.

The need for the moratorium is due to increasing development pressure in the two Focus Areas and a concern that future development may be incongruous with the recommendations of the adopted 2019 Comprehensive Plan. This moratorium could prevent future development or re-development that is incompatible or inconsistent with the intended vision for each of these areas. The moratorium provides time for plans and outdated ordinances to be developed and adopted and brought in line with Comprehensive Plan recommendations. Village staff considered, but did not recommend moving forward with proactive zone changes, due to the PDO requirements not being in line with Comprehensive Plan recommendations and the concern that incompatible development could still occur so a moratorium was thought to be the better option.

The proposed duration of the moratorium coincides with the anticipated completion of the Small Area Plans and related development of form based codes for both of the Focus Areas. The definition of development included in the ordinance represents the NCGS definition of development contained in Section 160D-102(12). Finally, NCGS 160D-107(b) requires the Council to hold a legislative public hearing with the standard notice period of publication, which is once a week for two successive calendar weeks in a newspaper having general circulation in the area and published the first time not less than 10 days nor more than 25 days before the date scheduled for the hearing. Notices were be published in the Pilot newspaper on January 27, 2021 and February 3, 2021.

Exclusions/Exceptions

It is important to note that this moratorium would not prohibit ALL development within the defined boundaries shown on the exhibit maps attached to the Ordinance. NCGS 160D-107(c) specifically prohibits the Village from applying the moratorium to conditions 1-5 below. Conditions 6-12 are local exclusions primarily meant to clarify statute.

1. Any project for which a valid building permit issued pursuant to G.S. 160D-1108 is outstanding, **(statutory exclusion)**
2. Any project for which a special use permit application has been accepted as complete, **(statutory exclusion)**
3. Development set forth in a site-specific or phased vesting plan approved pursuant to G.S. 160D-108, **(statutory exclusion)**
4. Development for which substantial expenditures have already been made in good-faith reliance on a prior valid development approval, **(statutory exclusion)**
5. Preliminary or final subdivision plats that have been accepted for review prior to the call for a hearing to adopt the moratorium. Any preliminary subdivision plat accepted for review by the local government prior to the call for a hearing, if subsequently approved, shall be allowed to proceed to final plat approval without being subject to the moratorium. **(statutory exclusion)**
6. Existing single-family residential uses as regulated by current North Carolina Residential Building Codes,
7. Projects undergoing Technical Review Committee as of the effective date of the moratorium ordinance,
8. Alterations and repairs to existing buildings regulated by North Carolina State Building Codes.
9. Site improvements required to comply with the American with Disabilities Act.
10. Changes in occupancy or use of existing structures not involving building or site additions and not requiring rezoning action.
11. Development in an approved subdivision in which substantial infrastructure expenditures have been incurred, including roadway, water, and/or sewer infrastructure, regardless of whether individual parcel owners within the subdivision have submitted a complete application for development approval.

Staff's rationale for adding conditions 6-11 are discussed below:

A) Existing single-family residential uses as regulated by current North Carolina Residential Building Codes

- *Permitting development on existing single family parcels will not adversely impact the future development pattern in the Focus Areas.*

B) Projects currently undergoing Technical Review Committee as of the effective date of the moratorium ordinance,
   - *This was added to clarify that projects that are currently undergoing Technical Review Committee review may proceed to building permitting during the moratorium.*

C) Alterations and repairs to existing buildings regulated by the North Carolina State Building Codes.
   - *This was added to permit alterations and repairs to existing buildings during the moratorium but not to permit new buildings or footprint expansions prior to Small Area Plans and Form Based Codes being developed for the areas. This would allow for roof repairs, window or siding replacements, and interior remodeling and alterations.*

D) Site improvements required to comply with the American with Disabilities Act.
   - *This was added recognizing that some changes of use or occupancy may require ADA improvements such as sidewalks or ramps and do not generally involve significant site improvements and are required by the building code.*

E) Changes in occupancy or use of existing structures not involving building or site additions and not requiring rezoning action.
   - *This was added to clarify what could be done within existing structures and occupancies and would permit changes of uses to occur that would not require rezoning or construction of additional site improvements (other than to comply with ADA). Essentially this would permit an occupancy or use to move from one use to another as long as no zone change or site improvements are required.*

F) Development in an approved subdivision in which substantial infrastructure expenditures have been incurred, including roadway, water, and/or sewer infrastructure, regardless of whether individual parcel owners within the subdivision have submitted a complete application for development approval.
   - *This was added to clarify Village staff and attorney interpretations that a "prior valid development approval" may include approved subdivisions involving substantial infrastructure development.*

Village staff recognize that a moratorium may not be welcomed by the development community. Given the rate of development in our community, a short-term pause in development may be worth the longer-term gain from having development that is consistent with the community's vision for these areas.

We look forward to discussing the attached draft moratorium ordinance with you at your meeting on February 9, 2021.

ORDINANCE #21-03:

AN ORDINANCE OF THE VILLAGE OF PINEHURST ADOPTING A MORATORIUM ON REAL ESTATE DEVELOPMENT ACTIVITY IN SPECIFIC GEOGRAPHIC AREAS WITHIN THE VILLAGE OF PINEHURST AND THE VILLAGE OF PINEHURST'S EXTRATERRITORIAL JURISIDCTION.

THAT WHEREAS, the Village of Pinehurst, North Carolina is experiencing significant real estate development and population growth within its corporate boundaries and its extraterritorial jurisdiction;

WHEREAS, on October 22, 2019 the Village of Pinehurst adopted the 2019 Comprehensive Plan which provides recommendations to manage future growth of the community and identified five Focus Areas as important areas to influence and manage growth and development:

1. Existing Extra-Territorial Jurisdiction (ETJ)
2. NC Highway 5 Commercial Area - (Pinehurst South)
3. Medical District
4. Village Place/Rattlesnake Trail Corridor
5. NC Highway 211 Commercial Area

WHEREAS, the goals, standards, and guidelines, as outlined in the 2019 Comprehensive Plan for the NC Highway 5 Commercial Area – Pinehurst South (Focus Area 2) is for office, medical, life science, and research facilities supported with small-scale retail services and residential uses and the vision for the Village Place/Rattlesnake Trail Corridor (Focus Area 4) is to create a more mixed-use, walkable area that is more conveniently connected to the Village Center;

WHEREAS, the Village's existing zoning and development regulations applicable to Focus Areas 2 and 4 are incompatible and incongruous with the intended character and vision for the Focus Areas described in the 2019 Comprehensive Plan;

WHEREAS, allowing real estate development activity to occur prior to adoption of Small Area Plans for Focus Areas 2 and 4 is an inadequate alternative to a moratorium because it may result in development and land uses that are incompatible and incongruous with the 2019 Comprehensive Plan's goals, standards, and guidelines;

WHEREAS, proactively rezoning the areas without a comprehensive analysis of Focus Areas 2 and 4 is an inadequate alternative to a moratorium because it could also result in development and land uses that are incompatible and incongruous with the 2019 Comprehensive Plan's goals, standards, and guidelines;

WHEREAS, the 2019 Comprehensive Plan specifically recommended that Small Area Plans and design standards with Form Based Codes be developed for the NC Highway 5 Commercial Area – Pinehurst South (Focus Area 2) and the Village Place/Rattlesnake Trail Corridor (Focus Area 4);

WHEREAS, the Village of Pinehurst has entered into a contract with Design Collective Inc., to prepare Small Area Plans and Form Based Codes for Focus Areas 2 and 4, which are expected to be completed and adopted in the early fall of 2021;

WHEREAS, the goals, standards, and guidelines outlined in the 2019 Comprehensive Plan are best achieved if development within these Focus Areas is temporarily halted during the period which the Small Area Plans are being developed that will help to determine the appropriate zoning necessary to achieve consistency and congruity with the 2019 Comprehensive Plan adopted by the Pinehurst Village Council;

WHEREAS, this ordinance shall be known and cited as the Village of Pinehurst Small Area Plans Interim Zoning-Moratorium Ordinance; and

WHEREAS, the purpose of this Ordinance is to serve as the initial phase of the adoption by the Village of Small Area Plans, which areas are to be preserved by maintaining the status quo of existing land uses and development patterns in the areas shown on the attached maps, referred to as Exhibit A and Exhibit B, in accordance with the 2019 Comprehensive Long Range Plan of the Village of Pinehurst. It is the further purpose of this Ordinance to promote the health, safety, morals, and general welfare of the citizens of the Village of Pinehurst, specifically within the areas depicted on Exhibit A and on Exhibit B, by lessening congestion in the streets, securing safety from fire, panic, and other dangers, providing adequate light and air, preventing the overcrowding of land, avoiding undue concentration of population, facilitating the adequate provision of transportation, water, sewerage, schools, parks, and other public requirements, including consideration to provide for their orderly growth, expansion, and development;

NOW, THEREFORE BE IT ORDAINED AND ESTABLISHED, by the Village Council of the Village of Pinehurst, North Carolina as follows:

Section 1. Area. This Ordinance shall be applicable to all property within the boundaries of the areas depicted on the maps attached hereto, referred to as Exhibit A and Exhibit B, subject to the exclusions provided in Section 6.

Section 2. Duration. This Ordinance shall be effective and enforceable from the date of adoption and shall continue in full force and effect for an initial period of nine months from the date of adoption, which is the estimated time necessary for the Village of Pinehurst to complete and adopt the Small Area Plans and the related zoning and development standards. The Village Council, consistent with the requirements of NCGS 160D-107(e) may renew this moratorium or extend its duration with two (2) separate and consecutive periods of extension of ninety (90) days each, which shall be effective upon Council approval. The Village Council may terminate this moratorium earlier by action of the Village Council.

Section 3. Moratorium. From and after the effective date of this Ordinance and continuing throughout its duration, no development shall occur in the areas depicted on the maps identified as Exhibit A and Exhibit B, unless the development is that conducted by a public utility or public agency and/or it can be demonstratively shown to the Village Council that the health, safety and welfare of the public requires that the moratorium be waived with regard to that specifically proposed development.

Section 4. Definition. As used in this Ordinance, the term listed below shall have the following meaning, as defined in North Carolina General Statute (NCGS) 160D-102(12):

DEVELOPMENT: Unless the context clearly indicates otherwise, the term means any of the following:

a. The construction, erection, alteration, enlargement, renovation, substantial repair, movement to another site, or demolition of any structure; or
b. The excavation, grading, filling, clearing, or alteration of land; or
c. The subdivision of land as defined in NCGS 160D-802; or
d. The initiation or substantial change in the use of land or the intensity of use of land.

Section 5. Enforcement. If any person, firm, corporation, organization or association shall violate or attempt to violate any terms of this ordinance the Village of Pinehurst may enforce its terms by any means available pursuant to NCGS 160D-404.

Section 6. Exclusions. In accordance with NCGS 160D-107(c), absent an imminent threat to public health or safety, a development moratorium adopted pursuant to this section shall not apply to:

1. Any project for which a valid building permit issued pursuant to G.S. 160D-1108 is outstanding,
2. Any project for which a special use permit application has been accepted as complete,
3. Development set forth in a site-specific or phased vesting plan approved pursuant to G.S. 160D-108,
4. Development for which substantial expenditures have already been made in good-faith reliance on a prior valid development approval,
5. Preliminary or final subdivision plats that have been accepted for review prior to the call for a hearing to adopt the moratorium. Any preliminary subdivision plat accepted for review by the local government prior to the call for a hearing, if subsequently approved, shall be allowed to proceed to final plat approval without being subject to the moratorium.
6. Existing single-family residential uses as regulated by current North Carolina Residential Building Codes,
7. Projects undergoing Technical Review Committee as of the effective date of the moratorium ordinance,
8. Alterations and repairs to existing buildings regulated by North Carolina State Building Codes.
9. Site improvements required to comply with the American with Disabilities Act.
10. Changes in occupancy or use of existing structures not involving building or site additions and not requiring rezoning action.

11. Development in an approved subdivision in which substantial infrastructure expenditures have been incurred, including roadway, water, and/or sewer infrastructure, regardless of whether individual parcel owners within the subdivision have submitted a complete application for development approval.

Notwithstanding the foregoing, if a complete application for a development approval has been submitted prior to the effective date of this moratorium, the permit choice provisions of NCGS 160D-108(b) shall be applicable when permit processing resumes. This allows an applicant to choose which version of the development regulation will apply if development regulations change between the time the application was submitted and a decision is made.

THIS ORDINANCE passed and adopted this 9th day of February, 2021.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: ______________________________
John C. Strickland, Mayor

Attest:

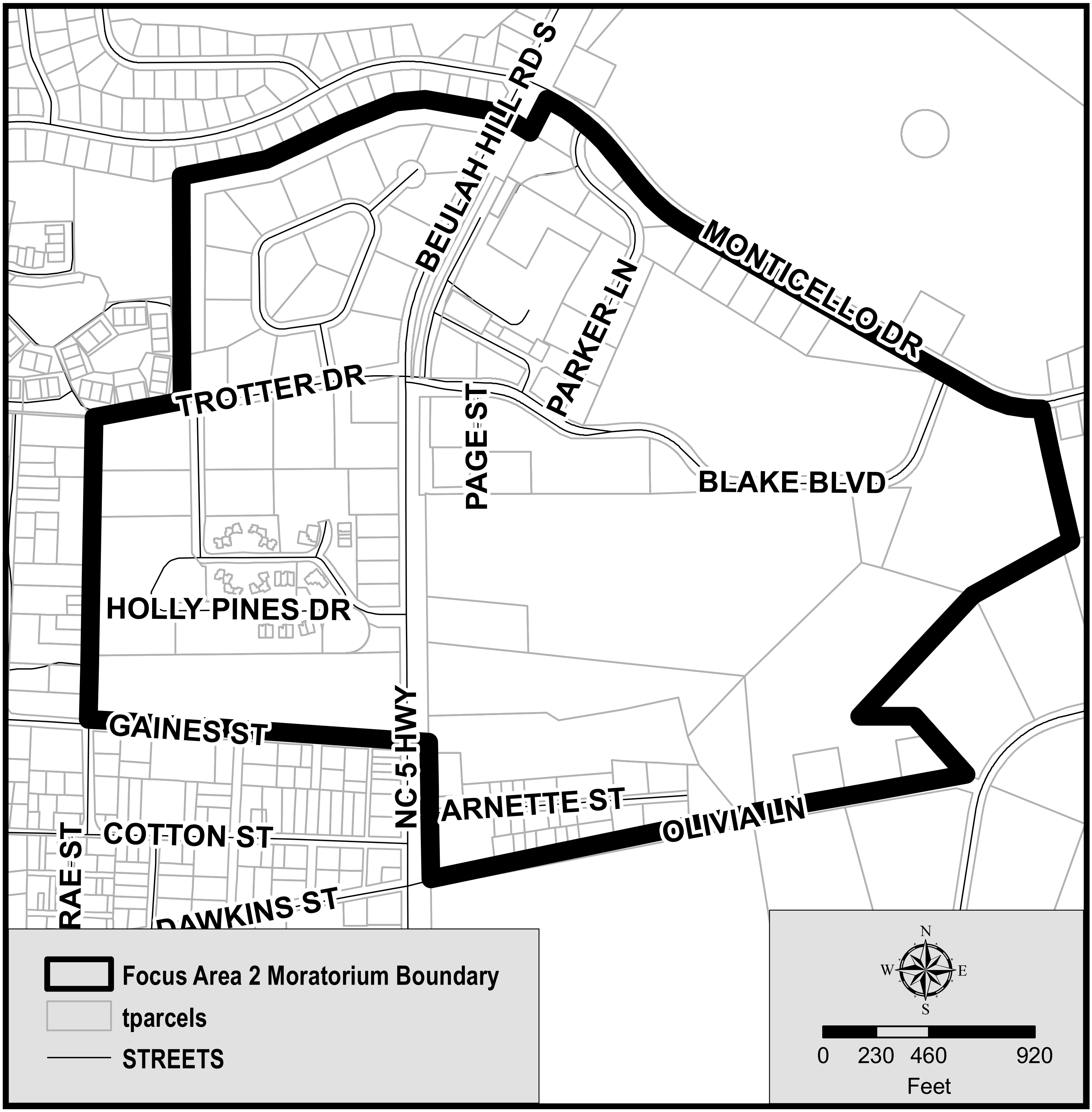
____
Beth Dunn, Village Clerk

Approved as to Form:

____
Michael J. Newman, Village Attorney

EXHIBIT A

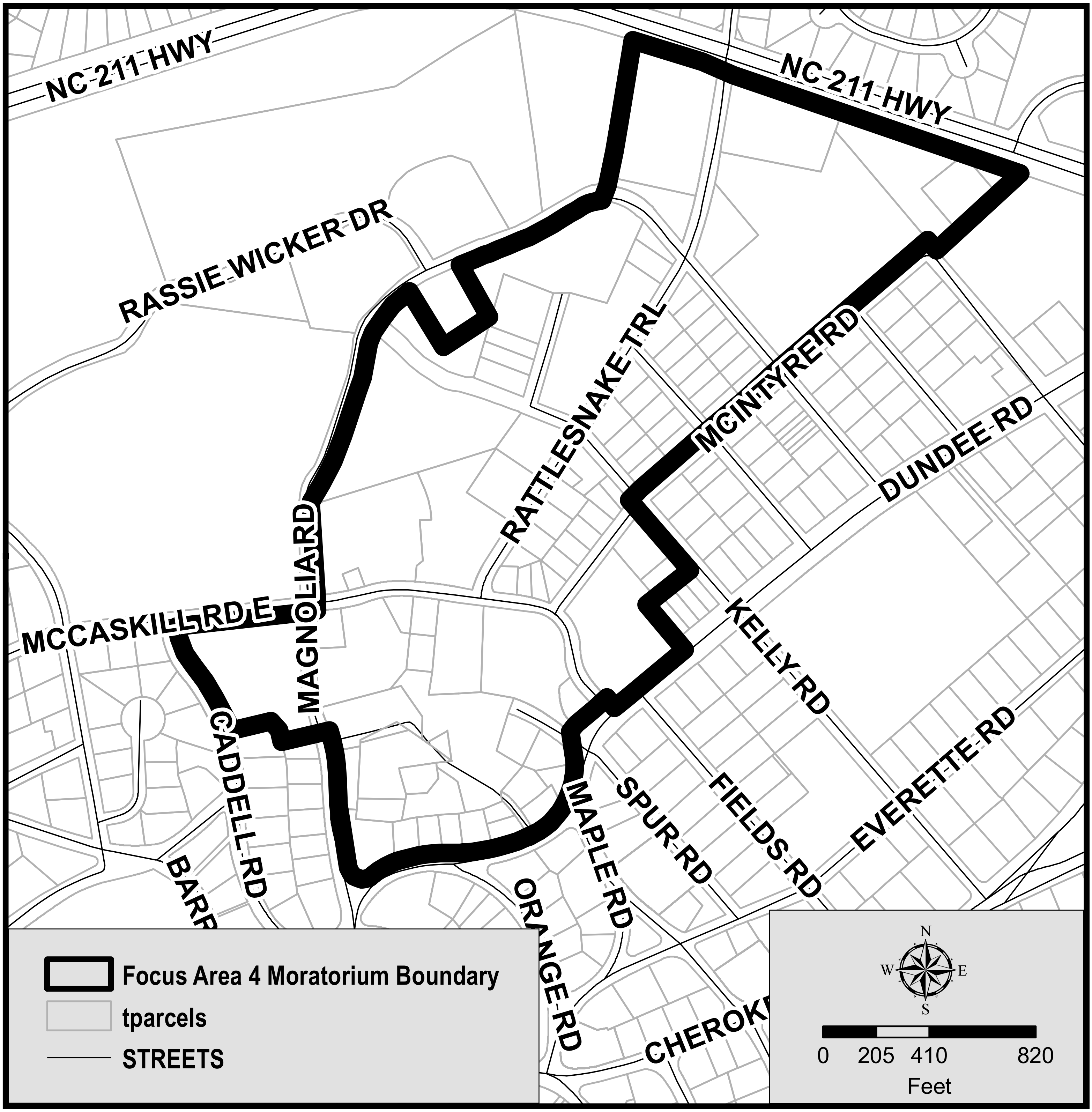
Village of Pinehurst Small Area Plan Interim Zoning Moratorium
NC Highway 5 Commercial Area Pinehurst South (Focus Area 2)



Grid is based on North Carolina State Plane Coordinate System NAD83 (feet).

EXHIBIT B

Village of Pinehurst Small Area Plan Interim Zoning Moratorium
Village Place/Rattlesnake Trail Corridor (Focus Area 4)



§ 160D-107. (Effective January 1, 2021) Moratoria.

(a) Authority. - As provided in this section, local governments may adopt temporary moratoria on any development approval required by law, except for the purpose of developing and adopting new or amended plans or development regulations governing residential uses. The duration of any moratorium shall be reasonable in light of the specific conditions that warrant imposition of the moratorium and may not exceed the period of time necessary to correct, modify, or resolve such conditions.

(b) Hearing Required. - Except in cases of imminent and substantial threat to public health or safety, before adopting a development regulation imposing a development moratorium with a duration of 60 days or any shorter period, the governing board shall hold a legislative hearing and shall publish a notice of the hearing in a newspaper having general circulation in the area not less than seven days before the date set for the hearing. A development moratorium with a duration of 61 days or longer, and any extension of a moratorium so that the total duration is 61 days or longer, is subject to the notice and hearing requirements of G.S. 160D-601.

(c) Exempt Projects. - Absent an imminent threat to public health or safety, a development moratorium adopted pursuant to this section shall not apply to any project for which a valid building permit issued pursuant to G.S. 160D-1108 is outstanding, to any project for which a special use permit application has been accepted as complete, to development set forth in a site-specific or phased vesting plan approved pursuant to G.S. 160D-108, to development for which substantial expenditures have already been made in good-faith reliance on a prior valid development approval, or to preliminary or final subdivision plats that have been accepted for review by the local government prior to the call for a hearing to adopt the moratorium. Any preliminary subdivision plat accepted for review by the local government prior to the call for a hearing, if subsequently approved, shall be allowed to proceed to final plat approval without being subject to the moratorium. Notwithstanding the foregoing, if a complete application for a development approval has been submitted prior to the effective date of a moratorium, G.S. 160D-108(b) shall be applicable when permit processing resumes.

(d) Required Statements. - Any development regulation establishing a development moratorium must include, at the time of adoption, each of the following:

(1) A statement of the problems or conditions necessitating the moratorium and what courses of action, alternative to a moratorium, were considered by the local government and why those alternative courses of action were not deemed adequate.

(2) A statement of the development approvals subject to the moratorium and how a moratorium on those approvals will address the problems or conditions leading to imposition of the moratorium.

(3) A date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions leading to imposition of the moratorium.

(4) A statement of the actions, and the schedule for those actions, proposed to be taken by the local government during the duration of the moratorium to address the problems or conditions leading to imposition of the moratorium.

(e) Limit on Renewal or Extension. - No moratorium may be subsequently renewed or extended for any additional period unless the local government shall have taken all reasonable and feasible steps proposed to be taken in its ordinance establishing the moratorium to address the problems or conditions leading to imposition of the moratorium and unless new facts and conditions warrant an extension. Any ordinance renewing or extending a development moratorium must include, at the time of adoption, the findings set forth in subdivisions (1) through (4) of subsection (d) of this section, including what new facts or conditions warrant the extension.

(f) Expedited Judicial Review. - Any person aggrieved by the imposition of a moratorium on development approvals required by law may apply to the General Court of Justice for an order enjoining the enforcement of the moratorium. Actions brought pursuant to this section shall be scheduled for expedited hearing, and subsequent proceedings in those actions shall be accorded priority by the trial and appellate courts. In such actions, the local government shall have the burden of showing compliance with the procedural requirements of this subsection. (2019-111, s. 2.4.)

DISCUSS AND CONSIDER AN ORDINANCE FOR A MORATORIUM FOR THE VILLAGE PLACE/RATTLESNAKE TRAIL CORRIDOR AND THE PINEHURST SOUTH/NC HIGHWAY 5 COMMERCIAL AREA (FOCUS AREA 4 AND 2 OF THE 2019 COMPREHENSIVE PLAN)

ADDITIONAL AGENDA DETAILS:

Council is being asked to approve a Moratorium Ordinance on development activity in two Comprehensive Plan Focus Areas (4 and 2) to allow time for Small Area Plans to be developed for the two areas. These areas include the Pinehurst South/NC Highway 5 Commercial Area (Focus Area 2) and the Village Place/Rattlesnake Trail Corridor (Focus Area 4) as identified on the exhibit maps, A and B, attached to the draft Moratorium Ordinance.

FROM:

Darryn Burich

CC:

Jeff Sanborn and Natalie Hawkins

DATE OF MEMO:

2/4/2021

MEMO DETAILS:

N.C. General Statutes (NCGS) 160D-107(a) authorize municipalities to adopt temporary moratoria on any development approval required by law, except for the purpose of developing and adopting new or amended plans or development regulations governing residential uses. The proposed Moratorium Ordinance was drafted in consultation with the Village Attorney to meet the requirements of NCGS 160D-107. Included with this agenda item is the draft Moratorium Ordinance based on previous Council discussion.

If it Council's desire to move forward with the proposed moratorium, Council would need to approve the attached Moratorium Ordinance.

ATTACHMENTS:

	Description
🗋	Ordinance 21-03
🗋	Exhibit A - Focus Area 2 Boundary
🗋	Exhibit B - Focus Area 4 Boundary

ORDINANCE #21-03:

AN ORDINANCE OF THE VILLAGE OF PINEHURST ADOPTING A MORATORIUM ON REAL ESTATE DEVELOPMENT ACTIVITY IN SPECIFIC GEOGRAPHIC AREAS WITHIN THE VILLAGE OF PINEHURST AND THE VILLAGE OF PINEHURST'S EXTRATERRITORIAL JURISIDCTION.

THAT WHEREAS, the Village of Pinehurst, North Carolina is experiencing significant real estate development and population growth within its corporate boundaries and its extraterritorial jurisdiction;

WHEREAS, on October 22, 2019 the Village of Pinehurst adopted the 2019 Comprehensive Plan which provides recommendations to manage future growth of the community and identified five Focus Areas as important areas to influence and manage growth and development:

1. Existing Extra-Territorial Jurisdiction (ETJ)
2. NC Highway 5 Commercial Area - (Pinehurst South)
3. Medical District
4. Village Place/Rattlesnake Trail Corridor
5. NC Highway 211 Commercial Area

WHEREAS, the goals, standards, and guidelines, as outlined in the 2019 Comprehensive Plan for the NC Highway 5 Commercial Area – Pinehurst South (Focus Area 2) is for office, medical, life science, and research facilities supported with small-scale retail services and residential uses and the vision for the Village Place/Rattlesnake Trail Corridor (Focus Area 4) is to create a more mixed-use, walkable area that is more conveniently connected to the Village Center;

WHEREAS, the Village's existing zoning and development regulations applicable to Focus Areas 2 and 4 are incompatible and incongruous with the intended character and vision for the Focus Areas described in the 2019 Comprehensive Plan;

WHEREAS, allowing real estate development activity to occur prior to adoption of Small Area Plans for Focus Areas 2 and 4 is an inadequate alternative to a moratorium because it may result in development and land uses that are incompatible and incongruous with the 2019 Comprehensive Plan's goals, standards, and guidelines;

WHEREAS, proactively rezoning the areas without a comprehensive analysis of Focus Areas 2 and 4 is an inadequate alternative to a moratorium because it could also result in development and land uses that are incompatible and incongruous with the 2019 Comprehensive Plan's goals, standards, and guidelines;

WHEREAS, the 2019 Comprehensive Plan specifically recommended that Small Area Plans and design standards with Form Based Codes be developed for the NC Highway 5 Commercial Area **–** Pinehurst South (Focus Area 2) and the Village Place/Rattlesnake Trail Corridor (Focus Area 4);

WHEREAS, the Village of Pinehurst has entered into a contract with Design Collective Inc., to prepare Small Area Plans and Form Based Codes for Focus Areas 2 and 4, which are expected to be completed and adopted in the early fall of 2021;

WHEREAS, the goals, standards, and guidelines outlined in the 2019 Comprehensive Plan are best achieved if development within these Focus Areas is temporarily halted during the period which the Small Area Plans are being developed that will help to determine the appropriate zoning necessary to achieve consistency and congruity with the 2019 Comprehensive Plan adopted by the Pinehurst Village Council;

WHEREAS, this ordinance shall be known and cited as the Village of Pinehurst Small Area Plans Interim Zoning-Moratorium Ordinance; and

WHEREAS, the purpose of this Ordinance is to serve as the initial phase of the adoption by the Village of Small Area Plans, which areas are to be preserved by maintaining the status quo of existing land uses and development patterns in the areas shown on the attached maps, referred to as Exhibit A and Exhibit B, in accordance with the 2019 Comprehensive Long Range Plan of the Village of Pinehurst. It is the further purpose of this Ordinance to promote the health, safety, morals, and general welfare of the citizens of the Village of Pinehurst, specifically within the areas depicted on Exhibit A and on Exhibit B, by lessening congestion in the streets, securing safety from fire, panic, and other dangers, providing adequate light and air, preventing the overcrowding of land, avoiding undue concentration of population, facilitating the adequate provision of transportation, water, sewerage, schools, parks, and other public requirements, including consideration to provide for their orderly growth, expansion, and development;

NOW, THEREFORE BE IT ORDAINED AND ESTABLISHED, by the Village Council of the Village of Pinehurst, North Carolina as follows:

Section 1. Area. This Ordinance shall be applicable to all property within the boundaries of the areas depicted on the maps attached hereto, referred to as Exhibit A and Exhibit B, subject to the exclusions provided in Section 6.

Section 2. Duration. This Ordinance shall be effective and enforceable from the date of adoption and shall continue in full force and effect for an initial period of nine months from the date of adoption, which is the estimated time necessary for the Village of Pinehurst to complete and adopt the Small Area Plans and the related zoning and development standards. The Village Council, consistent with the requirements of NCGS 160D-107(e) may renew this moratorium or extend its duration with two (2) separate and consecutive periods of extension of ninety (90) days each, which shall be effective upon Council approval. The Village Council may terminate this moratorium earlier by action of the Village Council.

Section 3. Moratorium. From and after the effective date of this Ordinance and continuing throughout its duration, no development shall occur in the areas depicted on the maps identified as Exhibit A and Exhibit B, unless the development is that conducted by a public utility or public agency and/or it can be demonstratively shown to the Village Council that the health, safety and welfare of the public requires that the moratorium be waived with regard to that specifically proposed development.

Section 4. Definition. As used in this Ordinance, the term listed below shall have the following meaning, as defined in North Carolina General Statute (NCGS) 160D-102(12):

DEVELOPMENT: Unless the context clearly indicates otherwise, the term means any of the following:

a. The construction, erection, alteration, enlargement, renovation, substantial repair, movement to another site, or demolition of any structure; or
b. The excavation, grading, filling, clearing, or alteration of land; or
c. The subdivision of land as defined in NCGS 160D-802; or
d. The initiation or substantial change in the use of land or the intensity of use of land.

Section 5. Enforcement. If any person, firm, corporation, organization or association shall violate or attempt to violate any terms of this ordinance the Village of Pinehurst may enforce its terms by any means available pursuant to NCGS 160D-404.

Section 6. Exclusions. In accordance with NCGS 160D-107(c), absent an imminent threat to public health or safety, a development moratorium adopted pursuant to this section shall not apply to:

1. Any project for which a valid building permit issued pursuant to G.S. 160D-1108 is outstanding,
2. Any project for which a special use permit application has been accepted as complete,
3. Development set forth in a site-specific or phased vesting plan approved pursuant to G.S. 160D-108,
4. Development for which substantial expenditures have already been made in good-faith reliance on a prior valid development approval,
5. Preliminary or final subdivision plats that have been accepted for review prior to the call for a hearing to adopt the moratorium. Any preliminary subdivision plat accepted for review by the local government prior to the call for a hearing, if subsequently approved, shall be allowed to proceed to final plat approval without being subject to the moratorium.
6. Existing single-family residential uses as regulated by current North Carolina Residential Building Codes,
7. Projects undergoing Technical Review Committee as of the effective date of the moratorium ordinance,
8. Alterations and repairs to existing buildings regulated by North Carolina State Building Codes.
9. Site improvements required to comply with the American with Disabilities Act.
10. Changes in occupancy or use of existing structures not involving building or site additions and not requiring rezoning action.

11. Development in an approved subdivision in which substantial infrastructure expenditures have been incurred, including roadway, water, and/or sewer infrastructure, regardless of whether individual parcel owners within the subdivision have submitted a complete application for development approval.

Notwithstanding the foregoing, if a complete application for a development approval has been submitted prior to the effective date of this moratorium, the permit choice provisions of NCGS 160D-108(b) shall be applicable when permit processing resumes. This allows an applicant to choose which version of the development regulation will apply if development regulations change between the time the application was submitted and a decision is made.

THIS ORDINANCE passed and adopted this 10th day of February, 2021.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: ____________________________
John C. Strickland, Mayor

Attest:

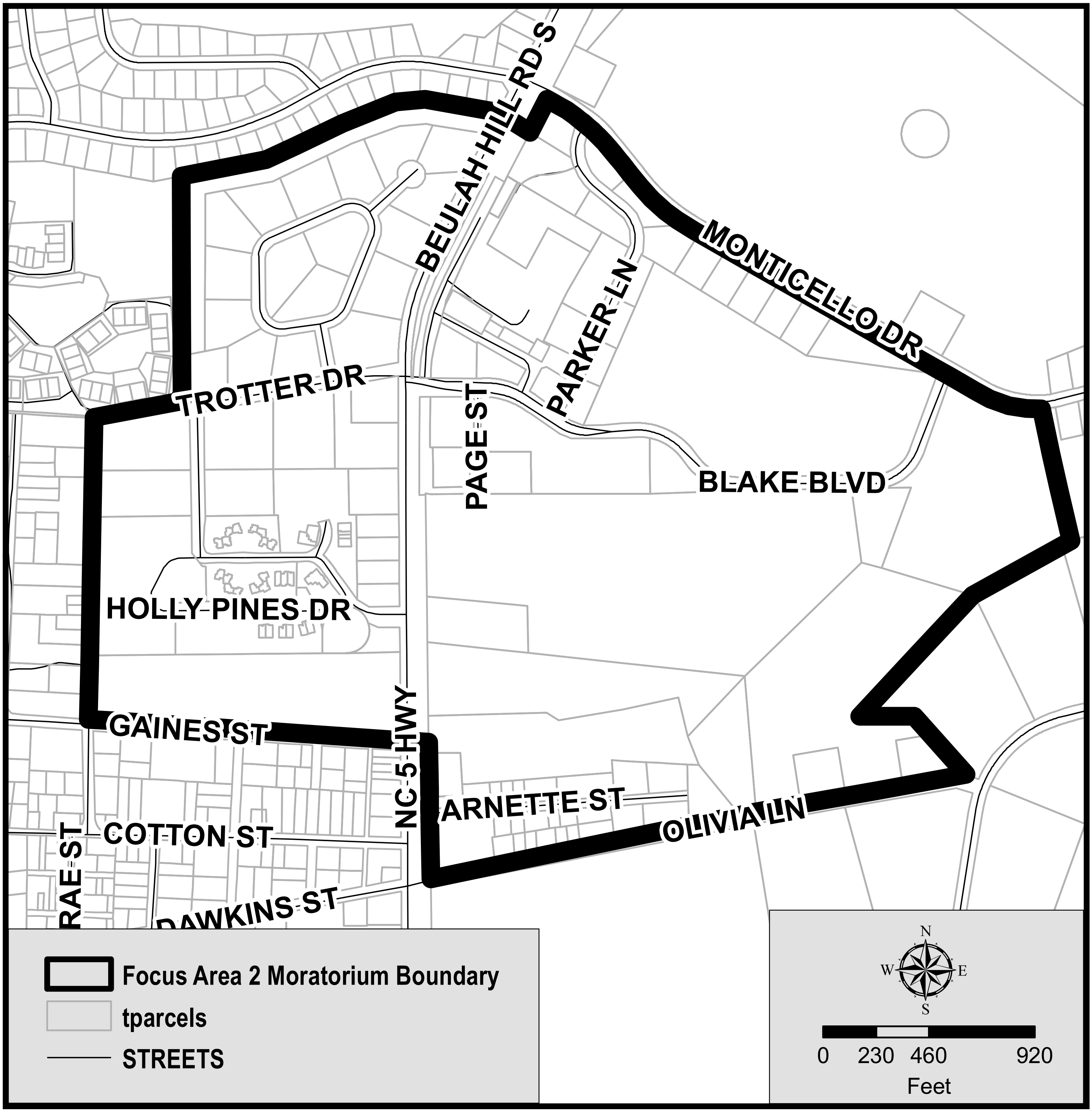
____
Beth Dunn, Village Clerk

Approved as to Form:

____
Michael J. Newman, Village Attorney

EXHIBIT A

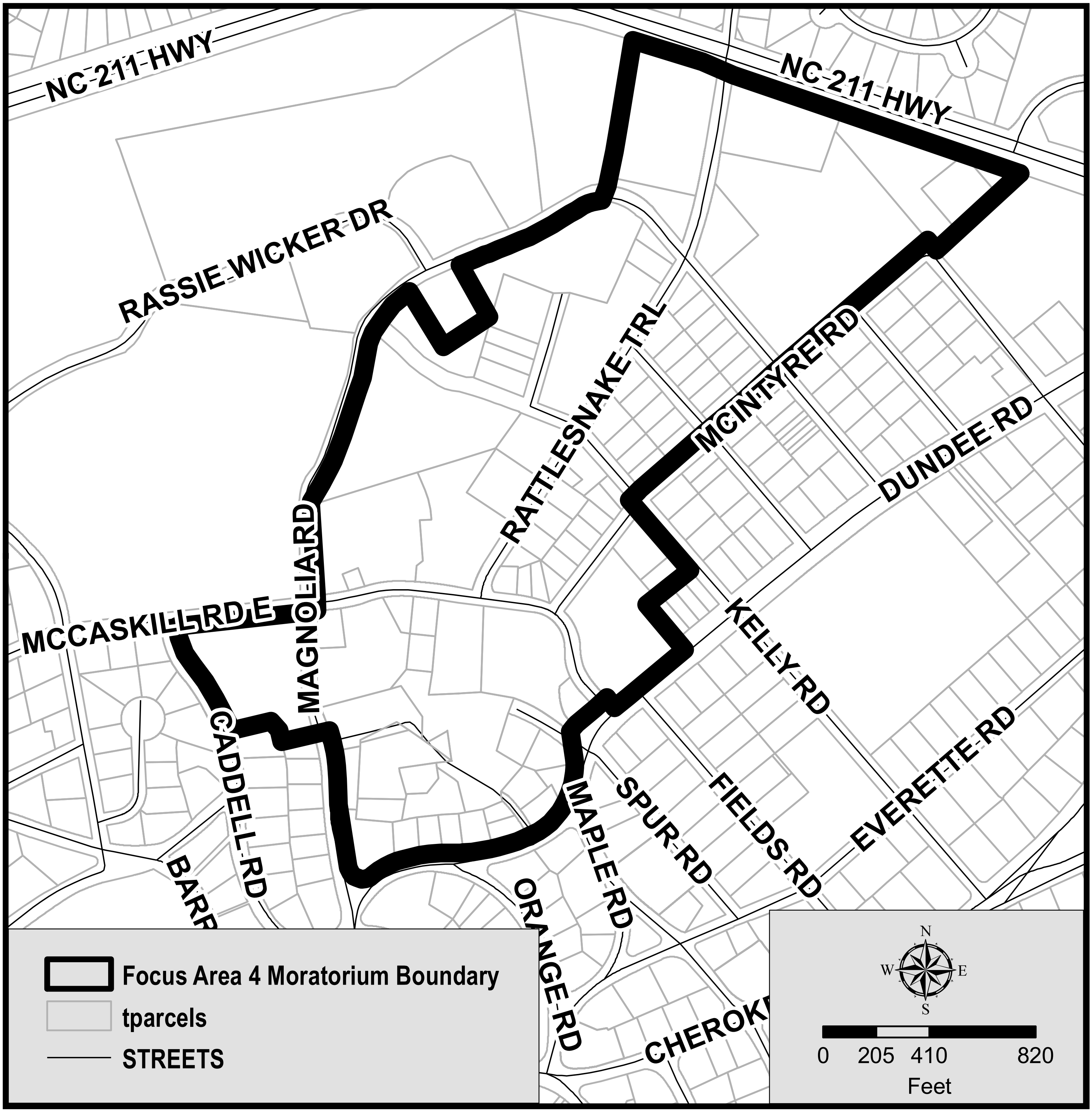
Village of Pinehurst Small Area Plan Interim Zoning Moratorium
NC Highway 5 Commercial Area Pinehurst South (Focus Area 2)



Village of Pinehurst Disclaimer: It is understood that the data contained herein is subject to constant change and that its accuracy cannot be guaranteed. The maps have been created from information provided by various government and private sources at various levels of accuracy. The data is provided to you "as is" with no warranty, representation or guaranty as to the content, sequence, accuracy, timeliness or completeness of any of the information provided herein.It is the responsibility of the user of the data to be aware of the data's limitations and to utilize the data in an appropriate manner. Any resale of this data is strictly prohibited in accordance with North Carolina General Statutes 132-10.
Grid is based on North Carolina State Plane Coordinate System NAD83 (feet).

EXHIBIT B

Village of Pinehurst Small Area Plan Interim Zoning Moratorium
Village Place/Rattlesnake Trail Corridor (Focus Area 4)



Grid is based on North Carolina State Plane Coordinate System NAD83 (feet).

PRESENTATION OF FINANCIAL STATEMENTS FOR THE QUARTER ENDED DECEMBER 31, 2020.

ADDITIONAL AGENDA DETAILS:

FROM:
Brooke Hunter

CC:
Jeff Sanborn & Natalie Hawkins

DATE OF MEMO:
2/2/2021

MEMO DETAILS:
The financial statements for the six months ended December 31, 2020 are presented for your information and review.

Highlights and details are provided in the accompanying memo.

ATTACHMENTS:

	Description
🗋	Financial Statements Memo 12-31-20
🗋	Quarterly Financial Statements 12-31-20

Brooke Hunter, CPA
395 Magnolia Road
Pinehurst, NC 28374
Phone: 910-295-8646
Fax: 910-295-4434
e-mail: bhunter@vopnc.org

Village of Pinehurst

Memo

To: Village Council

From: Brooke Hunter

CC: Jeff Sanborn & Senior Leadership

Date: February 1, 2021

Re: Financial Statements for the Six Months Ended December 31, 2020

Attached are the quarterly financial statements for the six months ended December 31, 2020. The Village remains in a good financial position through the first half of the fiscal year, despite the economic impacts of the COVID-19 pandemic. Revenues exceeded expenditures by a larger margin than anticipated in our forecast for the first two quarters. In addition, our operating expenditures are below expected levels and our revenue outlook is on target. These results should position us well to carry out the objectives outlined in the FY 2021 Strategic Operating Plan. We will also continue to closely monitor the impacts of the pandemic on our more economically sensitive revenues as the year progresses.

Financial Position:

The Village's General Fund is showing $5.6 million in income for the first six months of the year, which is lower than the $7.3 million the prior year. As a reminder, last year contained the return of $1 million previously contributed to the Given Memorial Library capital expansion campaign. The Village budgeted for revenues to exceed expenditures by roughly $2.5 million for the first two quarters. Fund balance in the General Fund is currently 74% of budgeted expenditures, which is greater than the 69% level seen the previous year at December 31.

The Village's total cash and investment balances increased by $451,000, or 3%, compared with the previous year. The majority of this variance is due to revenues that are higher than expected and expenditures that are lower than expected at this point in the fiscal year.

Of the $14.7 million in cash and investments at December 31, 2020, $14.4 million was invested in the North Carolina Capital Management Trust (NCCMT) Government portfolio. This December, the NCCMT decided to liquidate the Term portfolio due to historically low interest rates during the COVID-19 pandemic. With these low interest rates, the Term portfolio was no longer beneficial to investors. NCCMT indicated an interest in potentially offering other portfolio opportunities when interest rates change.

This quarter, the Village made an early debt payoff for its last remaining installment financing debt obligation. As of December 31, 2020, the Village has no installment financing debt.

Revenues & Expenditures:

General fund revenues were $921,000, or 6.6%, above the year-to-date budget projections. Property tax revenues were $643,000, or 6.6%, above the quarterly revenue estimate. This increase is primarily due to higher collection levels than anticipated through December 31. The real and personal property tax collection rate of 93.6% is 0.9% higher than this time last year. The real and personal base grew by 1.3%, compared to the same period last year, which is in line with our projection. The motor vehicle tax base grew by 9.9%, compared to the prior year.

For local option sales taxes, the adopted budget forecast a 5% decrease over the previous year for the first quarter and no change in collections over the previous year for the remaining quarters. So far, the actual collections for the first four months of the year are running 8.9% ahead of the previous year's collections. At the time the local option sales tax budget for FY 2021 was adopted, the impact of COVID-19 on sales tax collections was unknown. Actual local option sales tax collections for the months of July through October exceeded our conservative budget estimate by approximately $203,000.

As expected, a few minor revenue sources decreased as a result of COVID-19 restrictions and facility closures. These include Fair Barn revenue (discussed in detail below), recreation fees, athletic fees, and event sponsorship revenue. In some cases, these decreased revenues were offset with fewer expenditures.

General fund operating expenditures were $1,336,000, or 14%, below the quarterly budget. This variance is above the expected expenditure variance of 5%; however, differences of this nature are typical at this point in the year.

For capital outlay, approximately 56% of the capital outlay budgeted in the first two quarters was expended. A significant portion of the variance includes a Solid Waste truck replacement for $210,000 that was ordered but not received by December 31. Another factor relates to the timing of the Magnolia Road streetscape project. The remaining variance is due to several other projects that were planned for the first two quarters but not yet completed. We expect staff to finish most of these projects by the end of the fiscal year.

Financial Outlook:

The Village issued 71 single-family residential building permits valued at $18,051,000 during the first two quarters compared to 89 the previous year. The average value of these homes decreased from $292,000 to $254,000, or 13%, when compared to the previous fiscal year. At this point, we expect the Village to exceed the forecasted number of 100 homes constructed by year-end.

Other Items:

Fair Barn rentals were directly affected by the pandemic with state-mandated facility closures. Staff worked with the Health Department to classify the Fair Barn as a convention center, which allowed us to begin hosting events with a maximum of 100 guests. A total of six paid events were held during the second quarter. Due to the extensive restrictions, as of December 31, the Fair Barn covered only 12% of operating expenditures with operating revenues compared to the 75% coverage achieved at this point last year. The balanced scorecard target has been revised from 99% to 55% due to the inability to host events for several months of the fiscal year.

The Harness Track covered 61% of its operating expenditures compared to 77% the previous year. Revenues were lower than last year primarily due to five trainers who did not return and a couple of trainers who brought fewer horses. Canadian travel restrictions related to COVID-19 played a role in the lower revenue this season. In addition, some northern training facilities would not guarantee racing season stalls if trainers did not rent stalls from them during training season. Fortunately, soccer and lacrosse practices occurring at the track has brought in some additional revenue.

Conclusion:

The Village Council and Village managers should be commended for exceeding most of the Village's financial targets, even during a period of economic uncertainty related to the COVID-19 pandemic. We will continue to monitor the impacts of the pandemic on our revenues and expenditures and have found that the effects were less severe than originally anticipated. As we begin preparing our budget for the upcoming year, we should continue to maintain operating expenditure growth that is in line with operating revenues. The Village continues to remain in a solid financial position as a result of our conservative financial policies, good financial planning, and diligent budget oversight. Should you have any questions about these quarterly statements, please feel free to contact me.

VILLAGE OF PINEHURST

FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED
DECEMBER 31, 2020

Village of Pinehurst
Financial Statements
Table of Contents

Village of Pinehurst
Combined Balance Sheet - All Fund Types
December 31, 2020

	Governmental Fund Types		Account Groups			
	General Fund	Capital Project Fund	General Capital Assets	General Long - Term Debt	Totals December 31, 2020	Totals December 31, 2019
ASSETS						
Cash & investments	$ 14,410,340	$ 254,417	$ -	$ -	$ 14,664,757	$ 14,213,330
Taxes receivable	693,878	-	-	-	693,878	816,683
Assessments receivable	5,179	-	-	-	5,179	24,539
Due from other governmental agencies	2,916,877	-	-	-	2,916,877	2,690,794
Other receivables	301,779	-	-	-	301,779	305,169
Prepaid items	10,650	-	-	-	10,650	1,250
Inventory	55,574	-	-	-	55,574	44,352
Capital assets	-	-	51,202,629	-	51,202,629	47,616,963
Amounts to be provided for retirement of general long-term debt	-	-	-	4,748,700	4,748,700	4,455,405
TOTAL ASSETS	$ 18,394,277	$ 254,417	$ 51,202,629	$ 4,748,700	$ 74,600,023	$ 70,168,485
LIABILITIES AND FUND EQUITY						
Accounts payable	$ 3,981	$ 35,000	$ -	$ -	$ 38,981	$ 122,257
Withholdings & accrued expenses	234,907	-	-	-	234,907	167,355
Accrued vacation	-	-	-	748,482	748,482	657,850
Total pension liability (LEO)	-	-	-	1,243,898	1,243,898	1,025,925
Net pension liability (LGERS)	-	-	-	2,756,320	2,756,320	2,480,521
Deposits	233,252	-	-	-	233,252	270,297
Unavailable revenues	1,117,970	-	-	-	1,117,970	1,213,725
Long-term debt	-	-	-	-	-	291,109
Total Liabilities	1,590,110	35,000	-	4,748,700	6,373,810	6,229,039
EQUITY						
Investment in general capital assets	-	-	51,202,629	-	51,202,629	47,616,963
Fund Balance:						
Nonspendable:						
Inventory	55,574	-	-	-	55,574	44,352
Prepaid items	10,650	-	-	-	10,650	1,250
Restricted:						
Stabilization by state statute	5,156,522	-	-	-	5,156,522	4,543,329
Public safety	-	-	-	-	-	11,043
Transportation	21,035	-	-	-	21,035	502,803
Committed:						
Cultural and recreation	-	219,417	-	-	219,417	1,146,017
Assigned:						
Designated for expenditures	2,760,940	-	-	-	2,760,940	1,049,416
Unassigned	8,799,446	-	-	-	8,799,446	9,024,273
Total equity	16,804,167	219,417	51,202,629	-	68,226,213	63,939,446
TOTAL LIABILITIES & EQUITY	$ 18,394,277	$ 254,417	$ 51,202,629	$ 4,748,700	$ 74,600,023	$ 70,168,485

Village of Pinehurst
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Period Ended December 31, 2020

	Annual Budget as of 12/31/2020	Quarterly Budget as of 12/31/2020	YTD as of 12/31/2020	YTD as of 12/31/2019	Current Year Over (Under) Prior Year	% of 2021 Budget Spent / Received YTD
Revenues						
Ad valorem taxes & penalties	$ 11,403,000	$ 9,754,230	$ 10,397,514	$ 10,118,897	$ 278,617	91.18%
Assessments	5,170	-	-	6,743	(6,743)	0.00%
Other taxes and licenses	2,000	1,000	2,305	1,385	920	115.25%
Intergovernmental revenues:						
Unrestricted	6,087,500	2,687,660	3,017,153	2,755,413	261,740	49.56%
Restricted	765,600	759,052	735,806	539,936	195,870	96.11%
Permits & fees	626,600	313,300	486,130	514,532	(28,402)	77.58%
Sales & services	725,400	387,200	220,525	374,981	(154,456)	30.40%
Other revenues	244,780	136,842	111,429	1,116,322	(1,004,893)	45.52%
Interest earned on investments	25,400	12,960	2,152	97,162	(95,010)	8.47%
TOTAL REVENUES	19,885,450	14,052,244	14,973,014	15,525,371	(552,357)	75.30%
Operating Expenditures						
Governing Body	146,400	77,200	73,750	60,548	13,202	50.38%
Administration	1,485,762	812,844	715,856	646,594	69,262	48.18%
Financial Services	718,022	451,038	398,282	421,946	(23,664)	55.47%
Human Resources	613,261	332,168	249,793	190,100	59,693	40.73%
Police	3,423,273	1,771,925	1,474,185	1,560,780	(86,595)	43.06%
Fire	3,050,676	1,566,979	1,378,628	1,389,186	(10,558)	45.19%
Inspections	340,636	172,652	154,798	137,371	17,427	45.44%
Public Services Administration	617,562	315,044	266,831	226,928	39,903	43.21%
Streets & Grounds	1,594,672	813,736	641,727	595,785	45,942	40.24%
Powell Bill Funds	1,263,742	163,742	459,526	-	459,526	36.36%
Solid Waste	1,782,984	890,980	720,909	752,254	(31,345)	40.43%
Recreation	2,006,157	1,042,929	818,257	796,391	21,866	40.79%
Library	163,764	88,764	80,000	92,527	(12,527)	48.85%
Harness Track	579,138	291,730	215,718	213,641	2,077	37.25%
Fair Barn	376,856	194,642	111,337	161,702	(50,365)	29.54%
Planning	1,077,342	578,088	383,823	362,541	21,282	35.63%
Community Development	179,268	98,664	87,257	79,483	7,774	48.67%
Debt Service	148,167	48,259	144,729	156,486	(11,757)	97.68%
Total Operating Expenditures	19,567,682	9,711,384	8,375,406	7,844,263	531,143	42.80%
Capital Outlay Expenditures						
Administration	29,219	13,188	12,097	2,167	9,930	41.40%
Financial Services	4,048	3,768	3,456	581	2,875	85.38%
Human Resources	7,084	6,594	6,049	726	5,323	85.39%
Police	219,182	199,492	152,149	103,983	48,166	69.42%
Fire	1,322,914	672,698	459,178	3,133	456,045	34.71%
Inspections	2,024	1,884	1,728	358	1,370	85.38%
Public Services Administration	32,376	32,083	3,456	49,164	(45,708)	10.67%
Streets & Grounds	891,685	430,005	173,685	102,655	71,030	19.48%
Solid Waste	213,086	212,826	2,592	3,809	(1,217)	1.22%
Recreation	197,121	136,594	174,884	17,226	157,658	88.72%
Harness Track	117,850	72,742	864	79,960	(79,096)	0.73%
Fair Barn	62,059	61,884	35,939	14,008	21,931	57.91%
Planning	4,048	3,768	3,456	608	2,848	85.38%
Community Development	1,012	942	864	145	719	85.38%
Total Capital Outlay Expenditures	3,103,708	1,848,468	1,030,397	378,523	651,874	33.20%
TOTAL EXPENDITURES [1]	22,671,390	11,559,852	9,405,803	8,222,786	1,183,017	41.49%
REVENUES OVER (UNDER) EXPENDITURES	(2,785,940)	2,492,392	5,567,211	7,302,585	(1,735,374)	

Village of Pinehurst
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Period Ended December 31, 2020

	Annual Budget as of 12/31/2020	Quarterly Budget as of 12/31/2020	YTD as of 12/31/2020	YTD as of 12/31/2019	Current Year Over (Under) Prior Year	% of 2021 Budget Spent / Received YTD
Other Financing Sources (Uses)						
Sales of capital assets	$ 25,000	$ 12,500	$ 7,686	$ 1,908	$ 5,778	30.74%
Total Other Fin. Sources (Uses)	25,000	12,500	7,686	1,908	5,778	30.74%
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXP AND OTHER FINANCING USES	(2,760,940)	2,504,892	5,574,897	7,304,493	(1,729,596)	
Appropriated Fund Balance	2,760,940	1,157,473	-	-	-	
EXCESS OF REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE APP. OVER (UNDER) EXP AND OTHER FIN. USES	$ -	$ 3,662,365	5,574,897	$ 7,304,493	$ (1,729,596)	
FUND BALANCE, JULY 1			11,229,270			
FUND BALANCE, JUNE 30			$ 16,804,167			

[1] **Total Expenditures by Type**	YTD as of 12/31/2020	% of Total Expenditures
Salaries & Benefits	$ 5,262,979	56%
Operating	3,112,427	33%
Capital	1,030,397	11%
Total Expenditures by Type	$ 9,405,803	100%

Village of Pinehurst
Community Center Capital Project Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Period Ended December 31, 2020

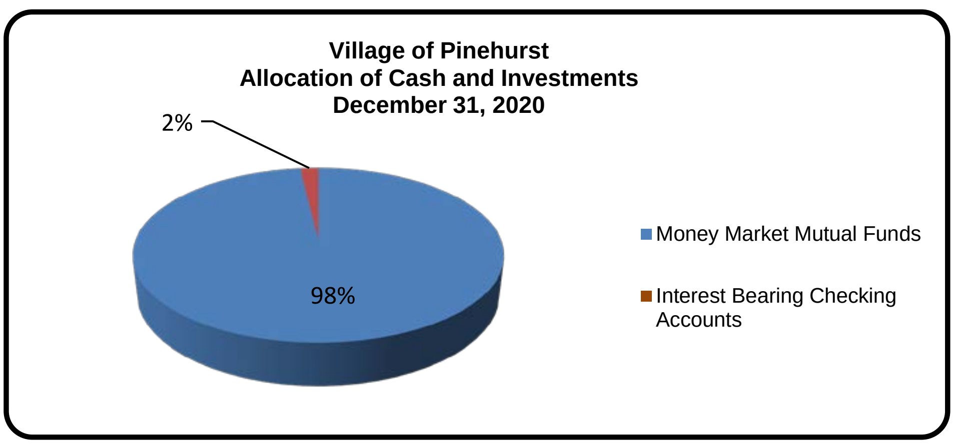
	Project Budget	Actual Prior Years	Actual Current Year	Actual Total To Date
REVENUES				
Interest earned on investments	$ -	$ 27,662	$ 59	$ 27,721
	-	27,662	59	27,721
EXPENDITURES				
Design costs	344,000	326,995	-	326,995
Construction costs	4,569,165	4,364,458	30,016	4,394,474
	4,913,165	4,691,453	30,016	4,721,469
REVENUES OVER (UNDER) EXPENDITURES	(4,913,165)	(4,663,791)	(29,957)	(4,693,748)
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	4,913,165	4,913,165	-	4,913,165
	4,913,165	4,913,165	-	4,913,165
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	$ -	$ 249,374	(29,957)	$ 219,417
FUND BALANCE, JULY 1			249,374	
FUND BALANCE, JUNE 30			$ 219,417	

Village of Pinehurst
Schedule of Cash and Investments
December 31, 2020

Investment	Bond/Bank Ratings	Purchase Date	Maturity Date		Cost
Money Market Mutual Funds					
North Carolina Capital Management Trust - Government Portfolio	AAAm (S&P)			$	14,392,267
Interest Bearing Checking Accounts					
PNC Bank Operating					271,240
Petty Cash					1,250
Total Cash and Investments				$	14,664,757
Total Cash and Investments (same quarter previous year)				$	14,213,330

Summary of Cash and Investments

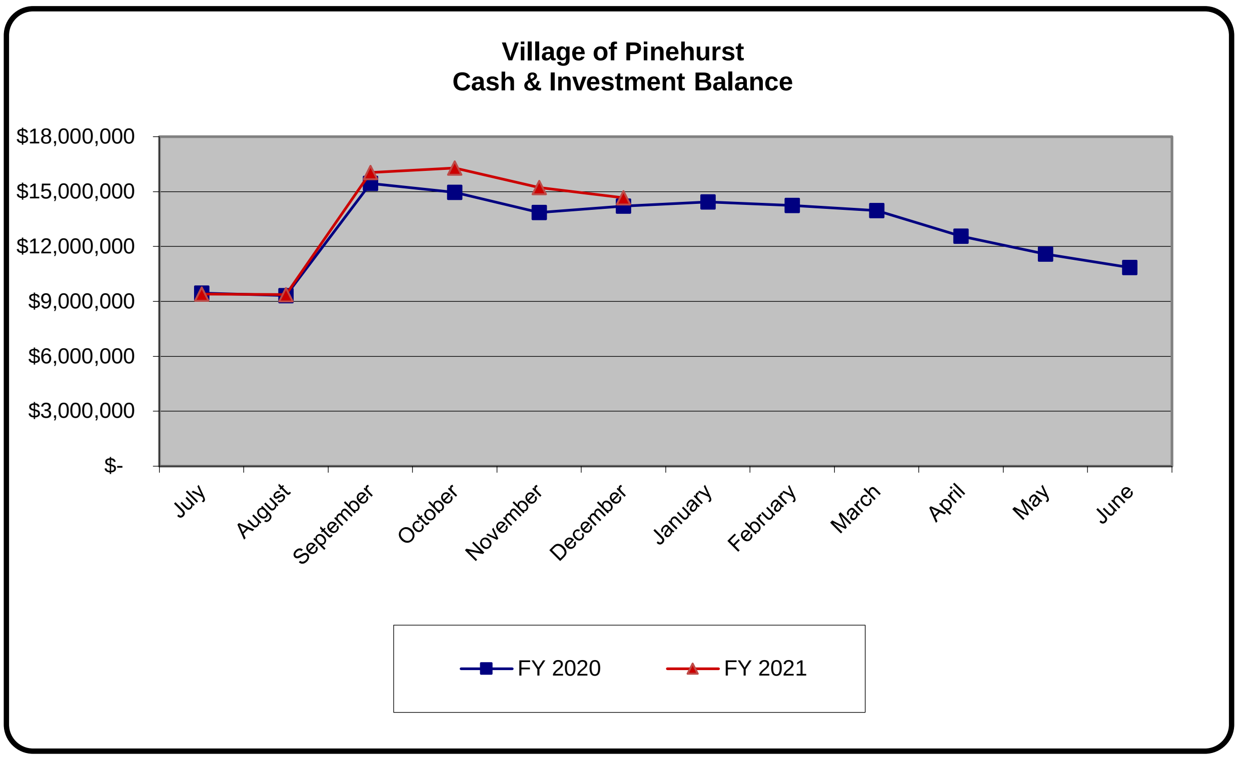
Money Market Mutual Funds	$	14,392,267
Interest Bearing Checking Accounts		271,240
Petty Cash		1,250
	$	14,664,757



Village of Pinehurst
Investment Yield Summary

	FY 2020			FY 2021		
	Cash Balance	Investment Earnings	Investment Yield*	Cash Balance	Investment Earnings	Investment Yield*
July	$ 9,457,886	$ 17,938	2.21%	$ 9,400,575	$ 1,110	0.13%
August	9,323,182	16,551	2.14%	9,375,289	479	0.06%
September	15,444,779	18,043	1.77%	16,045,667	228	0.02%
October	14,959,741	23,204	1.86%	16,288,960	155	0.01%
November	13,865,852	19,443	1.64%	15,214,360	113	0.01%
December	14,213,330	19,008	1.65%	14,664,757	126	0.01%
January	14,437,153	19,086	1.62%			
February	14,250,122	17,314	1.47%			
March	13,955,664	14,018	1.21%			
April	12,563,081	7,705	0.71%			
May	11,588,764	4,743	0.48%			
June	10,856,052	2,165	0.23%			
Average	$ 12,909,634	$ 179,218	1.39%	$ 13,498,268	$ 2,211	0.04%

* Investment yield is presented on an accrual basis.



Village of Pinehurst
Schedule of Fund Balance - General Fund
December 31, 2020

	Fund Balance at 12/31/2020	Fund Balance at 12/31/2019
General Fund		
Nonspendable:		
Inventory	$ 55,574	$ 44,352
Prepaid Items	10,650	1,250
Restricted:		
Stabilization by State Statute	5,156,522	4,543,329
Transportation	21,035	502,803
Public Safety	-	11,043
Assigned		
Subsequent year's expenditures	2,760,940	1,049,416
Unassigned	8,799,446	9,024,273
	$ 16,804,167	$ 15,176,466

Village of Pinehurst
Schedule of Capital Outlay by Function and Activity - General Fund
For the Fiscal Period Ended December 31, 2020

	Annual Budget	YTD Budget	YTD Expenditures	Remaining Balance
Land				
Fire	$ 200,000	200,000	-	200,000
Streets & Grounds	331,093	131,093	-	331,093
Recreation	109,500	109,500	168,835	(59,335)
Harness Track	45,000	-	-	45,000
	685,593	440,593	168,835	516,758
Buildings and Grounds				
Police	32,000	32,000	-	32,000
Public Services Administration	19,315	19,315	-	19,315
Recreation	80,500	20,500	-	80,500
Harness Track	71,800	71,800	-	71,800
Fair Barn	55,000	55,000	34,211	20,789
	258,615	198,615	34,211	224,404
Equipment and Furniture				
Administration	29,219	13,188	12,097	17,122
Financial Services	4,048	3,768	3,456	592
Human Resources	7,084	6,594	6,049	1,035
Police	67,182	47,492	30,740	36,442
Fire	97,914	72,698	54,393	43,521
Inspections	2,024	1,884	1,728	296
Public Services Administration	13,061	12,768	3,456	9,605
Streets & Grounds	140,592	140,152	138,212	2,380
Solid Waste	3,086	2,826	2,592	494
Recreation	7,121	6,594	6,049	1,072
Harness Track	1,050	942	864	186
Fair Barn	7,059	6,884	1,728	5,331
Planning	4,048	3,768	3,456	592
Community Development	1,012	942	864	148
	384,500	320,500	265,684	118,816
Vehicles				
Police	120,000	120,000	121,409	(1,409)
Fire	1,025,000	400,000	404,785	620,215
Solid Waste	210,000	210,000	-	210,000
	1,355,000	730,000	526,194	828,806
Infrastructure				
Streets & Grounds	420,000	158,760	35,473	384,527
	420,000	158,760	35,473	384,527
Total	$ 3,103,708	$ 1,848,468	$ 1,030,397	$ 2,073,311

% of Capital Outlay Budget Expended 33.20%

Note: This Schedule includes Fleet Maintenance, Buildings & Grounds and Information Technology Capital Outlay.

Village of Pinehurst
Schedule of General Long Term Debt
December 31, 2020

	Balance at 12/31/2020	Balance at 12/31/2019	Increase (Decrease)
Fire Station			
$2,500,000; due in 30 semi-annual payments of fixed principal of $83,334 plus interest @ 3.44%; collateralized by Fire Station bldg; final payment due on 3/15/20.	$ -	$ 83,333	$ (83,333)
Fair Barn			
$1,000,000; due in 40 semi-annual payments consisting of fixed principal of $25,000 plus interest @ 4.60%; collateralized by Fair Barn bldg; final payment due on 3/11/22.	-	125,000	(125,000)
2013 Firetruck			
$550,000; due in 14 semi-annual payments of $41,917 beginning on 2/1/14; final payment due on 8/1/20; interest @ 1.75%; collateralized by firetruck.	-	82,776	(82,776)
	-	291,109	(291,109)
Total Pension Liability (LEO) *	1,243,898	1,025,925	217,973
Net Pension Liability (LGERS) *	2,756,320	2,480,521	275,799
Accumulated Vacation	748,482	657,850	90,632
	4,748,700	4,164,296	584,404
	$ 4,748,700	$ 4,455,405	$ 293,295

* Based on an independent annual actuarial valuation

Village of Pinehurst
Schedule of Budget Amendments - General Fund
For the Fiscal Period Ended December 31, 2020

	ORIGINAL FY 2021 BUDGET	Amended * Qtr Ended 09/30/20	Amended Qtr Ended 12/31/20	Amended Qtr Ended 03/31/21	Amended Qtr Ended 06/30/21	Total Amendments	Amended FY 2021 Budget
REVENUES							
Ad valorem taxes	$ 11,403,000	$ -	$ -	$ -	$ -	$ -	$ 11,403,000
Other taxes and licenses	2,000	-	-	-	-	-	2,000
Unrestricted Intergov't Revenues	6,087,500	-	-	-	-	-	6,087,500
Restricted Intergov't Revenues	513,600	252,000	-	-	-	252,000	765,600
Permits & Fees	626,600	-	-	-	-	-	626,600
Sales & Services	725,400	-	-	-	-	-	725,400
Assessments	5,170	-	-	-	-	-	5,170
Other Revenues	269,780	-	-	-	-	-	269,780
Investment Income	25,400	-	-	-	-	-	25,400
Appropriated Fund Balance	1,603,467	1,082,473	75,000	-	-	1,157,473	2,760,940
TOTAL REVENUES	**$ 21,261,917**	**$ 1,334,473**	**$ 75,000**	**$ -**	**$ -**	**$ 1,409,473**	**$ 22,671,390**
OPERATING EXPENDITURES							
Governing Body	146,400	-	-	-	-	-	146,400
Administration	1,446,940	39,410	(588)	-	-	38,822	1,485,762
Financial Services	716,090	2,100	(168)	-	-	1,932	718,022
Human Resources	602,120	11,435	(294)	-	-	11,141	613,261
Police	3,387,200	37,165	(1,092)	-	-	36,073	3,423,273
Fire	3,013,230	38,244	(798)	-	-	37,446	3,050,676
Inspections	339,470	1,250	(84)	-	-	1,166	340,636
Public Services Administration	612,880	4,850	(168)	-	-	4,682	617,562
Streets & Grounds	1,561,480	33,444	(252)	-	-	33,192	1,594,672
Powell Bill	1,100,500	163,242	-	-	-	163,242	1,263,742
Solid Waste	1,781,510	1,600	(126)	-		1,474	1,782,984
Planning	982,110	20,400	74,832	-	-	95,232	1,077,342
Community Development	178,210	1,100	(42)	-	-	1,058	179,268
Recreation	1,925,660	80,791	(294)	-	-	80,497	2,006,157
Library	150,000	13,764	-	-	-	13,764	163,764
Harness Track	576,720	2,460	(42)	-	-	2,418	579,138
Fair Barn	370,030	6,910	(84)	-	-	6,826	376,856
Contingency	-	-	-	-	-	-	-
Debt Service	148,167	-	-	-	-	-	148,167
Total Operating Expenditures	19,038,717	458,165	70,800	-	-	528,965	19,567,682
CAPITAL EXPENDITURES							
Administration	16,031	12,600	588	-	-	13,188	29,219
Financial Services	280	3,600	168	-	-	3,768	4,048
Human Resources	490	6,300	294	-	-	6,594	7,084
Police	186,690	31,400	1,092	-	-	32,492	219,182
Fire	673,616	648,500	798	-	-	649,298	1,322,914
Inspections	140	1,800	84	-	-	1,884	2,024
Public Services Administration	9,293	22,915	168	-	-	23,083	32,376
Streets & Grounds	804,940	86,493	252	-	-	86,745	891,685
Solid Waste	210,260	2,700	126	-	-	2,826	213,086
Planning	280	3,600	168	-	-	3,768	4,048
Community Development	70	900	42	-	-	942	1,012
Recreation	184,027	12,800	294	-	-	13,094	197,121
Harness Track	116,908	900	42	-	-	942	117,850
Fair Barn	20,175	41,800	84	-	-	41,884	62,059
Total Capital Expenditures	$ 2,223,200	$ 876,308	$ 4,200	$ -	$ -	$ 880,508	$ 3,103,708
TOTAL EXPENDITURES	**$ 21,261,917**	**$ 1,334,473**	**$ 75,000**	**$ -**	**$ -**	**$ 1,409,473**	**$ 22,671,390**
Amended Budget as a % of Original Budget		106.3%	106.6%				

* Includes $1,082,473 that was reappropriated from FY 2020.

Village of Pinehurst
Schedule of Encumbrances
For the Fiscal Period Ended December 31, 2020

	Annual Budget as of 12/31/2020	YTD as of 12/31/2020	Encumbered Amount	Unencumbered Balance
GENERAL FUND				
Operating Expenditures				
Governing Body	$ 146,400	$ 73,750	$ 32,418	$ 40,232
Administration	1,485,762	715,856	39,934	729,972
Financial Services	718,022	398,282	9,408	310,332
Human Resources	613,261	249,793	16,569	346,899
Police	3,423,273	1,474,185	34,295	1,914,793
Fire	3,050,676	1,378,628	33,913	1,638,135
Inspections	340,636	154,798	1,170	184,668
Public Services Administration	617,562	266,831	38,931	311,800
Streets & Grounds	1,594,672	641,727	132,198	820,747
Powell Bill Funds	1,263,742	459,526	486,653	317,563
Solid Waste	1,782,984	720,909	500,241	561,834
Recreation	2,006,157	818,257	81,049	1,106,851
Library	163,764	80,000	8,763	75,001
Harness Track	579,138	215,718	29,283	334,137
Fair Barn	376,856	111,337	28,020	237,499
Planning	1,077,342	383,823	218,520	474,999
Community Development	179,268	87,257	13,803	78,208
Fleet Maintenance	758,170	298,826	16,337	443,007
B&G Maintenance	1,440,050	633,766	169,116	637,168
Information Technology	1,334,550	664,987	117,455	552,108
Debt Service	148,167	144,729	-	3,438
Contingency	-	-	-	-
Total Operating Expenditures *	23,100,452	9,972,985	2,008,076	11,119,391
Capital Outlay Expenditures				
Administration	29,219	12,097	-	17,122
Financial Services	4,048	3,456	-	592
Human Resources	7,084	6,049	-	1,035
Police	219,182	152,149	-	67,033
Fire	1,322,914	459,178	-	863,736
Inspections	2,024	1,728	-	296
Public Services Administration	32,376	3,456	-	28,920
Streets & Grounds	891,685	173,685	122,805	595,195
Solid Waste	213,086	2,592	-	210,494
Recreation	197,121	174,884	-	22,237
Harness Track	117,850	864	-	116,986
Fair Barn	62,059	35,939	-	26,120
Planning	4,048	3,456	-	592
Community Development	1,012	864	-	148
Fleet Maintenance	1,394,640	564,296	193,992	636,352
B&G Maintenance	432,010	34,211	26,642	371,157
Information Technology	133,200	94,683	5,264	33,253
Total Capital Outlay Expenditures *	5,063,558	1,723,587	348,703	2,991,268
Charges to Other Departments *	(5,492,620)	(2,290,769)	-	(3,201,851)
TOTAL GENERAL FUND EXPENDITURES	$ 22,671,390	$ 9,405,803	$ 2,356,779	$ 10,908,808
COMMUNITY CENTER CAPITAL PROJECT FUND				
Capital Expenditures				
Design & Engineering Costs	$ 344,000	$ 326,995	$ -	$ 17,005
Construction Costs	4,569,165	4,394,474	1,000	173,691
TOTAL CAPITAL PROJECT FUND EXPENDITURES	$ 4,913,165	$ 4,721,469	$ 1,000	$ 190,696

* In this schedule, General Fund operating and capital expenditures are overstated due to internal service allocation budgets appearing in both the internal service departments (Fleet, B&G, & IT) and the department to which the expenditure is eventually allocated. Total expenditures, however, reflect the actual General Fund budget.

Village of Pinehurst
Schedule of Ad Valorem Property Tax Collections
For the Fiscal Period Ended December 31, 2020

Real and Personal

Tax Year	For the Fiscal Period Ended December 31, 2020 Budgeted Collections	Gross Collections	% Collected Through 12/31/2020	For the Fiscal Period Ended December 31, 2019 Budgeted Collections	Gross Collections	% Collected Through 12/31/2019
Third Prior Year	$ -	$ 358	100.00%	$ -	$ 71	100.00%
Second Prior Year	-	9	100.00%	-	95	100.00%
First Prior Year	5,000	3,136	62.72%	5,000	1,007	20.14%
Current Year	10,679,000	9,999,945	93.64%	10,519,000	9,759,253	92.78%
	$ 10,684,000	$ 10,003,448	93.63%	$ 10,524,000	$ 9,760,426	92.74%

Motor Vehicles

Tax Year	For the Fiscal Period Ended December 31, 2020 Budgeted Collections	Gross Collections	% Collected Through 12/31/2020	For the Fiscal Period Ended December 31, 2019 Budgeted Collections	Gross Collections	% Collected Through 12/31/2019
Third Prior Year	$ -	$ -	0.00%	$ -	$ 359	100.00%
Second Prior Year	-	-	0.00%	-	-	0.00%
First Prior Year	2,000	-	0.00%	2,000	-	0.00%
Current Year	717,000	394,038	54.96%	660,000	357,946	54.23%
	$ 719,000	$ 394,038	54.80%	$ 662,000	$ 358,305	54.12%

Village of Pinehurst
Schedule of Ad Valorem Property Tax Levy
For the Fiscal Period Ended December 31, 2020

Property Valuation

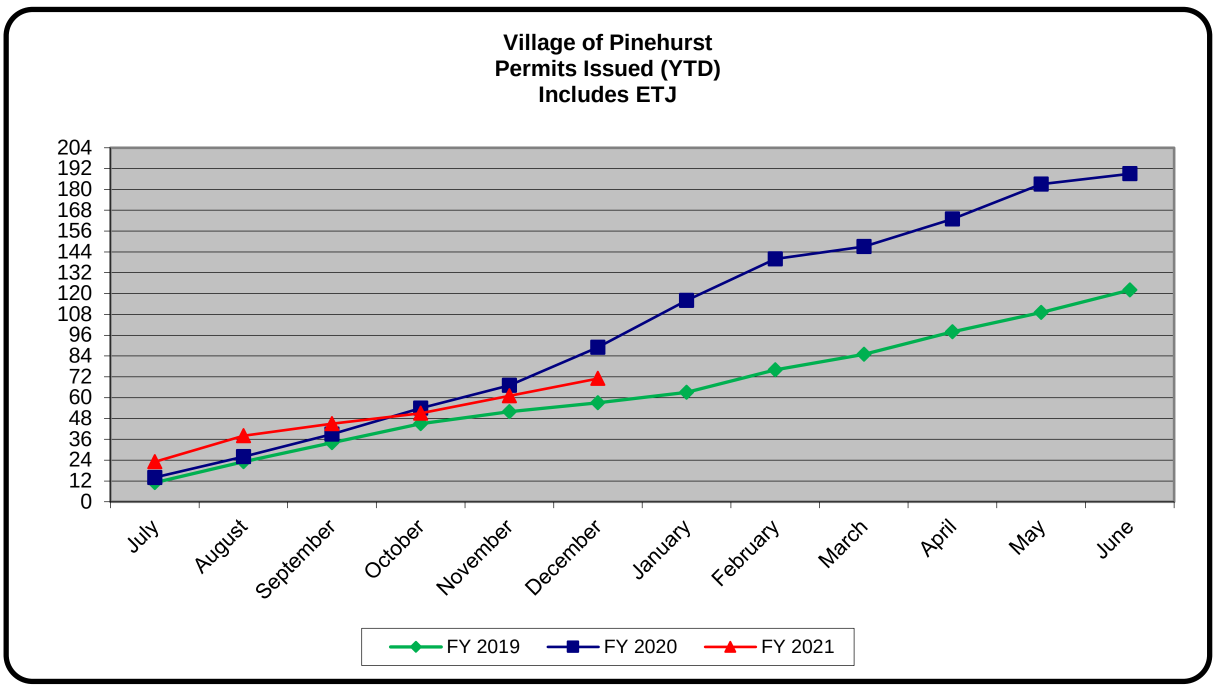
	For the Fiscal Period Ended December 31, 2020	For the Fiscal Period Ended December 31, 2019	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal	$ 3,564,332,874	$ 3,519,478,827	$ 44,854,047	1.27%
Motor Vehicles	131,789,234	119,962,093	11,827,141	9.86%
	$ 3,696,122,108	$ 3,639,440,920	$ 56,681,188	1.56%

Levy

	For the Fiscal Period Ended December 31, 2020	For the Fiscal Period Ended December 31, 2019	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal	$ 10,695,305	$ 10,556,553	$ 138,752	1.31%
Motor Vehicles	392,803	357,157	35,646	9.98%
	$ 11,088,108	$ 10,913,710	$ 174,398	1.60%

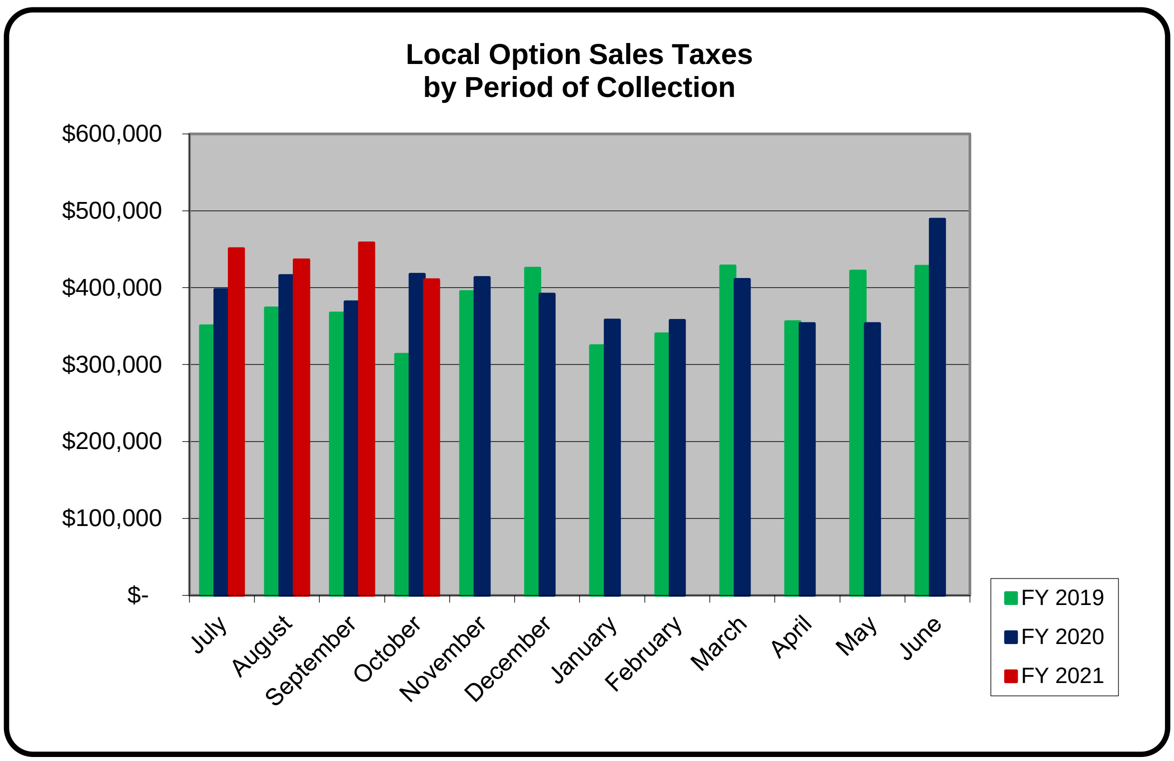
Village of Pinehurst
Residential Building Permits - Includes ETJ

	FY 2019		FY 2020		FY 2021		Construction
	# of Permits Issued	Est. Construction Costs	# of Permits Issued	Est. Construction Costs	# of Permits Issued	Est. Construction Costs	Costs Percentage Change YTD
July	11	$ 2,707,900	14	$ 2,607,470	23	$ 5,718,524	119.31%
August	12	2,037,903	12	6,686,427	15	3,078,264	-5.35%
September	11	3,748,750	13	1,813,297	7	2,673,000	3.26%
October	11	3,826,000	15	4,773,000	6	1,307,750	-19.54%
November	7	2,338,600	13	5,366,374	10	1,953,891	-30.66%
December	5	1,939,800	22	4,775,079	10	3,319,997	-30.63%
January	6	2,643,040	27	4,865,881	-	-	
February	13	1,400,000	24	3,997,192	-	-	
March	9	2,055,550	7	4,405,630	-	-	
April	13	2,372,968	16	4,302,080	-	-	
May	11	3,582,210	20	4,533,155	-	-	
June	13	5,748,658	6	4,418,540	-	-	
YTD	122	$ 34,401,379	189	$ 52,544,125	71	$ 18,051,426	



Village of Pinehurst
Local Option Sales Taxes

	FY 2019	FY 2020	FY 2021	Same Month Change From Prior Year
July	$ 350,690	$ 397,457	$ 451,006	13.47%
August	374,077	415,784	436,367	4.95%
September	367,404	381,836	458,347	20.04%
October	313,447	417,586	410,637	-1.66%
November	395,196	413,475	-	
December	425,352	391,920	-	
January	324,936	358,058	-	
February	339,985	357,608	-	
March	428,386	410,883	-	
April	356,115	353,585	-	
May	421,823	353,540	-	
June	428,103	489,195	-	
YTD	$ 4,525,514	$ 4,740,927	$ 1,756,357	



Village of Pinehurst
Schedule of Fair Barn Revenues and Expenditures
For the Fiscal Period Ended December 31, 2020

	Annual Budget as of 12/31/2020	Quarterly Budget as of 12/31/2020	Actual 12/31/2020	YTD as of 12/31/2019	Current Year Over (Under) Prior Year	% of 2021 Budget Spent / Received YTD
Fair Barn						
Revenues	$ 243,500	$ 141,750	$ 15,793	$ 155,773	$ (139,980)	6.49%
Expenditures						
Operating	376,856	194,642	111,337	161,702	(50,365)	29.54%
Capital	62,059	61,884	35,939	14,008	21,931	57.91%
Debt Service	106,250	27,300	102,796	28,451	74,345	96.75%
	545,165	283,826	250,072	204,161	45,911	45.87%
Net Before Discounts	(301,665)	(142,076)	(234,279)	(48,388)	(185,891)	77.66%
Event Revenue Discounts			(2,700)	(34,184)	31,484	
Net After Discounts	$ (301,665)	$ (142,076)	$ (236,979)	$ (82,572)	$ (154,407)	78.56%
Operating Revenues as a % of Operating Expenditures - **Before Discounts**	65%	73%	14%	96%		
Operating Revenues as a % of Operating Expenditures - **After Discounts**	65%	73%	12%	75%		
Target			55%			

Village of Pinehurst
Schedule of Harness Track Revenues and Expenditures
For the Fiscal Period Ended December 31, 2020

	Annual Budget as of 12/31/2020	Quarterly Budget as of 12/31/2020	Actual 12/31/2020	YTD as of 12/31/2019	Current Year Over (Under) Prior Year	% of 2021 Budget Spent / Received YTD
Harness Track						
Revenues	$ 242,400	$ 118,700	$ 131,345	$ 164,805	$ (33,460)	54.19%
Expenditures						
Operating	579,138	291,730	215,718	213,641	2,077	37.25%
Capital	117,808	72,742	864	79,960	(79,096)	0.73%
	696,946	364,472	216,582	293,601	(77,019)	31.08%
Net Before Discounts	(454,546)	(245,772)	(85,237)	(128,796)	43,559	18.75%
Event Revenue Discounts			-	(9,600)	9,600	
Net After Discounts	$ (454,546)	$ (245,772)	$ (85,237)	$ (138,396)	$ 53,159	18.75%
Operating Revenues as a % of Operating Expenditures - **Before Discounts**	42%	41%	61%	77%		
Operating Revenues as a % of Operating Expenditures - **After Discounts**	42%	41%	61%	73%		
Target			45%			

DISCUSS AND CONSIDER RESOLUTION AMENDING THE VILLAGE'S FUND BALANCE POLICY.

ADDITIONAL AGENDA DETAILS:

FROM:

Natalie Hawkins & Brooke Hunter

DATE OF MEMO:

2/3/2021

MEMO DETAILS:

This agenda item is to discuss and consider a resolution amending the Village's Fund Balance Policy. The Council discussed staff's recommended changes to the Fund Balance Policy at their work session on January 26. This included the addition of a provision to set aside, or commit, excess fund balance for future capital needs.

The changes being proposed to the Fund Balance Policy are as follows:

- Section 1: Modify from "in the range of 30% - 40%" to a "minimum of 30%"
- Section 3: Add this section to include a provision to commit a % of fund balance for future capital needs if fund balance at year end exceeds 40% of actual General Fund expenditures

After the work session, staff consulted with the UNC School of Government about the necessary steps to meet Governmental Accounting Standards Board (GASB) reporting requirements to commit fund balance. They recommended approving a separate resolution each year, since policies themselves are not legally binding. This step also ensures a clear trail of Council's intent to commit the funds for future capital annually.

If the Council approves the recommended amendment to the Village's Fund Balance, Village staff would bring forth a resolution to commit fund balance for capital needs to the Council each June, along with the subsequent year's budget ordinance. This would allow the Council to take deliberate action about the amount of fund balance it wants to commit for future capital needs each year. The calculation of fund balance committed for capital would occur after fiscal year end and would be reported in the Comprehensive Annual Financial Report and in the Quarterly Financial Statements presented to the Council each quarter.

The Resolution to amend the Fund Balance Policy is attached to this agenda item for your review and consideration.

ATTACHMENTS:

	Description
🗋	Resolution 21-03 - Fund Balance Policy
🗋	Resolution 21-03 - Fund Balance Policy (REVISED)

RESOLUTION #21-03:

A RESOLUTION TO AMEND THE FUND BALANCE POLICY FOR THE GENERAL FUND.

THAT WHEREAS, the North Carolina Local Government Commission has recommended that General Fund fund balance available for appropriation should be no less than 8% of the prior year's expenditures to maintain fiscal responsibility under the Municipal Fiscal Control Act; and

WHEREAS, the Village Council desires for the Village to maintain adequate working capital and to maintain a good credit rating in order to obtain favorable financing rates on debt issuances; and

WHEREAS, the Council adopted a Fund Balance Policy for the General Fund on March 11, 2003 by Resolution #03-4, and amended that policy on May 10, 2005 by Resolution #05-11 and May 25, 2010 by Resolution #10-19; and November 13, 2012 by Resolution #12-62; and

WHEREAS, the Village has elected to amend the Fund Balance Policy for the General Fund;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in regular meeting assembled this 9th day of February 2021, as follows:

SECTION 1. When preparing the annual General Fund budget, the amount of appropriated fund balance should result in an anticipated ending <u>total</u> fund balance at a minimum of 30% of <u>budgeted</u> expenditures.

SECTION 2. Management is further directed to maintain <u>unassigned</u> General Fund fund balance as reported in Village's Comprehensive Annual Financial Report (CAFR) of greater than 15% of <u>actual</u> General Fund expenditures as reported in the CAFR for the year audited.

SECTION 3. When total fund balance as reported in the Village's Comprehensive Annual Financial Report (CAFR) is in excess of 40% of actual General Fund expenditures as reported in the CAFR for the year audited, Council may commit excess fund balance each year for future capital needs. However, in no instance shall the amount of fund balance committed for future capital needs cause the unassigned General Fund fund balance to fall below the 15% of actual General Fund expenditures as stated in Section 2.

SECTION 4. Management is expected to manage the budget so that revenue shortfalls and expenditure increases do not impact the Village's targeted fund balance levels outlined above. If a catastrophic economic event occurs that requires a 5% or more deviation from total budgeted revenues or expenditures, then the targeted fund balance levels established herein can be reduced by action of the Village Council; the Council will also adopt a plan of action to return fund balances to the required levels.

SECTION 5. This policy shall supersede all previously adopted fund balance policies of the Village of Pinehurst.

THIS RESOLUTION passed and adopted this 9th day of February, 2021.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: ______________________________
John C. Strickland, Mayor

Attest: Approved as to Form:

______________________________ ______________________________
Beth Dunn, Village Clerk Michael J. Newman, Village Attorney

RESOLUTION #21-03:

A RESOLUTION TO AMEND THE FUND BALANCE POLICY FOR THE GENERAL FUND.

THAT WHEREAS, the North Carolina Local Government Commission has recommended that General Fund fund balance available for appropriation should be no less than 8% of the prior year's expenditures to maintain fiscal responsibility under the Municipal Fiscal Control Act; and

WHEREAS, the Village Council desires for the Village to maintain adequate working capital and to maintain a good credit rating in order to obtain favorable financing rates on debt issuances; and

WHEREAS, the Council adopted a Fund Balance Policy for the General Fund on March 11, 2003 by Resolution #03-4, and amended that policy on May 10, 2005 by Resolution #05-11 and May 25, 2010 by Resolution #10-19; and November 13, 2012 by Resolution #12-62; and

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SECTION 1. When preparing the annual General Fund budget, the amount of appropriated fund balance should result in an anticipated ending total fund balance at a minimum of 30% of budgeted expenditures.

SECTION 2. Management is further directed to maintain unassigned General Fund fund balance as reported in Village's Comprehensive Annual Financial Report (CAFR) of greater than 15% of actual General Fund expenditures as reported in the CAFR for the year audited.

SECTION 3. When total fund balance as reported in the Village's Comprehensive Annual Financial Report (CAFR) is in excess of 40% of actual General Fund expenditures as reported in the CAFR for the year audited, Council may commit excess fund balance each year for future capital needs, by approving a separate resolution for the respective year. However, in no instance shall the amount of fund balance committed for future capital needs cause the unassigned General Fund fund balance to fall below the 15% of actual General Fund expenditures as stated in Section 2.

SECTION 4. Management is expected to manage the budget so that revenue shortfalls and expenditure increases do not impact the Village's targeted fund balance levels outlined above. If a catastrophic economic event occurs that requires a 5% or more deviation from total budgeted revenues or expenditures, then the targeted fund balance levels established herein can be reduced by action of the Village Council; the Council will also adopt a plan of action to return fund balances to the required levels.

SECTION 5. This policy shall supersede all previously adopted fund balance policies of the Village of Pinehurst.

THIS RESOLUTION passed and adopted this 9th day of February, 2021.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: ______________________________
John C. Strickland, Mayor

Attest:

____
Beth Dunn, Village Clerk

Approved as to Form:

____
Michael J. Newman, Village Attorney