VILLAGE COUNCIL
AGENDA FOR REGULAR MEETING OF JANUARY 26, 2016
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM

1. Call to Order.

2. Invocation and Pledge of Allegiance.

3. Reports:

   - Manager
   - Council

4. Motion to Approve Consent Agenda.

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

   A. Approval of Draft Village Council Meeting Minutes.
      December 3-4, 2015 Strategic Planning Retreat Minutes
      December 8, 2015 Regular Meeting Minutes

   B. Public Safety Reports.
      Police Department
      Fire Department

   End of Consent Agenda.

5. Approve Audit Contract for Fiscal Year 2016.

6. Discuss and Review Traffic and Accident Data for Monticello Drive.

7. Consider a Resolution Amending the Fees and Charges Schedule for Fair Barn Rentals.

8. Other Business.

9. Comments from Attendees.

10. Motion to go into Closed Session pursuant to NCGS 143-318.11(a)(3) to consult with the Village Attorney in order to preserve the attorney-client privilege between the Village Attorney and the Village Council.

11. Motion to adjourn the Closed Session and re-enter the Regular Meeting.

12. Motion to Adjourn.

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.

APPROVAL OF DRAFT VILLAGE COUNCIL MEETING MINUTES.

ADDITIONAL AGENDA DETAILS:

December 3-4, 2015 Strategic Planning Retreat Minutes
December 8, 2015 Regular Meeting Minutes

FROM:

Lauren Craig

CC:

Jeff Sanborn

DATE OF MEMO:

12/2/2015

MEMO DETAILS:

See attachments for draft minutes.

ATTACHMENTS:

	Description
🗋	12-03 and 12-04 Strategic Planning Retreat Minutes
🗋	12-08 Regular Meeting Minutes

MINUTES OF
VILLAGE COUNCIL SPECIAL MEETING
DECEMBER 3-4, 2015

395 MAGNOLIA ROAD
ASSEMBLY HALL
PINEHURST, NORTH CAROLINA
1:00 P.M. – 5:00 P.M.
8:00 A.M. – 3:00 P.M.

The Pinehurst Village Council held a FY 2017 Strategic Planning Retreat on Thursday, December 3 and Friday, December 4, 2015 in the Assembly Hall of the Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Ms. Claire L. Berggren, Councilmember
Mr. John F. Bouldry, Treasurer
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Mr. Jeffrey M. Sanborn, Village Manager
Mr. Jeffrey Batton, Assistant Village Manager
Ms. Natalie Dean, Assistant Village Manager
Ms. Angela Kantor, Director of Human Resources
Mr. Carlton Cole, Fire Chief
Mr. Randy Kuhn, Director of Fleet Maintenance
Mr. Walt Morgan, Director of Public Services
Mr. Mark Wagner, Director of Parks and Recreation
Mr. Earl Phipps, Police Chief
Mr. John Frye, Director of Financial Services
Dr. Deb Manzo, NC State Industrial Extension Service
Ms. Lauren M. Craig, Village Clerk

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

1. **Call to Order.**
Assistant Village Manager, Natalie Dean called the Strategic Planning Retreat to order and welcomed everyone.

2. **FY 2017 Strategic Planning Retreat**
THURSDAY, DECEMBER 3:
Introduction
Dr. Deb Manzo, Improvement Specialist with North Carolina State University Industrial Extension Services, outlined the agenda for the day and reviewed ground rules and goals for the day. Assistant Village Manager, Natalie Dean reviewed the Village of Pinehurst Strategic Planning Process.

MVV and Core Competencies
Council reviewed the Mission, Vision, and Values and the core competencies of the Village of Pinehurst. The core competencies were determined to be community engagement, customer focus, effective collaborative relationships, talented employees and volunteers, leverage technology, and continuous improvement.

External Environmental Scan
Natalie Dean and John Frye presented the Environmental Scan, which included:
- Demographics
- Workforce composition
- Innovations- Emerging Trends
- Legal and Regulatory Environment
- Economic Environment

The data was discussed among the Council and staff.

Key Data
Natalie Dean presented key data to Council including leadership and governance results and results by each Balanced Scorecard perspective. Ms. Dean explained that data from the community, business, volunteer, and workforce surveys has been segmented. Benchmark data was also provided when available and appropriate. Capital improvements that residents feel are most important were also discussed.

SWOT Analysis
Dr. Manzo led the group in conducting a SWOT Analysis to determine and agree on strengths, weaknesses, opportunities and threats for the Village of Pinehurst.

Strategic Advantages & Challenges
Dr. Manzo led the Council and department heads in identifying the Village's strategic advantages and challenges.

Review Proposed FY 2017 BSC and KPIs
Dr. Manzo led the Council and department heads in reviewing and affirming goals, strategic objectives, and KPIs for each BSC perspective. The Group also discussed Council's homework assignment to prepare for day 2 of the retreat.

FRIDAY, DECEMBER 4:

Review Council Priorities for KPI Performance Improvement
Dr. Manzo led the Council and department heads in reviewing the proposed strategic objectives under each Council goal and determining changes needed. Then the group reviewed the KPIs for each area on the BSC. Council shared their priorities and suggested long term targets.

Action Planning
Dr. Manzo led the Council in a discussion about specific action plans they would like to see addressing their areas of focus.

Discuss Alternative Revenue Study
John Frye presented an alternative revenue study to Council. Mr. Frye explained the methodology, current revenue sources, potential alternative revenue sources, and shared the conclusions of the four sources as best options to fund service expansions for the Village.

Off Cycle Prioritization Process
Jeff Sanborn shared a proposed process with Council for off cycle prioritization including criteria and weight to score each item that comes up off cycle. Council agreed to use this new process.

Wrap-up and Next Steps
Natalie Dean explained the next steps in the strategic planning process with Council and department heads. Council was dismissed and staff met following the retreat to continue working on the development of action plans.

3. **Adjournment.**
Councilmember Cashion moved to adjourn the FY 2017 Strategic Planning Retreat. The motion was seconded by Councilmember Campbell and carried unanimously. The meeting adjourned at 12:00 p.m.

Respectfully Submitted,

Lauren M. Craig
Village Clerk

MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
DECEMBER 8, 2015

395 MAGNOLIA ROAD
ASSEMBLY HALL
PINEHURST, NORTH CAROLINA
4:30 P.M.

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday, December 8, 2015 in the Assembly Hall of the Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Ms. Claire L. Berggren, Councilmember
Mr. John F. Bouldry, Treasurer
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Lauren M. Craig, Village Clerk

And approximately 20 attendees, including 6 staff and 2 press.

1. Call to Order.
Mayor Nancy Roy Fiorillo called the meeting to order.

2. Invocation and Pledge of Allegiance
Pastor Rod Stone from Community Presbyterian Church offered the invocation and the Manager led everyone in the Pledge of Allegiance.

3. Reports

Manager

- Thanked Council and staff for their focused effort in the strategic retreat last week.
- Thanked Parks and Recreation staff for the great job they did with the Tree Lighting Ceremony last Friday.
- Regarding tonight's agenda, staff recommends that Council table the discussion on non-profit rental rates at the Fair Barn so staff and Council can research this further. Also, the fee schedule hard copy that has been placed at Council's seat has removed the proposed changes to the non-profit rental rate changes for now.

Council

- Councilmember Bouldry thanked Council, Jeff Sanborn, and staff for the warm reception he has received as the new Councilmember.
- Mayor Fiorillo also noted the unbelievable Christmas Tree Lighting and the Village Council singers.

4. Motion to Approve Consent Agenda.

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

A. Consider a resolution honoring the service of Councilmember John Strickland on the Pinehurst Village Council.
B. Consider a resolution honoring a member of the Beautification Committee (Linda Tucker).
C. Consider a resolution reappointing a member to the Historic Preservation Commission (Lewis).

D. Approval of Draft Village Council Meeting Minutes.
November 17 Regular Meeting Minutes
November 30 Organizational Meeting Minutes
E. Public Safety Reports
Police Department
Fire Department

End of Consent Agenda.

Councilmember Cashion moved to approve the Consent Agenda. The motion was seconded by Councilmember Berggren and passed unanimously with a vote of 5-0.

5. **Consider revisions to the Village's Engineering Standards and Specifications Manual.**
Kevin Reed, Director of Planning and Inspections, and Mike Apke, of McGill Associates, presented a report from the Engineering Standards and Specifications Manual (ESSM) review team. Mr. Reed explained the process of the review team to reorganize the manual making it more concise and user-friendly. Mr. Apke reviewed each of the significant changes that are being proposed by the review team. Council thanked the review team for their work on this document.

Upon a motion by Councilmember Campbell, seconded by Councilmember Cashion, Council unanimously approved Resolution 15-53 amending the Village's Engineering Standards and Specifications Manual as presented on December 8, 2015 by a vote of 5-0.

6. **Discuss rental fees at Fair Barn for non-profit organizations.**
This agenda item was tabled for future discussion.

7. **Discuss a proposed change to the golf cart sticker registration process.**
John Frye, Director of Financial Services, explained the need to for Council to consider updating the golf cart registration process for the Village of Pinehurst. Mr. Frye explained that currently the Municipal Code requires golf carts to be registered annually with a $5 fee and staff is proposing this process be amended to one-time registration of $20. Staff would ask that if a golf cart sells, the new owner comes in to alert the Village of the change of information.

Upon a motion by Councilmember Bouldry, seconded by Councilmember Berggren, Council unanimously approved Ordinance 15-23 amending the Municipal Code for the Village of Pinehurst pertaining to the golf cart sticker registration process by a vote of 5-0. (A copy of the ordinance can be found in the Ordinance Book.)

8. **Consider amendments to Fees & Charges Schedule.**
John Frye, Director of Financial Services, shared the proposed changes to the Village's Fees and Charges Schedule and the explanation for each proposed change. The changes proposed fall under Administration, Public Services, and Recreation fees. Upon a motion by Councilmember Cashion, seconded by Councilmember Bouldry, Council unanimously approved Resolution 15-52 amending the Village's Fees and Charges Schedule with changes effective January 1, 2016 by a vote of 5-0. (A copy of the resolution can be found in the Resolution Book.)

9. **Consider an ordinance amending the Municipal Code regarding routine maintenance and home improvement on Sundays.**
The Manager explained the need for Council to consider the updated draft of the ordinance amending the Pinehurst Municipal Code regarding routine maintenance and home improvement on Sundays. Council held a discussion about the proposed changes. Upon a motion by Councilmember Berggren, seconded by Councilmember Campbell, Council unanimously approved Ordinance 15-17 amending Section 92.16 of the Pinehurst Municipal Code as it pertains to regulating unreasonably loud, disturbing sound levels by a vote of 5-0. (A copy of the ordinance can be found in the ordinance book.)

10. Consider adopting the 2016 Village Council meeting schedule.
The Manager explained the need for Council to consider the 2016 Village Council meeting schedule which includes Regular Meetings and Work Sessions. Upon a motion by Councilmember Cashion, seconded by Councilmember Campbell, Council unanimously approved the 2016 Pinehurst Village Council meeting schedule as presented on December 8, 2015 by a vote of 5-0.

11. Other Business
- None.

12. Comments from attendees.
- Audience member Frank Pacifico explained he lives on McKenzie Road East and he exits towards Highway 5. He said two weeks ago he tried to make a left-hand turn and had a near accident. He asked Council to do something very quickly before there is a major accident at this intersection. Council and staff held a discussion about this project that has been proposed.
- Audience member Jeanne Casinella has noticed, at her intersection at Lake Hills and Highway 5, cars are not stopping completely and are turning right and this needs to be better enforced. She also asked what triggers the interest of the Council on various issues.

13. Motion to Adjourn.
Councilmember Cashion moved to adjourn the Regular Meeting. The motion was seconded by Councilmember Campbell and carried unanimously. The Regular Meeting adjourned at 5:50 p.m.

Respectfully Submitted,

Lauren M. Craig
Village Clerk

PUBLIC SAFETY REPORTS.

ADDITIONAL AGENDA DETAILS:

Police Department
Fire Department

ATTACHMENTS:

	Description
🗋	Police Report
🗋	Fire Report

Incident IBR Reported Offenses Month To Month Comparison

Pinehurst Police Department

December 2015 - December 2014

Part I Offenses		December 2014	December 2015	+/-	Percent Changed	Year-To-Date 2014	Year-To-Date 2015	+/-	Percent Changed
Murder		0	0	0	0%	0	0	0	0%
Rape		0	0	0	0%	0	1	1	-
Robbery		0	0	0	0%	1	1	0	0%
Commercial		0	0	0	0%	1	0	-1	-100%
Individual		0	0	0	0%	0	1	1	-
Assault		0	0	0	0%	0	6	6	-
	Violent Total:	**0**	**0**	**0**	**0%**	**1**	**8**	**7**	**700%**
Burglary		0	0	0	0%	0	1	1	-
Residential		0	0	0	0%	0	1	1	-
Non-Residential		0	0	0	0%	0	0	0	0%
Commercial		0	0	0	0%	0	0	0	0%
Other		0	0	0	0%	0	0	0	0%
Larceny		10	7	-3	-30%	118	92	-26	-22%
Auto Theft		0	0	0	0%	1	1	0	0%
Arson		0	0	0	0%	0	0	0	0%
	Property Total:	**10**	**7**	**-3**	**-30%**	**119**	**94**	**-25**	**-21%**
	Part I Total:	**10**	**7**	**-3**	**-30%**	**120**	**102**	**-18**	**-15%**

Part II Offenses		December 2014	December 2015	+/-	Percent Changed	Year-To-Date 2014	Year-To-Date 2015	+/-	Percent Changed
Drug		10	11	1	10%	105	85	-20	-19%
Assault Simple		2	0	-2	-100%	19	9	-10	-53%
Forgery/Counterfeit		1	0	-1	-100%	7	2	-5	-71%
Fraud		3	2	-1	-33%	48	44	-4	-8%
Embezzlement		0	0	0	0%	1	0	-1	-100%
Stolen Property		0	0	0	0%	8	9	1	13%
Vandalism		2	6	4	200%	37	32	-5	-14%
Weapons		0	0	0	0%	5	4	-1	-20%
Prostitution		0	0	0	0%	0	0	0	0%
All Other Sex Offenses		0	0	0	0%	4	0	-4	-100%
Gambling		0	0	0	0%	0	0	0	0%
Offenses Against Family/Children		0	0	0	0%	1	4	3	300%
D.W.I.		1	1	0	0%	8	8	0	0%
Liquor Law Violation		1	0	-1	-100%	4	4	0	0%
Disorderly Conduct		0	0	0	0%	5	3	-2	-40%
Obscenity		0	0	0	0%	1	0	-1	-100%
Kidnap		0	0	0	0%	0	0	0	0%
All Other Offenses		19	5	-14	-74%	235	159	-76	-32%
	Part II Total:	**39**	**25**	**-14**	**-36%**	**488**	**363**	**-125**	**-26%**
	Incident Total:	**49**	**32**	**-17**	**-35%**	**608**	**465**	**-143**	**-24%**

Arrest IBR Reported Offenses Month To Month Comparison

Pinehurst Police Department

December 2015 - December 2014

Part I Offenses		December 2014	December 2015	+/-	Percent Changed	Year-To-Date 2014	Year-To-Date 2015	+/-	Percent Changed
Murder		0	0	0	0%	0	2	2	-
Rape		0	0	0	0%	0	0	0	0%
Robbery		0	0	0	0%	0	0	0	0%
Commercial		0	0	0	0%	0	0	0	0%
Individual		0	0	0	0%	0	0	0	0%
Assault		2	0	-2	-100%	5	5	0	0%
	Violent Total:	**2**	**0**	**-2**	**-100%**	**5**	**7**	**2**	**40%**
Burglary		0	0	0	0%	0	1	1	-
Residential		0	0	0	0%	0	0	0	0%
Non-Residential		0	0	0	0%	0	0	0	0%
Commercial		0	0	0	0%	0	0	0	0%
Other		0	0	0	0%	0	0	0	0%
Larceny		2	4	2	100%	65	64	-1	-2%
Auto Theft		0	0	0	0%	0	2	2	-
Arson		0	0	0	0%	0	0	0	0%
	Property Total:	**2**	**4**	**2**	**100%**	**65**	**67**	**2**	**3%**
	Part I Total:	**4**	**4**	**0**	**0%**	**70**	**74**	**4**	**6%**

Part II Offenses		December 2014	December 2015	+/-	Percent Changed	Year-To-Date 2014	Year-To-Date 2015	+/-	Percent Changed
Drug		8	5	-3	-38%	171	84	-87	-51%
Assault Simple		4	4	0	0%	21	17	-4	-19%
Forgery/Counterfeit		0	0	0	0%	4	0	-4	-100%
Fraud		0	1	1	-	24	13	-11	-46%
Embezzlement		0	0	0	0%	1	1	0	0%
Stolen Property		1	1	0	0%	44	19	-25	-57%
Vandalism		0	0	0	0%	25	12	-13	-52%
Weapons		1	0	-1	-100%	9	1	-8	-89%
Prostitution		0	0	0	0%	0	0	0	0%
All Other Sex Offenses		0	0	0	0%	4	0	-4	-100%
Gambling		0	0	0	0%	0	0	0	0%
Offenses Against Family/Children		2	0	-2	-100%	5	3	-2	-40%
D.W.I.		2	8	6	300%	66	75	9	14%
Liquor Law Violation		1	0	-1	-100%	12	10	-2	-17%
Disorderly Conduct		0	0	0	0%	6	5	-1	-17%
Obscenity		0	0	0	0%	0	0	0	0%
Kidnap		0	0	0	0%	0	0	0	0%
All Other Offenses		27	15	-12	-44%	331	392	61	18%
	Part II Total:	**46**	**34**	**-12**	**-26%**	**723**	**632**	**-91**	**-13%**
	Arrest Total:	**50**	**38**	**-12**	**-24%**	**793**	**706**	**-87**	**-11%**

SUMMARY FOR THE MONTH OF DECEMBER 2015

SUMMARY OF INCIDENT CALLS

TYPE OF INCIDENT	*NUMBER THIS MONTH*	*NUMBER YTD*	*NUMBER THIS MONTH LAST YEAR*	*NUMBER YTD LAST YEAR*	*PERCENTAGE YTD*
Fire	2	50	1	58	-14%
Overpressure Rupture, Explosion, Overheat - no fire	0	5	0	3	67%
Rescue & EMS Incidents	42	124	9	116	7%
Hazardous Conditions - no fire	16	152	12	130	17%
Service Call	14	223	8	165	35%
Good Intent Call	24	260	21	275	-5%
False Alarm & False Call	23	319	20	241	32%
Severe Weather & Natural Disaster	0	17	0	6	183%
Special Incident Type	0	1	0	1	0%
TOTAL INCIDENTS	**121**	**1151**	**71**	**995**	**16%**

SUMMARY OF INSPECTION

TYPE OF INSPECTIONS	*NUMBER THIS MONTH*	*NUMBER YTD*	*NUMBER THIS MONTH LAST YEAR*	*NUMBER YTD LAST YEAR*	*PERCENTAGE YTD*
Residential	6	128	5	86	49%
Residential New Systems	0	0	0	0	0%
Residential Fire Sprinkler	0	2	0	5	-60%
Commercial	6	377	57	296	27%
Plan Review/Site Inspections (*)	1	8	0	1487	N/A
Reinspection	27	369	0	222	66%
Occupancy Certificates	0	0	0	1	0%
TOTAL INSPECTIONS	**40**	**884**	**62**	**2097**	**-58%**
Violations Found:	2	668	169	747	-11%
YTD Violations to be Corrected:		666		578	
YTD Violations Corrected:		609		520	
Correction Percentage:		91%		90%	

(*) US Open Tent/Property Inspections (June 2014)

January 4, 2016

J. Carlton Cole, Fire Chief

APPROVE AUDIT CONTRACT FOR FISCAL YEAR 2016.

ADDITIONAL AGENDA DETAILS:

FROM:
John Frye

CC:
Jeff Sanborn & Natalie Dean

DATE OF MEMO:
1/20/2016

MEMO DETAILS:
Each year at this time we award the Village's audit contract to an independent auditor in accordance with North Carolina General Statutes. Based upon the professional service we have received from our current auditors, I recommend the Village continue its relationship with the firm Dixon Hughes Goodman, LLP.

The proposed base fee of $22,450 is the same fee as charged for the previous year. In addition to this base amount, our auditors estimate that it will take approximately 40 additional hours at their standard rate of $150 per hour to comply with the risk assessment standards bringing the total estimated contract amount to $28,450. Funding for this contract will be appropriated in the FY 2016-17 Budget.

As the Village's financial staff is able to complete a majority of the work in-house, we are able to maintain the audit fee at what I consider to be a very reasonable amount. Therefore, I recommend the Village Council approve the attached audit contract with Dixon Hughes Goodman in the amount of $28,450.

As always, should you have any questions about the contract please feel free to give me a call.

ATTACHMENTS:

	Description
🗋	Audit Contract FY 2016

LGC-205 (Rev. 2016)

CONTRACT TO AUDIT ACCOUNTS

Of Village of Pinehurst
Primary Governmental Unit

____
Discretely Presented Component Unit (DPCU) if applicable

On this 29th day of December, 2015,

Auditor: Dixon Hughes Goodman LLP Auditor Mailing Address: 1829 Eastchester Drive, High Point, North Carolina 27265 Hereinafter referred to as The Auditor

and Village Council (Governing Board(s)) of Village of Pinehurst (Primary Government)

and ______________________________ (Discretely Presented Component Unit) : hereinafter referred to as the Governmental Unit(s), agree as follows:

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2015, and ending June 30, 2016. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

   County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. <u>Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.</u>

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government*

Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment..

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2016. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the secretary of the LGC for approval.

7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC**. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent via upload through the current portal address: http://nctreasurer.slgfd.leapfile.net Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (**Note: Fees listed on signature pages**.)

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.

12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.

13. The Auditor shall electronically submit the report of audit to the LGC as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

    If the OSA designates certain programs to be audited as major programs, as discussed in item #2, agreed-upon procedures report, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

    The LGC's process for submitting contracts, audit reports and invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor

15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract needs to be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract, and then must be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload your amended contract is http://nctreasurer.slgfd.leapfile.net. No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of

this contract, <u>the terms of this contract will control</u>. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #22 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.

17. Special provisions should be limited. Please list any special provisions in an attachment.

See attached Appendix A and engagement letter.

18. A separate contract <u>should not</u> be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.

19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is http://nctreasurer.slgfd.leapfile.net Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of October 2015. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.

20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **<u>The audit should not be started before the contract is approved</u>.**

21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

22. **E-Verify**. Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

SIGNATURE PAGES FOLLOW

Contract to Audit Accounts (cont.) Village of Pinehurst
Governmental Unit

Discretely Presented Component Units (DPCU) if applicable

Village of Pinehurst **- FEES**

Year-end bookkeeping assistance – [*For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards*] N/A

Audit $22,450 plus application of risk assessment standards at our hourly rate of $145-$150/hr., compliance work for Single Audit at $145-$150/hr., and additional fees for items listed in Appendix A.

Preparation of the annual financial Statements N/A

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is $ $20,400

**** NA if there is to be no interim billing**

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:

Dixon Hughes Goodman LLP
Name of Audit Firm

By John A. Frank, CPA
Authorized Audit firm representative name: Type or print

John A. Frank
Signature of authorized audit firm representative

Date December 29, 2015

John.Frank@dhgllp.com
Email Address of Audit Firm

Governmental Unit Signatures:

Village of Pinehurst
Name of Primary Government

By Nancy Roy Fiorillo, Mayor
Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By
Chair of Audit Committee - Type or print name

**
Signature of Audit Committee Chairperson

Date

*** If Governmental Unit has no audit committee, mark this section "N/A"*

Village of Pinehurst

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By John Frye
Primary Governmental Unit Finance Officer:
Type or print name

John Frye
Primary Government Finance Officer Signature

Date 1/20/2016
(Pre-audit Certificate must be dated.)

jfrye@vopnc.org
Email Address of Finance Officer

Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a)

Contract to Audit Accounts (cont.) Village of Pinehurst
Governmental Unit

Discretely Presented Component Units (DPCU) if applicable

**** This page to only be completed by Discretely Presented Component Units ****

FEES

Year-end bookkeeping assistance – [*For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards*] ____________________

Audit____________________

Preparation of the annual financial Statements ____________________

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is $____________________

**** NA if there is to be no interim billing**

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

DPCU Governmental Unit Signatures:

____
Name of Discreetly Presented Component Unit

By____________________
DPCU Board Chairperson: Type or print name and title

____
Signature of Chairperson of DPCU governing board

Date____________________

____

By____________________
Chair of Audit Committee - Type or print name

____________________ **
Signature of Audit Committee Chairperson

Date____________________
** *If Governmental Unit has no audit committee, mark this section "N/A"*

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By____________________
DPCU Finance Officer:
Type or print name

____
DPCU Finance Officer Signature

Date____________________
(*Pre-audit Certificate* ***must be dated***.)

____
Email Address of Finance Officer

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

____

Discretely Presented Component Units (DPCU) if applicable

Steps to Completing the Audit Contract

1. Complete the Header Information – NEW: If a DPCU is subject to the audit requirements as detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued for the DPCU and is to be included in the Primary Government's audit, the DPCU must be named with the parent government on this Audit contract. The Board chairman of the DPCU also must sign the Audit contract.

2. Item No. 1 – Complete the period covered by the audit

3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.

4. Item No. 8 – If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx

5. Item No. 9 – NEW: Please note that the fee section has been moved to the signature pages, Pages 5 & 6.

6. Item No. 16 – If there is a reference to an engagement letter or other document (ex: Addendum), has the engagement letter or other document been acknowledged by the Governmental Unit and attached to the contract submitted to the SLGFD?

   a. Do the terms and fees specified in the engagement letter agree with the Audit contract? *"In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control."*

   b. Does the engagement letter contain an indemnification clause? **The audit contract will not be approved if there is an indemnification clause – refer to LGC Memo # 986.**

7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the signature pages, please note:

   - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we will compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: https://www.nctreasurer.com/slg/Pages/Non-Audit-Services-and-Audit-Fees.aspx - Auditors and Audit Fees.
     Please call or email Steven Holmberg of our office at 919-807-2394 steven.holmberg@nctreasurer.com if you have any questions about the fees on this list.

   - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: See previous bullet point regarding variable fees.)

- If there is to be no interim billing, please indicate N/A instead of leaving the line blank.

8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Send the page(s) that are applicable to your Unit of Government. Make sure all signatures have been obtained, and properly dated. **The contract must be approved by Governing Boards pursuant to G.S. 159-34(a).** NEW - If this contract includes auditing a DPCU that is a Public Authority under the Local Government Budget and Fiscal Control Act it must be named in this Audit contract and the Board chairperson of the DPCU **must also sign** the Audit contract in the area indicated. If the DPCU has a separate Audit, a separate Audit contract is required for the DPCU.

9. Please place the date the Unit's Governing Board and the DPCU's governing Board (if applicable) approved the audit contract in the space provided.

   a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.

   b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?

   c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?

10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the applicable signature page(s) of the contract.

11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.

12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to be submitted for approval into a PDF file. Peer Review Reports should be submitted in a separate PDF file. These documents should be submitted using the most current submission process which can be obtained at the NC Treasurer's web site – https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx.

13. NEW: If an audit is unable to be completed by the due date, an Amended Contract should be completed and signed by the unit and auditor, using the new "Amended LGC-205" form (Rev. 2015). The written explanation for the delay is now included on the contract itself to complete, and must be signed by the original parties to the contract.

Contract to Audit Accounts” (LGC-205) dated December 29, 2015

Village of Pinehurst

Appendix A

The following is a list of additional items that may result in additional fees that are variable in nature and thus are not included in the audit figure presented on page 5 of the contract:

1. Any Federal or State award required to be audited as a major program for the year ended June 30, 2016, that was not audited as a major program during the three preceding fiscal years or is required to be audited due to the auditee not being considered low risk will be billed at our standard hourly rates as set forth in page 5 of the contract.
2. Prior to commencement of audit fieldwork we will provide the finance department with a detailed list of schedules required to facilitate the audit. Schedules not prepared by your personnel, for which we must then prepare, will be billed for additionally at our standard hourly rates as set forth in page 5 of the contract.
3. In addition to the fees reflected in page 5 of the contract, we will bill separately for confirmation postage, travel, report production and other reasonable out-of-pocket expenses.
4. Preparation of the Data Collection form, if applicable.
5. Preparation of your Schedule of Federal and State financial assistance, if applicable.

DHG
DIXON HUGHES GOODMAN LLP

1829 Eastchester Drive
High Point, NC 27265
D 336.889.5156
F 336.889.6168
www.dhgllp.com

December 29, 2015

Village Council
Village of Pinehurst
395 Magnolia Road
Pinehurst, North Carolina 28374

We are pleased to confirm our understanding of the services we are to provide for the Village of Pinehurst (the “Village”) for the year ending June 30, 2016. This attachment to item 17, “Contract to Audit Accounts” (LGC-205) is intended to further clarify certain provisions of the Contract.

AUDIT SERVICES

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Village as of and for the year ending June 30, 2016.

AUDIT OBJECTIVES

The objective of our audit is the expression of opinions as to whether the Village’s financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with Single Audit Act Amendments of 1996 and Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* (“OMB Circular A-133”) and the *State Single Audit Implementation Act*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance, but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance; and, OMB Circular A-133 and the *State Single Audit Implementation Act* in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Village is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of OMB Circular A-133; and the *State Single Audit Implementation Act*, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133 and the *State Single Audit Implementation Act*, and other procedures we consider necessary to enable us to express such an opinion. If our opinions on the financial statements or the single audit compliance opinions are other than unmodified, we will discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

AUDIT PROCEDURES - GENERAL

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures may include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of certain assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We may request written representations from the Village's attorneys as part of the engagement, and they may bill the Village for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters. Because of the importance of management's written or verbal representations to an effective audit, management agrees to release and indemnify Dixon Hughes Goodman LLP and its personnel from any liability and costs relating to our services under this letter attributable to any misrepresentations by management.

In providing our audit services we are required by law and our professional standards to maintain our independence from the Village. We take this mandate very seriously and thus guard against impermissible relationships which may impair the very independence which management and the users of our report require. As such management should not place upon us special confidence that in the performance of our audit services we will act solely in management's interest. Therefore, management acknowledges and agrees we are not in a fiduciary relationship with management and we have no fiduciary responsibilities to management in the performance of our services described herein.

AUDIT PROCEDURES - INTERNAL CONTROLS

Our audit includes obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly we will express no such opinion. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, OMB Circular A-133 and the *State Single Audit Implementation Act*.

As required by OMB Circular A-133 and the *State Single Audit Implementation Act*, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133 and the *State Single Audit Implementation Act*.

AUDIT PROCEDURES - COMPLIANCE

Our audit includes obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly we will express no such opinion. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control-related matters that are required to be communicated under auditing standards generally accepted in the United States of America, Government Auditing Standards, OMB Circular A-133 and the State Single Audit Implementation Act.

As required by OMB Circular A-133 and the State Single Audit Implementation Act, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal and state award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133 and the State Single Audit Implementation Act.

MANAGEMENT'S RESPONSIBILITIES

Management is responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village and the respective changes in financial position and, where applicable, cash flows in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. The responsibility for the financial statements and all representations contained therein remains with management and those charged with governance, which includes officers and directors of the Village. Management is also responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is also responsible for providing us with access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation and other matters. Management also agrees to provide us with any additional information that we may request from management for the purpose of the audit as well as unrestricted access to any person within the Village from whom we determine it necessary to obtain audit evidence.

Management's responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design, implementation and maintenance of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the Village involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Management's responsibilities include informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Village received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the Village complies with applicable laws and regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report. As required by OMB Circular A-133 and the *State Single Audit Implementation Act*, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a Summary Schedule of Prior Audit Findings and a Corrective Action Plan if necessary.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit Objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. Management is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report, and for the timing and format for providing that information.

We understand that the Village's employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

REQUIRED SUPPLEMENTARY INFORMATION

Our audit is for the purpose of forming an opinion on the financial statements taken as a whole. Accounting principles generally accepted in the United States ("GAAP") provide for certain required supplementary information ("RSI") to accompany the basic financial statements. We understand the following RSI will accompany the basic financial statements:

1. Management's Discussion and Analysis ("MD&A")
2. Law Enforcement Officers' Special Separation Allowance - Schedule of Funding Progress
3. Law Enforcement Officers' Special Separation Allowance - Schedule of Employer Contributions
4. Local Government Employees' Retirement System - Proportionate Share of Net Pension Liability
5. Local Government Employees' Retirement System - Schedule of Contributions

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The Village's management is responsible for the fair presentation of the RSI. As part of our engagement, we will apply certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPPLEMENTARY INFORMATION

We understand that the following supplementary information other than RSI will accompany the basic financial statements:

1. Combining non-major and fiduciary fund statements
2. Budgetary schedules for all funds required to adopt a budget other than the General Fund and annually adopted major special revenue funds
3. Schedule of Ad Valorem Taxes Receivable
4. Analysis of Current Tax Levy
5. Schedule of Transfers
6. Schedule of Expenditures of Federal and State Awards, if applicable
7. Schedules of Capital Assets used in the Operation of Governmental Funds

Such information is presented for the purpose of additional analysis of the financial statements and is not a required part of the basic financial statements. The Village's management is responsible for the fair presentation of the supplementary information. We will subject the supplementary information to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the accounting and other records used to prepare the financial statements or to the financial statements themselves in accordance with auditing standards generally accepted in the United States of America.

Management's responsibilities include acknowledging to us in the written representation letter that (a) management is responsible for presentation of the supplementary information in accordance with GAAP; (b) that management believes the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) management has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Our responsibility is to report whether such information is fairly stated in all material aspects in relation to the basic financial statements taken as a whole. Management agrees to include our report on the supplementary information other than RSI in any document that contains, and indicates that we have reported on, the supplementary information other than RSI. Management also agrees to include the audited financial statements with any presentation of the supplementary information other than RSI that includes our report thereon or make the audited financial statements readily available to users of the supplementary information other than RSI no later than the date the supplementary information other than RSI is issued with our report thereon.

OTHER INFORMATION

Our audit is for the purpose of forming an opinion on the basic financial statements taken as a whole. We understand the Village will prepare schedules for inclusion in the Comprehensive Annual Financial Report. Such information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The Village's management is responsible for such information. We will not subject such information to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we will not express an opinion or provide any assurance on it.

MANAGEMENT'S RESPONSIBILITY FOR NONATTEST SERVICES

Management agrees to assume all management responsibilities and to oversee the nonattest services we will provide by designating an individual possessing suitable skill, knowledge and/or experience. Management is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services. Management is responsible for designing, implementing, and maintaining internal controls.

We will provide the following nonattest services:

- We will advise management about appropriate accounting principles and their application and will assist in preparation of the Village's basic financial statements. The responsibility for the basic financial statements and all representations contained therein remains with management, which includes members of the governing board.
- At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide to management the required electronic copy of the financial reporting package (including the basic financial statements, Schedule of Expenditures of Federal and State Awards, auditors' reports on internal controls and compliance, Schedule of Findings and Questioned Costs, Corrective Action Plan (if required) and a Summary Schedule of Prior Audit Findings (if required) along with the Data Collection Form) to be uploaded on the federal clearinghouse's website.
- At the conclusion of the engagement, we will upload the audited financial statements and compliance reports on the North Carolina State Treasurer's website.

Management is responsible for evaluating the adequacy and results of the above nonattest services performed and accepting responsibility for the results of such services. This includes management's review and approval of all adjustments we may propose to the accounting records of the Village or its financial statements as a result of these services.

USE OF FINANCIAL STATEMENTS

If the Village's financial statements are to be included in a client prepared document, other than the Village's *Comprehensive Annual Financial Report*, which includes other information, the Village should notify us of the nature of the document and allow us to read such document prior to submitting the document to others. An example of another document would be an official statement in connection with a public debt offering.

AUDIT ADMINISTRATION, FEES AND OTHER

In connection with providing our professional services, we may engage the assistance of outside service providers for non-substantive services. We may share confidential information about the Village with these service providers, but remain committed to maintaining the confidentiality and security of the Village's information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of the Village's information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of the Village's information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of the Village's confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, management will be asked to provide its consent prior to the sharing of the Village's confidential information with the third party service provider. Furthermore, we are responsible for the adequate oversight of all services provided by the third-party service provider and for ensuring that all services are performed with competence and due professional care.

The audit documentation for this engagement is the property of Dixon Hughes Goodman LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office or North Carolina Office of the State Auditor pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of Dixon Hughes Goodman LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

This engagement is limited to the services outlined above. We will perform all services in accordance with applicable professional standards.

John Frank is the engagement partner and is responsible for supervising the engagement and signing the report of authorizing another individual to sign. We plan to begin our audit work on August 3, 2016.

Our fee for these services and any additional services is detailed in the "Contract to Audit Accounts" (LGC-205) dated December 29, 2015 between the Village of Pinehurst and Dixon Hughes Goodman, LLP. Our fee is based on the assumption there will be no significant bookkeeping assistance required or significant changes in the Village's operations including (but not limited to): issuance of new debt; new construction projects; creation of new funds; new or "State Mandated" major programs required to be tested for Single Audit; or additional procedures required in response to the discovery of fraud. We will issue contract addendums for additional fees related to any bookkeeping or changes mentioned above. The additional fees will be billed at our standard hourly rates depending on the experience level of the individuals performing the work.

Should management require additional services incidental to those specified herein which are not the subject of a separate engagement letter, upon management's request for the performance of those services, we will confirm to management in writing or by electronic mail the requested services we will provide. Such services, including our fees, shall be rendered subject to and in accordance with the provisions of this letter.

In providing our services, we may direct management to provide the Village's information to us through a separate web-based client portal in an effort to provide greater security with respect to the information. In the event we request management to provide the Village's information to us through such a client portal, to the extent management fails to do so or in using the client portal management fails to monitor and restrict access only to the Village's authorized personnel (any such failure being referred to herein as a "Portal Failure"), we disclaim, and management releases us from, any and all liability for loss and damage, including direct, indirect, consequential, incidental, and special damages such as loss of revenue or anticipated profits, arising from any interception, unintentional disclosure or communication, or unauthorized use of such information incident to a Portal Failure. In addition, management agrees not to provide access to the client portal for use by any third party with whom the Village or management is affiliated by contract or otherwise without our express prior written consent, and management shall indemnify and hold us harmless from and against any and all claims by any such third party for all damages whatsoever, including direct or indirect damages, consequential, exemplary, incidental, special or punitive damages including lost profits or lost data, arising from such third party's use of materials on, accessed through, or downloaded from the client portal, even if we are aware or have been advised of the use of or the access to the client portal by such third party in contravention of the restrictions set forth herein.

Many of our clients choose to communicate with us by email and we may use email in connection with this engagement unless management directs us otherwise. We will use reasonable precautions to protect the Village's confidential information, but we have no obligation to employ any measures that management does not regularly employ in protecting the Village's confidential information. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot guarantee or warrant that email from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim any liability or responsibility whatsoever for interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of emails transmitted by us in connection with the performance of this engagement, or the disclosure or communication of confidential or proprietary information arising therefrom (hereinafter collectively referred to as "Email Interruption"). Management agrees that we shall have no liability for any loss or damage to any person or entity resulting from or related to any Email Interruption, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, and management hereby forever releases us from any such liability and shall indemnify us from any claim related thereto.

This agreement and any claim arising out of the services provided shall be governed by the laws of the state of North Carolina, exclusive of its conflict of laws rules. The parties agree that any action between them related to or arising out of this engagement shall be brought only in the state or federal courts of North Carolina.

Whenever possible, each provision of this agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision hereof shall be ineffective, or invalid, such ineffectiveness or invalidity shall be only to the extent of such prohibition or invalidity, without invalidating the remainder of the provision or the remaining provisions of this agreement, which shall otherwise remain in full force and effect. The agreements of the Village of Pinehurst and Dixon Hughes Goodman LLP contained in the Contract to Audit Accounts and this attachment shall survive the completion or termination of this engagement.

Summer scheduling is very tight and travel accommodations are difficult to change, therefore, a rescheduling fee of 10% may be charged if fieldwork has to be rescheduled within one month of the rescheduled starting date. In the event we need to reschedule we will try to accommodate management's needs, however, due to other client commitments, we cannot guarantee a timetable that will allow us to complete the audit by the deadline stated in the Contract to Audit Accounts. Progress billings will be submitted to the North Carolina Office of the State Treasurer for approval and then mailed to the Village. All invoices are payable upon presentation.

Government Auditing Standards require that we provide management with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2014 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the Village of Pinehurst and believe this letter accurately summarizes the significant terms of our engagement. If management has any questions, please let us know. If management agrees with the terms of our engagement as described in this letter, please sign the enclosed copy and the Contract to Audit Accounts and return it to us. Please retain a copy for the Village's records.

Sincerely,

Dixon Hughes Goodman LLP

Dixon Hughes Goodman LLP

JAF/vll

Enclosures

ACKNOWLEDGED:

This letter correctly sets forth the understanding of the **Village of Pinehurst**.

By: ______________________________ Date: ______________________
Nancy Roy Fiorillo, Mayor

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

____
John Frye, Finance Officer

AICPA® Peer Review Program
Administered by the National Peer Review Committee

American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

October 31, 2014

Kenneth Max Hughes, CPA
Dixon Hughes Goodman LLP
6525 Morrison Blvd Ste 500
Charlotte, NC 28211

Dear Mr. Hughes:

It is my pleasure to notify you that on October 31, 2014 the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is August 31, 2017. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Larry Gray

Larry Gray
Chair, National Peer Review Committee
nprc@aicpa.org 919 402.4502

cc: Candace E Wright; David W Hinshaw

Firm Number: 10017108 Review Number 359179

Letter ID: 935009

Postlethwaite & Netterville
A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

System Review Report

To the Partners of Dixon Hughes Goodman LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Dixon Hughes Goodman LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended February 28, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included (engagements performed under *Government Auditing Standards*; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations Service Organizations Control (SOC) 1 and 2 engagements.

In our opinion, the system of quality control for the accounting and auditing practice of Dixon Hughes Goodman LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended February 28, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Dixon Hughes Goodman LLP has received a peer review rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
August 15, 2014

8550 United Plaza Blvd, Suite 1001 • Baton Rouge, LA 70809 • Tel: 225.922.4600 • Fax: 225.922.4611

DISCUSS AND REVIEW TRAFFIC AND ACCIDENT DATA FOR MONTICELLO DRIVE.

ADDITIONAL AGENDA DETAILS:

FROM:
Jeff Sanborn

CC:
Jeff Batton

DATE OF MEMO:
1/21/2016

MEMO DETAILS:
At your last meeting, Council discussed the recommendation to install two pairs of stops signs on Monticello Drive to address resident concerns with speed limits and traffic on Monticello Drive. Subsequent to your meeting, staff has summarized traffic and accident data for Monticello Drive, which is described below and in the attachment to this agenda item.

<u>Traffic Data</u>
In January 2016, staff placed four traffic counters on Monticello Drive for a 48 hour time frame to capture traffic volume and speed data. The traffic counters were deployed in each travel lane (eastbound and westbound) along Monticello in two different locations. One set was placed in the vicinity between Surry Circle North and Surry Circle South (or the Morganton Rd side). The other set was placed in the vicinity between Nashua and Bridle Path (or the Hwy 5 side). These counters were also placed in these locations in 2012 and 2013, which provides reliably comparable data between counts. The traffic counters provide an average daily number of vehicles recorded, the average speed traveled, and the 85th percentile of speed during the 48 hour time frame. The 85th percentile of speed indicates that 85% of all vehicles were traveling at this speed or less.

A summary of each of the three years of count data, along with the changes between 2012 and 2016 are attached to this agenda item.

<u>Accident Data</u>
Police Chief Earl Phipps provided information on the number of traffic accidents occurring on Monticello Drive since 2012, which are indicated in the document attached to this agenda item.

As Council continues to discuss options to address resident concerns on Monticello Drive, I believe you will find this additional data useful. I will also point out that the Village reduced the speed limit on Monticello Drive to 25 mph in May 2013 (after the 2013 traffic counters were deployed).

ATTACHMENTS:

	Description
🗋	Monticello Drive Traffic and Accident Data

Village of Pinehurst
Traffic Count Data for Monticello Drive
2012 - 2016

Monticello Road Traffic Data	2012			
	Near Hwy 5		Near Morganton	
	Eastbound	Westbound	Eastbound	Westbound
Avg. daily # of vehicles	1,907	1,774	2,039	1,863
Average Speed (MPH)	42	33	33	32
85th Percentile of Speed (MPH)*	55	40	41	39

* 85% of all vehicles are traveling at this speed or less

Monticello Road Traffic Data	2013			
	Near Hwy 5		Near Morganton	
	Eastbound	Westbound	Eastbound	Westbound
Avg. daily # of vehicles	2,242	1,849	2,040	1,827
Average Speed (MPH)	36	36	34	36
85th Percentile of Speed (MPH)*	40	41	39	40

* 85% of all vehicles are traveling at this speed or less

Monticello Road Traffic Data	2016			
	Near Hwy 5		Near Morganton	
	Eastbound	Westbound	Eastbound	Westbound
Avg. daily # of vehicles	1,729	1,641	1,991	1,782
Average Speed (MPH)	36	29	32	32
85th Percentile of Speed (MPH)*	44	33	37	37

* 85% of all vehicles are traveling at this speed or less

Monticello Road Traffic Data	Change Between 2012 and 2016			
	Near Hwy 5		Near Morganton	
	Eastbound	Westbound	Eastbound	Westbound
Avg. daily # of vehicles	(178)	(133)	(48)	(81)
Average Speed (MPH)	(6)	(4)	(1)	0
85th Percentile of Speed (MPH)*	(12)	(6)	(4)	(2)

* 85% of all vehicles are traveling at this speed or less

Village of Pinehurst
Accident Data for Monticello Drive
2012 - 2016

Intersection with Monticello Road	# of accidents			
	2012	**2013**	**2014**	**2015**
Bridle Path	0	1	0	0
Surry Circle	0	1	1	0
Hwy 5	2	6	2	2
Morganton	2	2	2	2
All Others	2	0	1	0
TOTAL	**6**	**10**	**6**	**4**

CONSIDER A RESOLUTION AMENDING THE FEES AND CHARGES SCHEDULE FOR FAIR BARN RENTALS.

ADDITIONAL AGENDA DETAILS:

FROM:
Mark Wagner

CC:
Jeff Sanborn

DATE OF MEMO:
1/20/2016

MEMO DETAILS:
Update after January 25th Council Work Session:

Based on the Council's discussion at the January 25th Work Session, included with this agenda item is a draft resolution amending the Village's Fees and Charges Schedule as it pertains to non-profit Fair Barn rentals. This resolution changes the pricing for non-profit rentals at the Fair Barn as described in Proposed Option B below. In addition, the amended Fees and Charges Schedule clarifies that these non-profit rates apply only to 501 (c) 3, 4, 5, 6, and 7 organizations, whose physical location or principal office is within Moore County. The attached resolution is effective February 1, 2016 and any rentals booked after this date would fall under the new rental rates.

Original Memo: As discussed at the last Council Meeting, staff has looked at the current fees and charges schedule as it relates to non-profit organizations renting the Fair Barn. Based on that meeting and our subsequent discussions, I have provided the following rate structures for Council consideration:

Fair Barn Non-Profit Rate Type	Current Fee	Proposed Option A	Proposed Option B	Proposed Option C
Weekday (Monday - Thursday)	$1,000	$500	$500	$500
Weekend (Friday - Sunday)	$1,750	$1,375	$1,000	$1,000
Other Fees Charged (Tables, chairs, stage, etc.)	Yes	Yes	Yes	Fees Waived

Under each of the options above, staff feels there is incentive for weekday rentals (Monday – Thursday) by non-profit organizations with higher discounts during the week. With this being our lowest base fee for a full day use at $500 per day, our hope is this would encourage these organizations to utilize the discount on these nights where the Village is already trying to increase usage. Two of the options do still charge for use of tables, chairs, stage, etc., while the third option does not.

If the organization chooses to rent on a weekend (Friday – Sunday), the proposed base fee options are higher for these days at either $1,375 or $1,000 respectively. As our weekends are typically our busiest rental times for weddings and rehearsals, I would suggest we limit a non-profit group to book at the lower rates no more than 6 months in advance of their desired weekend date. I have checked with our staff and we feel this would not interfere with our wedding bookings, and still provide ample time for the non-profit organizations to plan and promote their events. Two of the options again still charge for use of tables, chairs, stage, etc., while the third option does not.

To provide some perspective on how the proposed options above would impact our revenue at the Fair Barn, we average approximately 10 rentals (5 weekday, 5 weekend) each year by non-profit organizations. Under the current fee structure, those rentals average $25,100 in revenue per year. Option A would generate $20,725 in revenue, which is a potential decrease in revenue of $4,375. Option B would generate $18,850 in revenue, which is a potential decrease in revenue of $6,250. Option C would generate $7,500 in revenue, which is a potential decrease in revenue of $17,600. These projections of course assume no fluctuation in the number of rentals per year so actual revenue would be subject to change based on the actual number of rentals, day of the week rented, etc.

Staff is recommending that Option B be approved and included in the upcoming revisions to the Fees and Charges Schedule that will be presented later this spring and go into effect on July 1, 2016.

The next item is to determine which non-profit organizations the Village would like to make eligible for the reduced rate. Our previous Fees & Charges Policy gave a discounted rate to all organizations listed as a 501 (c) 3, 4, 5, 6, or 7. Management and staff would like to more clearly define which groups and organizations are given the preferred rate and consider a reduction to the number of groups who are eligible for the discount.

As staff researched this information, we found that according to the IRS Exempt Organization listing, there are a total of approximately 331 charitable organizations in our immediate area. This includes Pinehurst, Southern Pines, Aberdeen, Carthage, Pinebluff, Robbins, West End, Cameron and Vass.

If we extend out further to surrounding counties, there are an additional 1,558 organizations from the following cities: Sanford, Fayetteville, Hope Mills, Raeford, Rockingham and Laurinburg. This is obviously not an all encompassing list of charitable organizations, but gives us an idea of how many potential groups there are which are currently eligible for a discounted rate.

It is the recommendation of staff that the discounted rate be extended only to the following non-profits: Educational organizations; Charitable organizations; Prevention of Cruelty to Children or Animals Organizations; and Social Welfare Organizations.

We appreciate your consideration and are available to answer any questions you may have.

ATTACHMENTS:

	Description
🗋	Summary of Changes to the Fees & Charges Schedule
🗋	Resolution #16-02 - Amending the Fees and Charges Schedule (Fair Barn)
🗋	Fees and Charges Schedule - Exhibit A

Village of Pinehurst
Changes to Fees & Charges
Effective February 1, 2016

Parks & Recreation Fees

Recreation - Fair Barn	Current Fee	Increase (Decrease) In Fee	New Fee	% Change	Explanation
Non-Profit Base Fee: Weekday (page 14)	1,000.00	(500.00)	500.00	-50%	New lower fee to support non-profit use and to encourage weekday rentals
Non-Profit Base Fee: Weekend (page 14)	1,750.00	(750.00)	1,000.00	-43%	New lower fee to support non-profit use
Categories of Renters (page 16)	-	-	-	-	Added language that only non-profits with a physical location or offices in Moore County will qualify for non-profit rates

RESOLUTION #16-02:

A RESOLUTION AMENDING THE VILLAGE OF PINEHURST FEES AND CHARGES SCHEDULE

THAT WHEREAS, the Village Council of the Village of Pinehurst adopted a Pinehurst Fees and Charges Schedule on the 9th day of March, 2004; and

WHEREAS, it is the policy of the Village of Pinehurst to review and amend the Fees and Charges Schedule on an annual basis, or as deemed necessary; and

WHEREAS, the Village Council, after considering all of the facts and circumstances surrounding the proposed amendments to the Pinehurst Fees and Charges Schedule, have determined that it is in the best interest of the Village of Pinehurst to make the amendments as requested.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in the regular meeting assembled on the 26th day of January, 2016, as follows:

SECTION 1. That the attached "Village of Pinehurst Fees and Charges Schedule," is hereby adopted effective February 1, 2016, said schedule attached hereto as (Exhibit A) is made a part hereof, the same as if included verbatim.

SECTION 2. That all resolutions or sections thereof in conflict herewith are hereby repealed and declared null and void from and after the date of adoption of this resolution.

SECTION 3. That this Resolution shall be and remain in full force and effect from the date of its adoption.

THIS RESOLUTION passed and adopted this 26th day of January, 2016.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By:_______________________________
Nancy Roy Fiorillo, Mayor

Attest:

____
Natalie E. Dean, Interim Village Clerk

Approved as to Form:

____
Michael J. Newman, Village Attorney

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

ADMINISTRATION:

Council Adopted Date	Description	Fee/Charge	Unit
Other Charges			
01/2016	Paper Copies	$0.10	per sheet
01/2016	Overtime Costs if overtime is needed to fulfill a public records request promptly	Actual overtime cost	per request
01/2016	Special Service Charge for public records request involving extensive use of TI resources (> 2 hours of staff time)	Actual labor cost	per request
01/2016	Golf Cart Stickers	$20.00	per cart
	Municipal Code Copies:		
03/2004	Entire Code	$0.10	per sheet
03/2004	Supplements	$1.00	per sheet
03/2004	Non-Sufficient Funds (NSF)	$35.00	per return
12/2007	Late Payment of Code Enforcement Invoices	1.5%	per month on balance unpaid after 30 days

Rental Fees for Use of Village Rooms

Rental fees and deposit requirements apply to non-profit organizations whose principal operating office is not within the Village of Pinehurst and to private groups or individuals.

The deposit is due in advance to secure reservation of the date, to ensure adequate clean up following the event and to recover any and all damage costs to the facility or equipment. Cancellation of an event results in forfeiture of all or a part of the deposit (30 days or less 100% retained, 31 days or more 50% retained).Deposits are refundable if facilities are properly cleaned by the user following the event and no damage to the facilities or the audio visual equipment has occurred.

A pre-meeting training session with a representative from the IT Department is required prior to utilizing the audio visual equipment for the first time. If IT assistance with the audio visual equipment is needed during the rental period, the Audio visual assistance fee will be charged. The Village Manager has the right to waive the deposit and fee requirement if deemed appropriate.

Council Adopted Date	Description	Fee/Charge	Unit
	Deposit – Assembly Hall & Station 91 Conference Room:		
12/2007	Audio visual equipment is not utilized	$100.00	per event
12/2007	Audio visual equipment is utilized	$200.00	per event
	Rental Fee – Conference Room:		
	Up to 3 hours:		
12/2007	Resident	$25.00	per event
12/2007	Non-Resident	$50.00	per event
12/2007	More than 3 hours	$25.00	per hour

ADMINISTRATION (continued):

Council Adopted Date	Description	Fee/Charge	Unit
	Rental Fee – Assembly Hall & Station 91 Conference Room:		
	Up to 3 hours:		
12/2007	Resident	$50.00	per event
12/2007	Non-Resident	$100.00	per event
12/2007	More than 3 hours	$25.00	per hour
01/2013	Audio visual assistance	$50.00	per hour
Reimbursement Fees for Services			
04/1998	Time	Cost of staff used (Salaries & Benefits), plus 10% administrative fee	per hour
04/1998	Equipment	Rates determined by Federal Emergency Management Agency (FEMA)	various
Refer to the FEMA schedule of equipment rates for the rates used to calculate the fee for the use of Village equipment. This schedule can be found at www.fema.gov/rrr/pa/fin_eq_rates.shtm.			

ENGINEERING:

Council Adopted Date	Description	Fee/Charge	Unit
Inspection Fees			
03/2004	New Roadway (Public and Private)	$0.75	per lane, per lf
03/2004	Widening of Existing Roadway	$0.75	per lane, per lf
03/2004	Fire Lanes on Private Property	$0.40	per lane, per lf
12/2004	Sidewalk and Pathways	$0.50	per lf
03/2004	Curb Cuts for Driveways	$50.00	per drive
03/2004	Stormwater Fees	$0.45 +$40.00	per lf of pipe plus per structure
03/2004	Lift STOP WORK ORDER and Reinitiate Infrastructure Inspections	$100.00	per violation
03/2004	Re-Inspection Fees	$70.00	per hour
Plan Review The base fee for plan review includes 2 draft reviews and 1 mylar signoff. Third and subsequent review fees are for plans that require additional review due to failure to correct deficiencies and incorporate review comments. These fees must be paid in advance of the subsequent reviews being performed.			
03/2004	Single Family Subdivision	$300.00 + $100.00	per plan plus per lot
03/2004	Commercial/Multi-Family	$300.00 + $100.00	per plan plus per acre
03/2004	Third and Subsequent Review	$300.00	per review
03/2004	Revision Review after Mylar Signoff	$100.00	per review
Other Reviews			
12/2004	Flood Study	$1,000.00	per study
12/2004	Traffic Impact Review	Cost plus 10%	per review

FIRE:

Council Adopted Date	Description	Fee/Charge	Unit
Inspection (Non-Residential)			
10/2001	Initial Inspection	No Charge	
01/2013	1st Re-Inspection	No Charge	
01/2013	2nd Re-Inspection - Corrections Made	No Charge	
01/2013	2nd Re-Inspection - No Corrections Made	$100.00	per inspection
01/2013	3rd and Subsequent Inspections With No Corrections Made	$250.00	per inspection
Fire Prevention Permits The fees set forth in this section are fixed for the issuance of the permits required by the Fire Prevention Code.			
01/2015	Installation/Additions to Alarm or Sprinkler Systems	$100.00	first 100 heads/devices $0.50 per additional device
10/2001	Installation or Removal of AGST (Above Ground Storage Tanks) or UGST (Underground Storage Tanks)	$50.00	per permit
10/2001	Fireworks Display	$50.00	per permit
10/2001	Any Other Permits Required but not Listed Above	$25.00	per permit
Fire Service: Hours for staff and equipment for non-village sponsored events will be billed at the established rate documented in the Administration section of the Fees and Charges Schedule.			

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

INFORMATION TECHNOLOGY (IT):

Council Adopted Date	Description	Fee/Charge	Unit
Media Charges			
12/2009	CD/DVD	$1.00	per disk
Source Charges			
12/2009	Customized GIS Color Maps	$50.00 plus cost of map	per hour, one hour minimum
12/2009	Data Analysis and Conversion	$50.00 plus cost of media	per hour, one hour minimum
Color Orthos GIS Maps			
12/20094	Copy of already created map up to 8.5 x 11	$2.00	per map
12/20094	Copy of already created map up to 11 x 17	$6.00	per map
12/20094	Copy of already created map up to 17 x 22	$10.00	per map
12/2009	Copy of already created map up to 22 x 34	$12.00	per map
12/2009	Copy of already created map up to 34 x 44	$20.00	per map
12/2009	Copy of already created ORTHO map up to 36 x 48	$50.00	per map

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

INSPECTIONS:

Council Adopted Date	Description	Fee/Charge	Unit
New Construction and Additions			
	Residential:		
03/2004	Building	$0.18	per square foot (sf)
03/2004	Electrical	$0.06	per sf
03/2004	Mechanical	$0.05	per sf
03/2004	Plumbing	$0.05	per sf
03/2004	Insulation	$0.03	per sf
	Non-Residential:		
03/2004	Building	$0.40	per sf
03/2004	Electrical	$0.07	per sf
03/2004	Mechanical	$0.07	per sf
03/2004	Plumbing	$0.07	per sf
03/2004	Insulation	$0.04	per sf
12/2006	Minimum Fee	$100.00	per inspection, per trade
03/2004	Compliance Inspection	$100.00	per inspection, per trade
Change-Outs and Upgrades			
	Electrical (Residential and Non-Residential):		
01/2011	Change Out and Upgrade	$50.00	per unit
03/2004	Electrical Service Upgrade	$100.00	per 200 amperage
	Mechanical (Residential):		
01/2011	Change Out and Upgrade	$50.00	per unit
01/2011	Gas Piping	$50.00	per unit
	Mechanical (Non-Residential):		
03/2004	Change Out and Upgrade	$100.00	per 10 ton
03/2004	Gas Piping	$100.00	per unit
	Plumbing:		
01/2011	Change Out and Upgrade	50.00	per unit
	Framing:		
06/2013	Residential	$50.00	per unit
06/2013	Non-Residential	$100.00	per unit
	Insulation:		
06/2013	Residential	$50.00	per unit
06/2013	Non-Residential	$100.00	per unit
	Irrigation:		
06/2013	Residential	$50.00	per unit
06/2013	Non-Residential	$100.00	per unit

INSPECTIONS (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Demolition			
12/2009	Application for Exterior & Interior Demolition	$100.00	per 1,000 sf
03/2004	Application for Structure Relocation	$50.00	per application
Other Fees			
03/2004	Application to Lift a STOP WORK ORDER	$200.00	per application
03/2004	Work Performed Without a Permit	Double permit fee	per violation
03/2004	Siding Installation	$50.00	per application
01/2011	Temporary Power for HVAC	$100.00	per unit
01/2011	Misc. Additional Wiring	$50.00	per unit
01/2011	Home Day Care and Foster Home Inspection	$100.00	per unit
01/2011	ABC Permit Inspection	$100.00	per unit
01/2011	Home Health and Day Care	$100.00	per unit
01/2011	Temporary Pole	$60.00	per unit
	Application for Mobile Home Permit (includes tie down, electrical, plumbing and HVAC):		
01/2011	Single Wide	$150.00	per unit
01/2011	Double Wide	$200.00	per unit
Re-Inspection Fees			
01/2011	First Offense	$50.00	per unit
03/2004	Second Offense	$100.00	per inspection
03/2004	Each Time After Second Offense	Double previous fee	per inspection
Special Extra Inspection Fees			
12/2006	Residential	$50.00	per inspection, per trade
12/2006	Non-Residential	$100.00	per inspection, per trade

INSPECTIONS (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Tents			
01/2011	Residential	$50.00	per unit
01/2011	Non-Residential	$100.00	per unit
The Non-Residential tent inspection fee will be waived if the tent is being used for a horse show.			

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

PLANNING:

Council Adopted Date	Description	Fee/Charge	Unit
Amendment Petition			
03/2004	Comprehensive Land Use	$300.00	per application
03/2004	Pinehurst Development Ordinance	$400.00	per application
Amendment to the Zoning Map (Rezoning or Conditional Use) – General Use District			
01/2013	Residential – Less than 5 acres	$250.00 + $100.00	per application plus per acre
01/2013	Residential – More than 5 acres	$300.00 + $100.00	per application plus per acre
01/2013	Non-Residential	$350.00 + $100.00	per application plus per acre
01/2013	Overlay	$300.00 + $100.00	per application plus per acre
Board of Adjustment			
03/2004	Request for a Variance	$400.00	per application
01/2013	Appeal of an Administrative Decision	$400.00	per application
01/2013	Appeal of the Historic Preservation Commission	$400.00	per application
12/2006	Failure to Appear for Hearing Without Notice	Actual cost	per Court Recorder invoice

PLANNING (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Documents and Maps			
03/2004	Comprehensive Long Range Plan (paper copy)	$35.00	per document
03/2004	PDO (paper copy)	$30.00	per document
12/2007	Zoning Map	$20.00	per map
Site Plan Approval Site plan approval may require engineering review. When engineering review is needed, the Village will advise the applicant and the applicant will be responsible for paying the engineer's fees and charges. See the Engineering section of the Fees and Charges Schedule for the applicable fees.			
 03/2004 03/2004	**Minor Site Plan:** Single Family Home Commercial/Multi-Family	 $225.00 $400.00 + $100.00	 per application per application plus per acre
03/2004	Major Site Plan	$600.00 + $100.00	per application plus per lot
03/2004	Re-review Fee (after second review)	Previous fee	per review
03/2004	Accessory Structure - Residential - All Sides Less Than 12'	$50.00	per application
01/2011	12' x 12' or greater	$225.00	per application
01/2013	Small additions 10'X5' or smaller	$50.00	per application
Special Use Permit			
03/2004	Major Special Use	$600.00	per application

PLANNING (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Subdivision of Land			
	Preliminary Plat – Major Subdivision:		
03/2004	Less than 5 acres	$300.00 + $100.00	per application plus per lot
03/2004	More than 5 acres	$600.00 + $100.00	
	Final Plat:		
03/2004	Exempt Subdivision	$25.00	per application
03/2004	Minor Subdivision	$150.00	per application
03/2004	Major Subdivision	$150.00 + $10.00	per application plus per lot
Other Fees			
03/2004	Bulk Heads, Docks on Lakes	$50.00	per application
03/2004	Change an Address	$35.00	per application
1/2015	Change a Road Name	$100.00	per application plus cost of signs
01/2015	Clearing	$35.00	per permit
03/2004	Decks, Pools, Spas, and Gazebos	$100.00	per application
03/2004	Driveway	$50.00	per permit
01/2011	Fences, Walls, Arbors and Patios (using 5' encroachment)	$50.00	per application
01/2015	Fence Exception	$400.00	per application
03/2004	Home Occupation	$50.00	per permit
03/2004	Homeowner's Recovery Fee	$10.00	per application
01/2015	Permanent Sign	$100.00	per application
12/2005	Propane Tank	$25.00	per application
01/2015	Return of Sign Removed from Right-of-Way (signs will be stored for a minimum of 5 business days before disposal)	$25.00	per sign
01/2015	Well	$50.00	per permit
03/2004	Zoning Certification Letter	$35.00	per application
03/2004	Zoning Compliance Letter	$35.00	per application
12/2005	Zoning Compliance Re-Inspection	$50.00	per application
12/2005	Zoning Use	No Charge	per permit

In addition to the fees and charges for each application or permit, Applicants must comply with all bonding requirements established by the Village of Pinehurst. Bonding requirements can be found in the applicable application packets.

POLICE:

Council Adopted Date	Description	Fee/Charge	Unit
Miscellaneous Fees			
	Parking Ticket:		
12/2004	Overtime Violation	$5.00	per ticket
12/2004	Other Parking Violations	$10.00	per ticket
05/2009	Door-To-Door Peddling, Soliciting, Canvassing Permit	$10.00	per application
05/2009	Door-To-Door Peddling, Soliciting, Canvassing Special Permit	No Charge	per application
12/2009	Precious Metals Dealer Permit	$180.00	per application
12/2009	Precious Metals Registered Employee	$10.00 $3.00	initial application per employee annual renewal per employee
12/2009	Precious Metals Special Occasion Permit	$180.00	per application

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

PUBLIC SERVICES – SOLID WASTE:

Council Adopted Date	Description	Fee/Charge	Unit
Miscellaneous Fees			
	Refuse:		
01/2014	48 Gallon Cart	$48.00	per additional cart
01/2014	64 Gallon Cart	$50.00	
01/2014	96 Gallon Cart	$55.00	
	Recycle:		
01/2016	48 Gallon Cart	$48.00	per additional cart
01/2014	64 Gallon Cart	$50.00	
01/2014	96 Gallon Cart	$55.00	
	Yard Debris:		
01/2016	48 Gallon Cart96 Gallon Cart	$48.00	per additional cart
01/2014	Bulk Load Pick Up	$55.00	per additional cart
01/2014		$150.00	first load per trip
01/2014		$75.00	extra load per trip
***Bulk load pick-up will only be provided to developed lots with established homes. Only one extra load per trip will be allowed.**			

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

RECREATION – FAIR BARN:

Council Adopted Date	Description	Fee/Charge	Unit
Facility Rental			
02/2016	**Base Fee Full Day (14 hours or less) *:** Resident Non-Resident Non-Profit** Commercial	$1,375.00 $1,750.00 $1,000.00 $2,000.00	per day
02/2016	**Base Fee Weekday (8 hours or less) *:** Resident Non-Resident Non-Profit** Commercial	$785.000 $1,000.00 $500.00 $1,150.00	per day
09/2013	Corporate Meeting	$785.00 $485.00	greater than 4 hours less than 4 hours
Other Facility Rental Fees			
01/2013	Additional Hours	$150.00	per hour
***Weekend rental is for Friday – Sunday for a 14 hour rental period. Weekday rental is for Monday-Thursday only within the specified time frame. 8 hour max for weekday events. Additional hours will be billed at $150/hour.** ****See Non-Profit definition on Page 16.**			
Special Use			
12/2003	Base Fee	Determined with the approval of the Parks & Recreation Director	
Other Fees			
12/2003	Admission Charged	10%	gross sales
12/2003	Cancellation (90 days or less)	100% retained	per deposit
12/2003	Cancellation (91 days or more)	50% retained	per deposit
 02/2009 01/2015 01/2015	Chairs (includes set-up) Resident Non-Resident Commercial	 $1.50 $3.00 $3.00	per chair

RECREATION – FAIR BARN (continued):

Council Adopted Date	Description	Fee/Charge	Unit
01/2015	Kitchen Cleaning/Trash Removal (including co- sponsored and gratuitous events)	$150.00	per event
	Dance Floor (21'x24' maximum available):		
12/2003	Whole	$300.00	per day
02/2009	Section	$5.00	per section per day
12/2009	Easels	$5.00	per easel per day
12/2007	Event Parking	Determined by Event Coordinator	
12/2003	Deposit (Security/Damage)	$500.00	per event
09/2013	Corporate Meeting Deposit	$250.00	per event
01/2015	Holiday Premium **	$375.00	per day
06/2013	Picnic Tables	$20.00	per table
12/2009	Pipe & Drape	$10.00	per section per day
01/2015	Prohibited Items (deducted from deposit)	$100.00	per event
01/2011	Setup/Breakdown Fee for items used off site	$200.00	per use
01/2015	Sound System	$100.00	per event
12/2009	Stage (4'x8' Section)	$15.00	per section per event
12/2009	Stage (24' x 16' Full)	$180.00	per event
12/2007	Tables (includes set-up)	$9.00	per table
12/2003	Vendor/Exhibitor	$25.00	per vendor/exhibitor
01/2012	Video Projector	$100.00	per day
01/2011	Video Projector Screen (12' x 12')	$100.00	per day

** Holiday Premium applies to the following holidays: New Year's Eve, New Year's Day, Martin Luther King Day, Good Friday, Easter Sunday, Memorial Day, July 4, Labor Day, Thanksgiving Day, Christmas Eve and Christmas Day.

Fair Barn Fees and Charges Definition

	Categories of Renters:
12/2003	Commercial: Any individual, sole proprietorship, corporation, business or other entity that operates with a "for-profit" motive.
09/2013	Corporate Meeting: Any Commercial or Non-Profit renter using the facility Monday through Friday between the hours of 8:00 AM and 5:00 PM. Rates are inclusive of all amenities such as tables and chairs charged under Other Fees in this Schedule.

RECREATION – FAIR BARN (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Fair Barn Fees and Charges Definition			
	Categories of Renters (continued):		
12/2003	Non-Resident: Non-commercial, private individual that does not own property within the corporate limits of the Village of Pinehurst.		
12/2003	Non-Profit: Any organization assigned an IRS tax status of 501(c)3, (c)4, (c)5, (c)6 or (c)7 with a physical location or offices located within Moore County, NC.		
12/2003	Resident: Non-commercial, private individual that resides or owns property within the corporate limits of the Village of Pinehurst.		
The Village of Pinehurst reserves the right to define the renter category based on the usage.			
Other Definitions			
12/2003	Deposit: Amount due in advance to secure reservation of date, adequate clean up following the event and to recover any and all damage costs to the facility. Cancellation of an event results in forfeiture of all or a part of the deposit per the Fee Schedule.		
12/2003	Base Fee: Minimum charge paid by all renters of the Fair Barn. Base fee must be paid in full at least five business days prior to rental. The Weekday rate applies to any single event that occupies the facility for one day but does not apply to any event held on consecutive days or on Holidays. The Weekday rate applies to any one (1) day rental held on Monday through Thursday, which lasts no more than 8 hours, and rental must be completed and properly cleaned by 8:00 p.m. This time period must include all preparations for caterers, florists, exhibit setup, decorating, etc. and clean up after the event. Weekday rentals that go beyond the specified closing time of 8:00 p.m. will be billed an additional amount equal to the applicable Full Day rate.		
12/2003	Other Fees: Charges for additional services or equipment provided by the Fair Barn. All other fees associated with a rental must be paid in full at least five business days prior to rental.		
12/2003	Sponsored/Co-Sponsored: Events presented by, or coordinated with, a department of the Village of Pinehurst.		
12/2003	Special Use: An event or activity, not sponsored or co-sponsored by the Village of Pinehurst, that, due to its size, scope, timing or other unusual characteristic or requirement, that qualifies as being beyond what is considered a normal and customary use of the facility. Criteria to determine if an event qualifies as a special use may include factors such as number of participants/spectators, economic factors such as estimated revenues and expenses, nature and type of event and extent of work required by the Village Staff that is above and beyond what is normal and customary. Examples of events that may qualify as special use are functions associated with other major events, athletic events, special events held on Track grounds generating a minimum of $7,500 in revenue, special attractions and/or demonstrations.		

VILLAGE OF PINEHURST
FEES AND CHARGES SCHEDULE
EFFECTIVE FEBRUARY 1, 2016

RECREATION – HARNESS TRACK:

Council Adopted Date	Description	Fee/Charge	Unit
Ground Use			
09/2001	One Infield - without Show Rings	$150.00 $100.00	per day ½ day (4 hrs. max)
01/2012	One Infield – with Show Rings	$250.00 $185.00	per day ½ day (4 hrs. max)
01/2012	Two Infields – without Show Rings	$300.00 $175.00	per day ½ day (4 hrs. max)
01/2012	Two Infields – with Show Rings	$350.00 $250.00	per day ½ day (4 hrs. max)
Deposits			
01/2004	Grounds Use Clean Up	$150.00	per rental
01/2004	Show Office Use Clean Up	$50.00	per rental
01/2007	Stall Reservation	$100.00	per stall
Standardbred Training (Stall Rental)			
07/2015	Full Season	$900.00	per stall
07/2015	Monthly (No Proration Allowed)	$400.00	per stall
Standardbred Training (Other Fees)			
07/2015	Grooms Quarters - Improved	$200.00	per month
01/2013	Grooms Quarters - Unimproved	$70.00	per month
07/2015	Grooms Quarters - Prorated	$7.00	per day
01/2013	Grooms Quarters Cleaning Fee	$50.00	per room
07/2015	Additional Occupant	$60.00	per month
02/2009	Manure Pile Removal	$25.00	per pile
Horse Shows			
01/2001	Manure Pile Removal	$25.00	per pile
 12/2009 01/2011	**Impact Fee:** Temporary Stalls Horse not using a stall	 $10.00 $10.00	 per stall, per show per day, per horse
01/2012	Paddock Fee	$25.00	per paddock per show

RECREATION – HARNESS TRACK (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Horse Shows (continued)			
01/2015	Stall Clean Out	$10.00	per stall
01/2011	Show Ring Incentive Program (promoters participating in incentive program will have tack stall fees waived for five years) (Resolution #10-36)	Waived	five (5) years
01/1997	Vendor Fee	$25.00	per vendor per show
Stall Rental Rates are per stall, per weekend, max of 3 nights			
01/2013	Stall Rental (less than 100)	$40.00	
01/2013	Stall Rental (more than 100)	$35.00	
01/2012	Stall Rental (501c(3) Organization)	$20.00	
01/2013	Tack Stall Rental	$35.00	
01/2013	Additional Stall Nights over 3 Nights	$15.00	per stall, per night
Other Fees			
01/1997	Admission/Parking Charge	10% of gate, if admission/parking is charged	
07/2015	Oversize Vehicle Parking (RV)	$35.00	per night (maximum stay of 7 days)

RECREATION – HARNESS TRACK (continued):

Council Adopted Date	
Harness Track Fees and Charges Definitions	
01/2012	Ground Use Fee: To be charged to all individuals or groups who wish to reserve and use the Harness Track grounds. The Village of Pinehurst does not charge Ground Use Fees for general use by the public such as walking, golfing, etc.; Standardbred training; and Resort stable usage. Sponsored/co-sponsored activities by the Village with outside entities will negotiate a usage fee per the discretion of the Parks and Recreation Director. Set up and cleanup is part of the rental time period and is the sole responsibility of the renting individual or group. Priority for rentals will be given to individuals or groups requesting use of the Show Rings.
01/1997	Clean Up Deposit: The Village requires all renters of the Harness Track grounds or any office to be used as the Show Office to supply a deposit. The Village of Pinehurst based on whether the facility is left clean by the user may retain all, a portion of, or none of the deposit.
01/2011	Standardbred Fee: Standardbred fees are charged according to the Fee Schedule. Improved Grooms Quarters refer to rooms with direct access to a combination of water/sewer and heat system. Un-Improved Grooms Quarters refer to rooms without access to water/sewer and heating. The Standardbred season is defined as the period from October 15 – May 1. Priority for stall reservations will be given to Full Season stall rentals. Monthly Stall rentals will be available on a first come, first served basis after all Full Season stalls have been assigned. Payments received in full, in advance or upon arrival for all Full Season stalls, will receive a 5% discount.
01/2014	Horse Shows: Horse Shows are charged the Ground Use Fee plus all other applicable charges listed in the Fee Schedule. Overtime hours for staff will be billed at the established rate as per the Village's Service Fee Policy. Fees related to inspections of tents will be waived for all horse shows held on the grounds.
01/1997	Other: Tack Shop, Track Restaurant, Blacksmith Shop, and Trailer Space each have their own lease agreements, which are renewed annually with an adjustment according to the Consumer Price Index (CPI).

RECREATION – PARKS and RECREATION:

Council Adopted Date	Description	Fee/Charge	Unit
The fee for all Parks and Recreation programs, events, leagues and athletic events is the same regardless of the age of the participant unless specified otherwise in the Fee Schedule. No Pinehurst resident youth will be denied participation based on their ability to pay.			
01/2015	Non-Resident Family Membership	The cost of this membership is $60 and is good for one year from the date payment and application are received. It entitles every member of the family (Parents/Children) to register at the Resident rate for all Athletic Events, Athletic Leagues, Classes and Programs.	
01/2016	Outside Group Programs	Outside groups using Village facilities to conduct programs or classes approved by the Village Parks & Recreation Department will remit 10% of all fees collected. There will be no charge for the use of the facilities.	
Athletic Events The athletic events fee may be waived for youth at the discretion of the Director of Parks and Recreation.			
01/1997	Team Fee (Resident and Non-Resident)	$20.00 plus direct costs	per team
	Individual Fee:		
01/1997	Resident	$5.00 plus direct costs	per individual
01/2011	Non-Resident	Two times the resident fee	per individual
Athletic Leagues			
	Team Fee:		
01/1997	Resident	$40.00 plus direct costs	per team
12/2008	Non-Resident	$40.00 plus direct costs plus $20.00 per non-resident on roster	per team
	Individual Fee:		
06/2013	Resident	$20.00	per individual
06/2013	Non Resident	$40.00	per individual

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Classes/Programs The registration fee may be prorated by the Director of Parks & Recreation for participants who wish to attend after a class has started.			
01/1997	Resident	$5.00 plus direct costs	per participant
12/2008	Non-Resident	Two times the resident fee	per participant
Youth Day Camps The weekly rates for Youth Day Camps will be calculated and published in the Spring/Summer Program Guide. The deposit will be applied to the weekly rate and the balance of each week reserved is due one week prior to the start of each session. The registration fee may be prorated by the Director of Parks & Recreation for participants who wish to attend after a class has started.			
06/2013	Resident	$10.00 plus direct costs	per participant
12/2008	Non-Resident	One and a half times the resident fee	per participant
12/2007	Deposit	$25.00	per week reserved
General Fees The following fees may apply to all Parks and Recreation Facility Rental unless stated otherwise in the Fees and Charges Schedule.			
06/2013	Admission Charged	10%	gross sales
06/2013	Chairs-(only available on site)	$1.50 set up by renter $3.00 set up by Village staff	per chair
06/2013	Tables-on site	$4.50 set up by renter $9.00 set up by Village staff	per table
01/2016	Tables-off site (limited quantities)	$4.50 Resident $9.00 Non-Resident	per table
06/2013	Stage (4’x8’ Section)	$15.00	per section per event
06/2013	Stage (24’x16’ Full)	$180.00	per event
06/2013	Stage Setup/Breakdown	$200.00	per stage use
06/2013	Vendor/Exhibitor	$25.00	per vendor/exhibitor
06/2013	Sound System	$50.00	per event

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Facility Rental			
01/2012	Facility Rental Supervisor	$25.00 $10.00	first two hours each additional hour
	Athletic Facilities:		
06/2013	Resident	$15.00 $30.00	per game/hour without lights per game/hour with lights
06/2013	Non-Resident	$25.00 $50.00	per game/hour without lights per game/hour with lights
12/2008	Bleachers (Resident and Non-Resident)	$25.00	per bleacher per day
	Cannon Park Picnic Shelter:		
06/2013	Resident	$25.00 $15.00	first three hours each additional hour
06/2013	Non-Resident	$50.00 $15.00	first three hours each additional hour
Temporary Use Permits			
01/2015	Application Fee	$50.00	per event
01/2015	Late Application Fee	$25.00	per event
01/2015	Bleachers	$50.00	per unit
01/2015	Greenway Trail Use	$50.00	per event
01/2015	Post Event Clean Up	$100.00	per event
01/2015	Street Closure	$50.00	per barricade point
01/2015	On-site Staffing (three hour minimum)	Duration and number of staff needed will be determined by Director of Parks & Recreation based on size and scope of event. Hourly rates will vary for staff scheduled to work an event.	

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Rental Fees for Use of Village Parks Rental fees and deposit requirements apply to non-profit organizations whose principal operating office is not within the Village of Pinehurst and to private groups or individuals. The deposit is due in advance to secure reservation of the date, to ensure adequate clean up following the event and to recover any and all damage costs to the grounds. Cancellation of an event results in forfeiture of all or a part of the deposit (30 days or less 100% retained, 31 days or more 50% retained). Deposits are refundable if grounds are properly cleaned by the user following the event and no damage to the grounds has occurred. **Arboretum Lawn** The Arboretum lawn is divided into three separate areas available for rent. The Pergola Garden is adjacent to the Assembly Hall, Joyce's Meadow is the large field below the Pergola Garden and the Magnolia Lawn is between the Entrance Structure and Overlook near the intersection of McCaskill and Magnolia Roads. **If more than one amenity is requested to be used, the package rate will apply per day.**			
Timmell Pavilion Only (includes tables and chairs)			
01/2015	**Pavilion rental:** Resident Non-Resident Resident and Non-Resident	 $180.00 $240.00 $40.00	 first three hours first three hours each additional hour
Grounds Only (includes tables and chairs)			
01/2015	**Pergola Garden:** Resident Non-Resident	 $450.00 $600.00	per day
01/2015	**Magnolia Lawn:** Resident Non-Resident	 $350.00 $450.00	per day
01/2015	**Joyce's Meadow:** Resident Non-Resident	 $600.00 $775.00	per day
01/2015	**All Grounds:** Resident Non-Resident	 $775.00 $1,000.00	per day

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Rental Fees for Use of Village Parks (continued)			
Grounds & Pavilion Rental (includes tables and chairs)			
01/2015	**Pergola Garden & Timmel Pavilion:** Resident Non-Resident	 $900.00 $1,200.00	per day
01/2015	**Magnolia Lawn & Timmel Pavilion:** Resident Non-Resident	 $900.00 $1,200.00	per day
01/2015	**Joyce's Meadow & Timmel Pavilion:** Resident Non-Resident	 $900.00 $1,200.00	per day
01/2015	**All Grounds & Timmel Pavilion:** Resident Non-Resident	 $1,200.00 $1,600.00	per day
Staff			
01/2015	Set up/Breakdown crew for tables and chairs	$200.00	per event
Deposit			
01/2015	Timmel Pavilion only Deposit	$100.00	per event
01/2015	Multiple Amenities/Venues Deposit	$200.00	per event
Tufts Memorial Park			
06/2013	Deposit	$100.00	per event
06/2013	Resident	$250.00	per day
01/2015	Non-Resident	$325.00	per day
Special Events At the discretion of the Director of Parks and Recreation, a fee may be established for special events based on direct costs.			
01/1997	Resident and Non-Resident	No charge	per participant

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	Description	Fee/Charge	Unit
Workshops			
01/1997	Resident	$5.00	per participant
12/2008	Non-Resident	Two times the resident fee	per participant
Trips			
	Using Non-Village Owned Vehicle:		
01/1997	Resident	$5.00 plus direct costs	per participant
01/1997	Non Resident	$10.00 plus direct costs	per participant
	Using Village Owned Vehicle:		
01/1997	Resident	$5.00 plus direct costs and IRS mileage rate	per participant
01/1997	Non-Resident	$10.00 plus direct costs and IRS mileage rate	per participant
Other Fees			
12/2008	Overnight Parking (Resident and Non-Resident)	$2.00	per car per night

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	
Parks and Recreation Fees and Charges Definitions In circumstances where demand is expected to exceed supply for classes and programs, Pinehurst residents will receive priority in registration by the establishment of advance registration dates open to Pinehurst residents only. Participants must live, own property, work, or go to school in Moore County. The parent(s) of youth participants must live, own property, work, or go to school in Moore County.	
01/1997	Athletic Events: Sport related programs that are held infrequently and last less than five consecutive days and/or are not limited to a minimum or a maximum number of participants (provided there are no facility or logistical limitations).
01/1997	Athletic Leagues: Organized sport related programs that encompass a certain number of teams.
01/1997	Classes: Programs that require more than one meeting time to complete.
12/2007	Day Camp Deposit: Amount due at registration to secure slot for each participant, per session. Deposit is non-refundable.
01/1997	Facility Rental: Fee charged for the use of Village owned property.
01/2012	Facility Supervisor: A person employed by the Parks and Recreation department who is responsible for opening a facility for rental, providing necessary equipment, and locking facility at the conclusion of rental.
01/1997	Indigent Youth: Child under the age of 18 and still enrolled in school who, or whose parents or guardian, are receiving governmental financial assistance.
01/1997	Non-Resident: A person who does not reside inside the Village limits of Pinehurst nor who, or whose parents or guardian, pays Village of Pinehurst property taxes.
01/1997	Resident: A person who resides inside the Village limits of Pinehurst or whose parents or guardian, pays Village of Pinehurst Property taxes.
01/1997	Special Events: Programs that are held infrequently, last less than five consecutive days and/or are not limited to a minimum or a maximum number of participants (provided there is not facility or logistical limitations).
01/1997	Trips: Organized travel for a specific purpose.
01/1997	Workshops: One-day programs that are limited to a set minimum and maximum.

RECREATION – PARKS and RECREATION (continued):

Council Adopted Date	
12/2008	**Refund Policy**

Purpose

To adopt a fair and equitable refund policy for all fee based classes, programs, and leagues that allows for sufficient cancellation time for programs with participant deficits.

Coverage

This policy, upon adoption by the Village Council, shall be applicable to all individuals registered in fee based programs conducted by the Parks and Recreation Department until such time as it is altered, modified, or rescinded by the Village Council.

Policy

If the department cancels a program, class, activity, or facility reservation, a FULL refund will be issued in the form of a check within two (2) weeks.

Once a person or team has registered for a program, class, activity, or league, or has reserved a facility or equipment, NO REFUNDS will be issued to that person or team UNLESS the department receives a request in writing five (5) working days prior to the first scheduled day of the program, class, activity, league action, or reservation.

When an individual registrant has cancelled under certain circumstances that qualify the individual for a refund, the refund will be equal to the amount paid by the registrant, less a $5.00 administrative fee and any non-refundable deposits that may be applicable.

When an adult athletic team has canceled under circumstances that qualify the team for a refund, the refund will be 75% of the team's registration fee. The $20 fee for non-resident team members is not refundable.

If a registrant cancels participation in a trip, a full refund, less a $5.00 administrative fee and any non-refundable deposits, will be issued if the trip is fully subscribed and the registrant's slot is filled. Otherwise, there will be no refund.

The Director of Parks and Recreation will determine refunds in any special circumstance not addressed by this policy.

<u>VILLAGE- WIDE:</u>

<table>
<tr><th>Council Adopted Date</th><th></th></tr>
<tr><td>07/2013</td><td></td></tr>
<tr><td colspan="2">The Village Manager or designee may charge a fee not included in the fee schedule but are deemed appropriate for unique situations.

Fees for Co-Sponsored events will be determined by the Village Manager or designee.

The Village Manager or designee may waive any fee that is deemed in the best interest of the community.</td></tr>
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