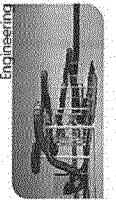
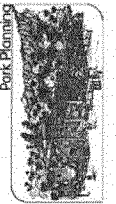
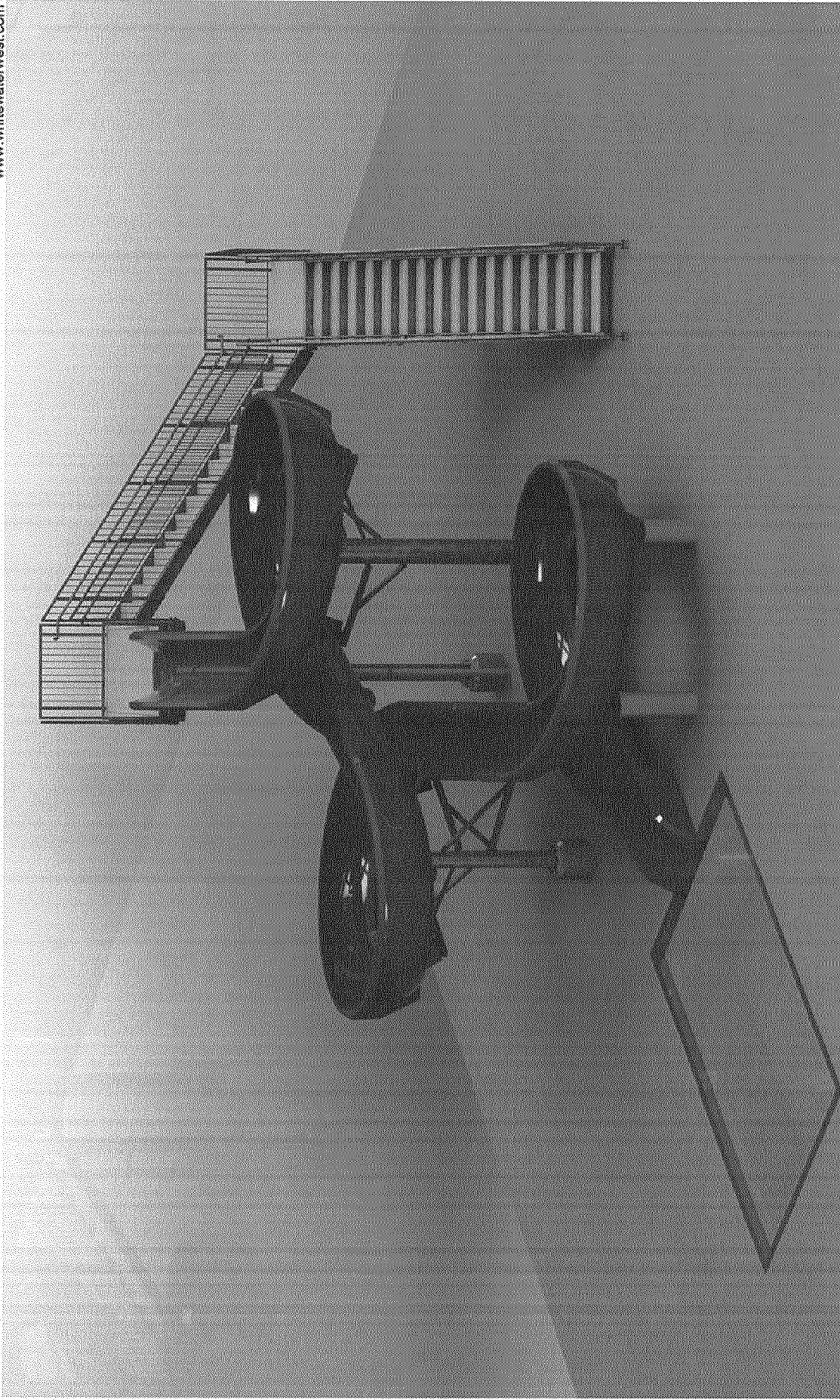




Full Service Innovator & Supplier to the Global Waterpark Industry
6700 McMillan Way, Richmond, BC, Canada V6W 1J7, Tel: 604-273-1068, Fax: 604-273-4518

WHITEWATER®
www.whitewaterwest.com



PROJECT NAME		WS 106	
DRAWING TITLE	RENDERING	DATE	03 MAY 2012
SCALE	N.T.S.	MODEL	N/A
		SKETCH	SK-1

This document is copyright and the proprietary information herein are the sole property of Whitewater West Industries Ltd. and may not be reproduced or distributed without prior consent of Whitewater West Industries Ltd.

The Most Fiberglass Colour Options in the Industry

With over 30 dynamic colours to choose from, and custom colours available upon request, WhiteWater provides the largest and most eye-catching assortment of fiberglass colour options available.

Standard Opaques

RAL 8004 Copper Brown

RAL 1014 Ivory

RAL 6018 Yellow Green

RAL 6032 Signal Green

RAL 6002 Leaf Green

RAL 6019 Pastel Green

RAL 6016 Turquoise Green

RAL 6027 Light Green

RAL 5018 Turquoise Blue

RAL 5012 Light Blue

RAL 5005 Signal Blue

RAL 5022 Night Blue

RAL 5002 Ultramarine Blue

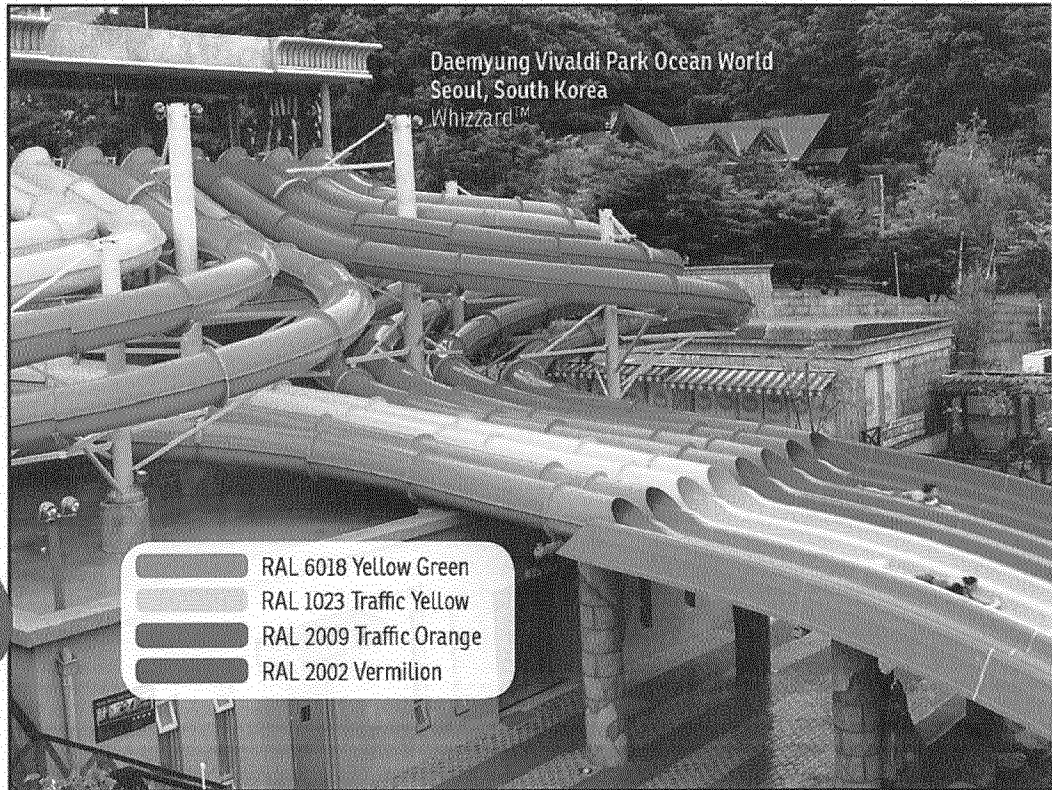
RAL 4005 Blue Lilac

RAL 4003 Heather Violet

RAL 4006 Traffic Purple

RAL 9004 Signal Black

RAL 9016 Traffic White



Colours may vary within variations of Delta E of 2. Care has been taken to ensure the accuracy of colours for this guide. Slight variation may occur during manufacturing. For strict colour matching, colour samples are available upon request.

 **WHITEWATER®**
The **ORIGINAL** Waterpark & Attractions Company



Village of Pinehurst Staff Proposal





Overview

Over the past few months, staff has developed a proposal for the Council to consider for the Village to assume responsibility for the Pinehurst Live After 5 Concert Series. This proposal includes the proposed timing and location of the series, food and beverage provisions, the anticipated costs and funding levels needed.

General Event Information

Staff proposes the Pinehurst Live after 5 concert series include four (4) concerts that will take place from 5:30pm-8:30pm on the second Friday of the month in April, May, September and October. These free events will be held at Tufts Memorial Park in the Village Center.

The concerts will feature a variety of original and cover bands, both local and regional.

Staff proposes that beer and wine be available for purchase during the performances. Parks and Recreation staff would select a local non-profit for each event to sell the beer and wine with the non-profit receiving 100% of the proceeds. Because beer and wine sales will be held in the park, staff recommends guests not be allowed to bring their own beer and wine for the events.

Staff also suggests that a food vendor, most likely a food truck, be on-site to sell hot sandwiches, wraps, and hot dogs. While food truck vendors most likely will come from out of town, it makes it a lot easier to ensure compliance with Health Department regulations if the preparation of the food can be done on site and contained. Food vendors would pay the Village a flat fee for the right to food sales during the event.

Guests will be encouraged to bring lawn chairs and blankets as they have in past years, but some picnic table seating will also be provided in the lawn. Designated golf cart parking will also be made available adjacent to the park on Village Green West.

Funding the Event

Each concert is expected to cost approximately \$7,500. This includes production costs, talent costs, and promotion costs. With four events, the Pinehurst Live After 5 Series is expected to

cost a total of \$30,000. The chart below details the estimated expenses per concert event:

Estimated Expenses Per Event			
	Requirements	Vendor	Estimate
Staging	24x20 Mobile Stage	Draughon Brothers Inc. Fayetteville, NC	\$2,000
Production	AV/Lighting	Ward Productions- Pinehurst	\$850
Talent	Various Bands	TBD	\$3,500
Hospitality/Travel	Meals for Performers	TBD	\$150
Paid Advertising	Flyers/Posters/Ads	TBD	\$600
Signage	Banners	TBD	\$400
Beer/Wine Sales	Non-profit	TBD	No Fee
Estimated Expenses:			\$7,500 per event
4 Events = \$30,000 for the Series			

Staff suggests the Village of Pinehurst contribute \$4,000 per event for a total investment of \$16,000. The remaining expenses will be covered with sponsorship dollars, merchandise sales, and food vendor fees, per below:

	Estimate
Total Cost	\$7,500
VOP Sponsorship	\$4,000
Other Sponsorships	\$3,000
Merchandise Sales (Net)	\$400
Food Vendor Fees	\$100
Total Revenue Generated per Concert	\$7,500

- If additional sponsorships are obtained, VOP funds will not be spent.
- Merchandise sales could include t-shirts, visors, souvenir cups, flags, pink ribbons and bracelets.
- Food vendor fees would be evaluated at the end of the series.

Proposed Events

April 10, 2015 (5:30pm-8:30pm)

**80s Party in the Park featuring
*Neon Radio**



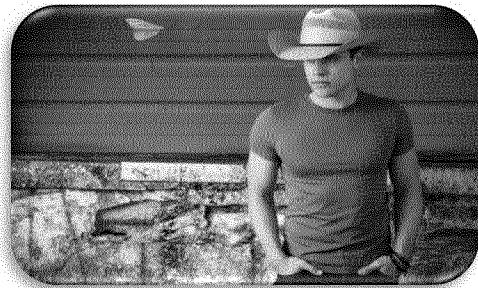
May 8, 2015 (5:30pm-8:30pm)

**Beach Music Night featuring
*Jim Quick & Coastline**



September 11, 2015 (5:30pm-8:30pm)

**Patriot Day: Honoring our Military
& First Responders featuring
*Dustin Lynch**



October 9, 2015 (5:30pm-8:30pm)

**Think Pink Celebration in honor of
Breast Cancer Awareness Month
featuring
*The Extraordinaires**



*Bands listed above are just an example of talent available at our proposed price point.
Final booking is subject to availability.

RESOLUTION #14-68:

**A RESOLUTION REGARDING AN APPOINTMENT TO THE PINEHURST
PLANNING AND ZONING BOARD AND BOARD OF ADJUSTMENT.**

THAT WHEREAS, the Village of Pinehurst has established a Planning and Zoning Board and a Board of Adjustment as required by its Development Ordinance and authorized by North Carolina General Statutes 160A-361 and 160A-388; and

WHEREAS, on the 13th day of March, 2012, the Pinehurst Village Council adopted Ordinance 12-10 to amend Chapter 31 of the Pinehurst Municipal Code to combine the Planning and Zoning Board and the Board of Adjustment; and

WHEREAS, there is a need to fill a vacancy on the boards; and

WHEREAS, Mr. Leo Santowasso and the Village Council of Pinehurst are desirous of Mr. Santowasso serving as a member of the Board of Adjustment and the Planning and Zoning Board;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the following appointment is hereby made to the Board of Adjustment and the Planning and Zoning Board for the term indicated:

Mr. Leo Santowasso is appointed as a member of the Board of Adjustment and the Planning and Zoning Board, effective November 18, 2014, said term expiring on November 30, 2017.

SECTION 2. That this appointee shall continue serving until a replacement is appointed and qualified.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

(Municipal Seal)

VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Lauren M. Craig, Village Clerk

Michael J. Newman, Village Attorney



History, Charm, & Southern Hospitality.

Vision

The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions, enhanced by a unique combination of cultural arts and recreational activities.

Mission

Preserve and enhance the community's character and ambience by guiding growth, managing change, and providing services in a financially responsible manner.

Values

Competent
Courteous
Professional
Responsive

Incident IBR Reported Offenses Month To Month Comparison

Pinehurst Police Department

October 2014 - October 2013

Part I Offenses	October 2013	October 2014	+/-	Percent Changed	Year-To-Date 2013	Year-To-Date 2014	+/-	Percent Changed
Murder	0	0	0	0%	0	0	0	0%
Rape	0	0	0	0%	0	0	0	0%
Robbery	0	0	0	0%	2	1	-1	-50%
Commercial	0	0	0	0%	1	1	0	0%
Individual	0	0	0	0%	1	0	-1	-100%
Assault	1	0	-1	-100%	5	0	-5	-100%
Violent Total:	1	0	-1	-100%	7	1	-6	-86%
Burglary	1	0	-1	-100%	3	0	-3	-100%
Residential	1	0	-1	-100%	2	0	-2	-100%
Non-Residential	0	0	0	0%	1	0	-1	-100%
Commercial	0	0	0	0%	0	0	0	0%
Other	0	0	0	0%	0	0	0	0%
Larceny	20	18	-2	-10%	102	104	2	2%
Auto Theft	0	0	0	0%	3	1	-2	-67%
Arson	0	0	0	0%	0	0	0	0%
Property Total:	21	18	-3	-14%	108	105	-3	-3%
Part I Total:	22	18	-4	-18%	115	106	-9	-8%

Part II Offenses	October 2013	October 2014	+/-	Percent Changed	Year-To-Date 2013	Year-To-Date 2014	+/-	Percent Changed
Drug	7	5	-2	-29%	38	90	52	137%
Assault Simple	1	5	4	400%	10	17	7	70%
Forgery/Counterfeit	0	0	0	0%	2	6	4	200%
Fraud	1	4	3	300%	25	38	13	52%
Embezzlement	0	0	0	0%	1	1	0	0%
Stolen Property	0	0	0	0%	7	8	1	14%
Vandalism	2	7	5	250%	39	32	-7	-18%
Weapons	0	1	1	-	0	5	5	-
Prostitution	0	0	0	0%	0	0	0	0%
All Other Sex Offenses	0	0	0	0%	3	4	1	33%
Gambling	0	0	0	0%	0	0	0	0%
Offenses Against Family/Children	0	0	0	0%	1	1	0	0%
D.W.I.	1	0	-1	-100%	6	6	0	0%
Liquor Law Violation	2	0	-2	-100%	5	3	-2	-40%
Disorderly Conduct	1	0	-1	-100%	5	5	0	0%
Obscenity	0	0	0	0%	0	1	1	-
Kidnap	0	0	0	0%	1	0	-1	-100%
All Other Offenses	16	20	4	25%	177	197	20	11%
Part II Total:	31	42	11	35%	320	414	94	29%
Incident Total:	53	60	7	13%	435	520	85	20%

Arrest IBR Reported Offenses Month To Month Comparison

Pinehurst Police Department

October 2014 - October 2013

Part I Offenses	October 2013	October 2014	+/-	Percent Changed	Year-To-Date 2013	Year-To-Date 2014	+/-	Percent Changed
Murder	0	0	0	0%	0	0	0	0%
Rape	0	0	0	0%	0	0	0	0%
Robbery	0	0	0	0%	2	0	-2	-100%
Commercial	0	0	0	0%	0	0	0	0%
Individual	0	0	0	0%	0	0	0	0%
Assault	1	1	0	0%	3	2	-1	-33%
Violent Total:	1	1	0	0%	5	2	-3	-60%
Burglary	0	0	0	0%	10	0	-10	-100%
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	26	17	-9	-35%	68	45	-23	-34%
Auto Theft	0	0	0	0%	2	0	-2	-100%
Arson	0	0	0	0%	0	0	0	0%
Property Total:	26	17	-9	-35%	80	45	-35	-44%
Part I Total:	27	18	-9	-33%	85	47	-38	-45%

Part II Offenses	October 2013	October 2014	+/-	Percent Changed	Year-To-Date 2013	Year-To-Date 2014	+/-	Percent Changed
Drug	13	3	-10	-77%	61	159	98	161%
Assault Simple	1	5	4	400%	7	17	10	143%
Forgery/Counterfeit	0	0	0	0%	0	4	4	-
Fraud	0	1	1	-	11	14	3	27%
Embezzlement	0	1	1	-	1	1	0	0%
Stolen Property	9	13	4	44%	48	32	-16	-33%
Vandalism	0	0	0	0%	16	9	-7	-44%
Weapons	0	0	0	0%	2	7	5	250%
Prostitution	0	0	0	0%	0	0	0	0%
All Other Sex Offenses	0	0	0	0%	1	4	3	300%
Gambling	0	0	0	0%	0	0	0	0%
Offenses Against Family/Children	0	0	0	0%	0	3	3	-
D.W.I.	2	4	2	100%	55	62	7	13%
Liquor Law Violation	1	1	0	0%	9	11	2	22%
Disorderly Conduct	1	0	-1	-100%	4	6	2	50%
Obscenity	0	0	0	0%	0	0	0	0%
Kidnap	0	0	0	0%	1	0	-1	-100%
All Other Offenses	41	19	-22	-54%	224	266	42	19%
Part II Total:	68	47	-21	-31%	440	595	155	35%
Arrest Total:	95	65	-30	-32%	525	642	117	22%



HISTORY, CHARM, AND SOUTHERN HOSPITALITY

SUMMARY FOR THE MONTH OF OCTOBER 2014

SUMMARY OF INCIDENT CALLS

TYPE OF INCIDENT	NUMBER THIS MONTH	NUMBER YTD	NUMBER THIS MONTH LAST YEAR	NUMBER YTD LAST YEAR	PERCENTAGE YTD
Fire	4	53	8	44	20%
Overpressure Rupture, Explosion, Overheat - no fire	0	3	0	1	200%
Rescue & EMS Incidents	5	103	8	62	66%
Hazardous Conditions - no fire	12	107	13	135	-21%
Service Call	11	137	16	156	-12%
Good Intent Call	31	231	28	208	11%
False Alarm & False Call	14	204	8	160	28%
Severe Weather & Natural Disaster	0	3	0	36	-92%
Special Incident Type	0	1	0	0	100%
TOTAL INCIDENTS	77	842	81	802	5%

SUMMARY OF INSPECTION

TYPE OF INSPECTIONS	NUMBER THIS MONTH	NUMBER YTD	NUMBER THIS MONTH LAST YEAR	NUMBER YTD LAST YEAR	PERCENTAGE YTD
Residential	12	73	10	79	-8%
Residential New Systems	0	0	0	0	0%
Residential Fire Sprinkler	1	5	1	4	25%
Commercial	20	201	28	298	-33%
Plan Review/Site Inspections	2	1485	0	9	16400%
Reinspection	22	189	18	143	32%
Occupancy Certificates	1	1	0	0	0%
TOTAL INSPECTIONS	58	1954	57	533	267%
Violations Found:	40	477	94	461	3%
YTD Violations to be Corrected:		437		503	
YTD Violations Corrected:		379		475	
Correction Percentage:		87%		94%	

November 5, 2014

J. Carlton Cole, Fire Chief

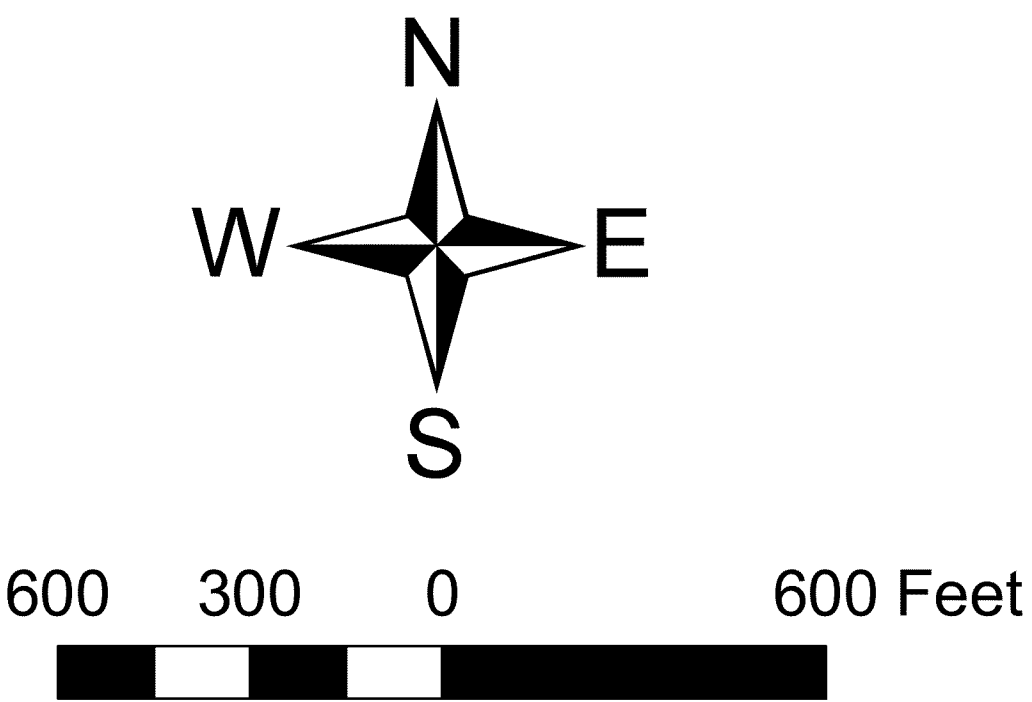
FIRE DEPARTMENT

395 Magnolia Road • Pinhurst, NC 28374 • Telephone (910) 295-5575 • Fax (910) 295-4861 • www.vopnc.org



Pinehurst Streetlighting

Village Acres



Report to the Honorable Mayor and Members
of the Village Council of

Village of Pinehurst, North Carolina

June, 30, 2014



DIXON HUGHES GOODMAN_{LLP}

positively unique



Table of Contents

Contacts	1
Required Auditor Communications.....	2
Appendix A - Management Representation Letter.....	5





DIXON HUGHES GOODMAN LLP

Contacts

Jennifer Lambeth, CPA

Director

Dixon Hughes Goodman LLP

130 Turnberry Way

Pinehurst, NC 28374

910-724-2018

jennifer.lambeth@dhgllp.com

Kim Chrisco, CPA

Senior Associate

Dixon Hughes Goodman LLP

130 Turnberry Way

Pinehurst, NC 28374

910-724-2046

kim.chrisco@dhgllp.com





September 24, 2014

To the Honorable Mayor and Member of the Village Council
Village of Pinehurst, North Carolina

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Pinehurst, North Carolina (the "Village") for the year ended June 30, 2014, and have issued our report thereon dated September 24, 2014. Professional standards require that we provide you with information about our responsibilities in accordance auditing standards generally accepted in the United States of America and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 5, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Village of Pinehurst, North Carolina are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during June 30, 2014. We noted no transactions entered into by the Village during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events, and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the estimation of the useful lives of depreciable assets. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.





Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter included in Appendix A.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Village's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.





Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Village Council and management of the Village of Pinehurst and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Dixon Hughes Goodman LLP

Pinehurst, North Carolina





DIXON HUGHES GOODMAN LLP

Appendix A – Management Representation Letter





HISTORY. CHARM. AND SOUTHERN HOSPITALITY_____

September 24, 2014

Dixon Hughes Goodman LLP
130 Turnberry Wood
Pinehurst, NC 28374

This representation letter is provided in connection with your audit of the financial statements of the Village of Pinehurst (the "Village"), which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2014, and the respective changes in financial position for the year then ended and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter:

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 5, 2014 for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) There are no uncorrected misstatements or omitted disclosures.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Village is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.

FINANCIAL SERVICES

395 Magnolia Road • Pinehurst, NC 28374 • Telephone (910) 295-1900 • Fax (910) 295-4434 • www.vopnc.org

- b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Village Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
 - 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - 13) We have no knowledge of any fraud or suspected fraud affecting the Village involving:
 - a) Management.
 - b) Employees who have significant roles in internal control.
 - c) Others where the fraud could have a material effect on the financial statements.
 - 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Village's financial statements received in communications from employees, former employees, analysts, regulators, or others.
 - 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
 - 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements
 - 17) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The Village has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 22) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

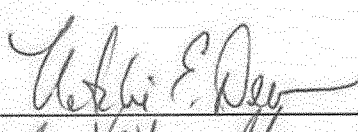
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) The Village has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as made known to you.
- 27) The Village has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 28) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 29) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 30) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 31) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 32) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 34) Provisions for uncollectible receivables have been properly identified and recorded.
- 35) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 36) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 37) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 38) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 39) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 40) We have appropriately disclosed the Village's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 41) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 42) We acknowledge our responsibility for presenting the required supplementary information (RSI) in accordance with U.S. GAAP, and we believe that the RSI, including its form and content is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the RSI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- 43) With respect to the individual fund statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards ("supplementary information")
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period,

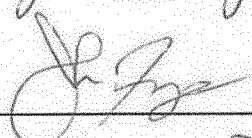
and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- 44) Expenditures of federal and State awards were below the \$500,000 threshold in the year ended June 30, 2014, and we were not required to have an audit in accordance with OMB Circular A-133 and the State Single Audit Implementation Act.

We have evaluated subsequent events through the date of this letter, which is the date the financial statements were available to be issued. No events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements except as made known to you and as disclosed in the financial statements.

Signature: 
Title: Village Manager

Signature: 
Title: Asst. Village Manager

Signature: 
Title: Financial Services Director



***FY 2015 Village of Pinehurst
Strategic Plan Status Update
As of September 30, 2014***

FY 2015 Strategic Plan Status Update

Table of Contents

Village Council	3
Strategic objectives by perspective	4
Overview of the status of FY 2015 initiatives	5
Initiative status update:	
Customer perspective	6
Internal perspective	8
Employee perspective	11
Financial perspective	12
Initiatives carried forward from FY 2014	13

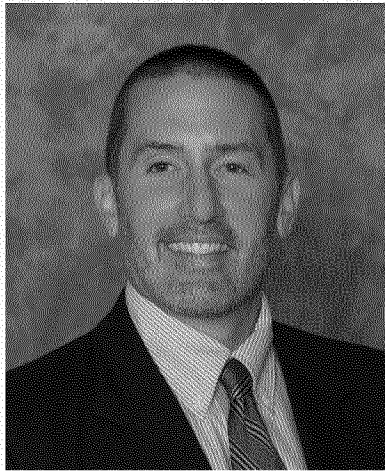


FY 2015 Strategic Plan Status Update

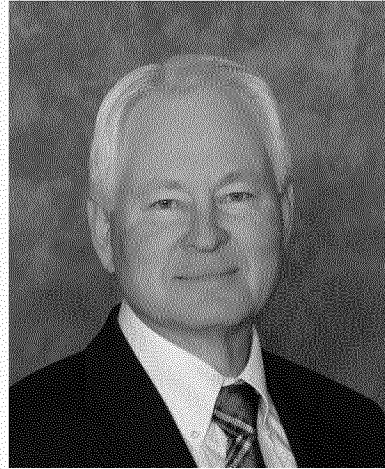
Village Council



**Nancy Fiorillo,
Mayor**



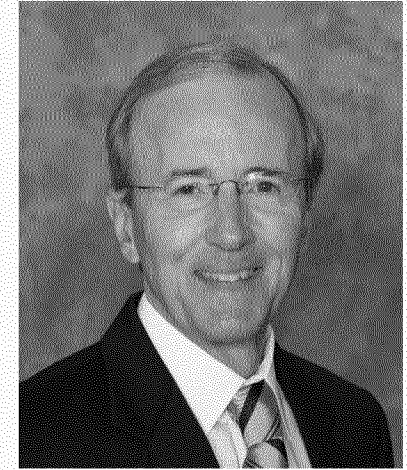
**Clark Campbell,
Councilmember**



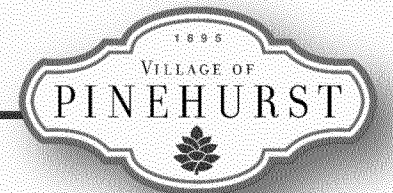
**John Cashion,
Mayor Pro Tem**



**Claire Phillips,
Councilmember**

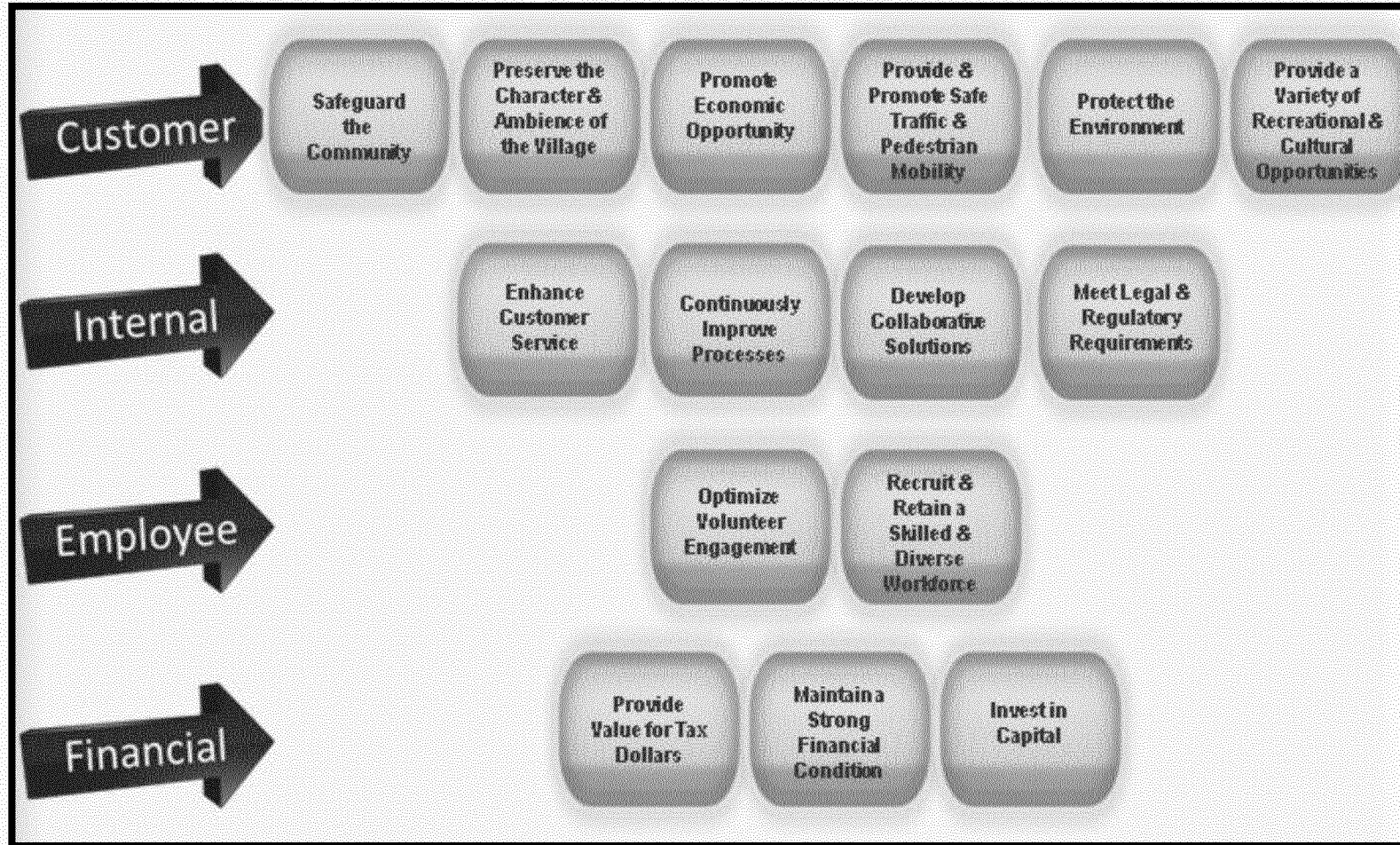


**John Strickland,
Treasurer**



FY 2015 Strategic Plan Status Update

Strategic Objectives by Perspective



FY 2015 Strategic Plan Status Update

Overview of the Status of Strategic Initiatives at September 30, 2014

- ❑ Council has added four initiatives since adoption of the FY 2015 SOP:
 - HWY 211 Corridor Study
 - Midland Rd Corridor Study
 - HWY 5/Barrett Road Intersection Study
 - Evaluate alternatives to make the Harness Track financially sustainable
- ❑ Seven initiatives that were in progress at 6/30/14 have been carried forward to FY 2015 SOP
- ❑ Staff recommends the Council consider the following changes for FY 2015 initiatives:
 - Eliminating seven (7) initiatives
 - Renaming four (4) initiatives
- ❑ All other initiatives are in progress or will begin in a future quarter



FY 2015 Strategic Plan Status Update

Customer Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Safeguard the Community	Achieve national accreditation in the Fire Department	--	
	Partner with others to offer public safety education programs		
	Implement Command Central module to analyze crime data		
	Proactively investigate drug and related property crimes activities		
Preserve the Character & Ambience of the Village	Develop a rating system for the appearance of public areas in partnership with CAC		Staff recommends changing the name of this initiative to "Develop a rating system for the appearance of public areas in partnership with the <u>Beautification Committee</u>"
	Evaluate the consolidation of S&G and B&G (BIRDIE)	--	
	Evaluate the code enforcement process (BIRDIE)	--	
Promote Economic Opportunity	Incrementally expand Village Center into Village Place/Rattlesnake Corridor		
	Evaluate and enhance marketing efforts		Staff recommends eliminating this initiative

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Customer Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Provide & Promote Safe Traffic & Pedestrian Mobility	Improve adequacy of street lighting in neighborhoods		
	Continue to work with NCDOT to identify a viable long-term solution for the traffic circle		
	Develop and implement a public education campaign for roadway safety		
	Collaborate with other jurisdictions to develop a HWY 211 corridor plan		Added per Council 7/23 meeting
	Extend sidewalk and walkway system	--	
	Implement a GPS based software solution to track and analyze data on infrastructure maintenance and route management		
	Conduct the HWY5/Barrett Road Intersection Study		Added based on Council direction in Q2
	Conduct the Midland Road Corridor Study		Added based on Council direction in Q2
Protect the Environment	Evaluate alternatives to reduce energy consumption for street lighting		
	Implement single-day collection system with automated yard debris		
	Increase public education on the benefits of recycling to encourage greater participation		
Provide a Variety of Recreational and Cultural Opportunities	Expand cultural arts events in Village parks		
	Develop park facilities		
	Support the Given Memorial Library Expansion		
	Evaluate the need for indoor recreation facilities (BIRDIE)		

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Internal Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Enhance Customer Service	Develop and implement a corporate communications strategy for keeping the public informed, considering a more frequent newsletter publication and eblasts post-Council meetings		
	Develop post event service survey for Fair Barn		
	Stream and post video and/or recordings of Council meetings on the Village website		Staff recommends changing the name of this initiative to “Post video and/or recordings of Council meetings on the Village website”
	Redesign Village website to add more functionality and integrate it with a mobile app	--	
	Conduct post-service surveys for building and development services		Staff recommends removing this initiative

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Internal Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Continuously Improve Processes	Develop a contract management system		
	Automate employee P-Card Data Entry		Staff recommends removing this initiative
	Automate A/P P-Card Data Entry		Staff recommends removing this initiative
	Create a comprehensive orientation process for newly elected officials	--	
	Conduct post-service surveys of building inspection customers		Staff recommends removing this initiative
	Streamline inspection applications and processes to better coordinate with other departments	--	
	Evaluate an integrated document management/imaging program (BIRDIE)	--	
	Implement an E-Crash traffic accident solution		
	Streamline P&Z permits and applications (BIRDIE)		Staff recommends postponing this initiative to FY 2016
	Evaluate opportunities for electronic submittal of P&Z forms and plans	--	

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Internal Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Develop Collaborative Solutions	Partner with organizations to host cultural events at the Fair Barn		
	Evaluate alternative methods to obtain public input on Council related decisions (i.e. task forces, POA meetings, Peak Democracy, web module, etc.)		Staff suggests changing this initiative to "Implement online engagement tools to seek citizen input on Council related decisions"
	Identify key partners and assign a Council liaison to each partner		
Meet Legal & Regulatory Requirements	Complete Payment Card Industry (PCI) Compliance Project	--	
	Increase capability to secure and monitor the Village network for legal compliance		

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Employee Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Optimize Volunteer Engagement	Develop an annual training program for volunteer committees		
	Develop a comprehensive volunteer reward and recognition program	--	
	Develop a policy on volunteer and committee appointments		
Recruit & Retain a Skilled & Diverse Workforce	Develop and implement a reward and recognition program		Staff recommends changing the name of this initiative to "Implement a reward and recognition program"
	Develop a succession plan		
	Offer in-house training through the TOPS program and conduct the annual Employee Academy		
	Implement selected recommendations from the Compensation Study		

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Financial Perspective – Strategic Initiatives and Status

Strategic Objective	Strategic Initiatives	Status	Recommended Changes to Original SOP Initiatives
Provide Value for Tax Dollars	Oversee the annexation of Cotswold		
Maintain a Strong Financial Condition	Develop an annual budget that meets or exceeds established financial targets	--	
	Maximize use of the Fair Barn		
	Evaluate alternatives to make the Harness Track financially sustainable	--	Modified per Council 7/23 meeting from “Enhance marketing of the HT”
Invest in Capital	Light athletic field at Wicker Park		This initiative should be eliminated because it was not funded in FY 2015
	Maintain VOP buildings and facilities		
	Effectively maintain current capital assets		
	Evaluate the sale of Village-owned land		
	Continue to enhance the Village roadways with the Annual Street Resurfacing Program		

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



FY 2015 Strategic Plan Status Update

Initiatives Carried Forward from FY 2014

Strategic Objective	FY 2014 Strategic Initiatives Carried Forward	Status
Provide & Promote Safe Traffic & Pedestrian Mobility	Develop an alternative transportation master plan to identify locations of greenways, sidewalks, and bike paths	
	Conduct a Village-wide evaluation of street lighting needs	
	Install Opticom traffic device to improve response time and ensure safety of emergency personnel	
Continuously Improve Processes	Centralize data access and promote business process analysis by maintaining, supporting, and utilizing SharePoint more effectively	
	Automate the TRC process	
Recruit & Retain a Skilled & Diverse Workforce	Perform a formal compensation study to review current practices, pay scales, & position descriptions	
	Develop a Village wide employee recognition program	

	Completed
	In progress and on schedule
	Staff recommends modifying or eliminating the initiative
--	Initiative is scheduled to begin in a future quarter



**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 14, 2014**

**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, October 14, 2014 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
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Ms. Claire L. Phillips, Councilmember
Mr. John C. Strickland, Councilmember
Mr. Andrew M. Wilkison, Village Manager
Ms. Lauren M. Craig, Village Clerk

And approximately 26 attendees, including 7 staff and 2 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo called the meeting to order.

2. Reports

Manager

- The Manager noted the Deer Management Task Force meets tomorrow at 11:00 am in the Council Conference Room and the Village Council's next quarterly work session will be held next Tuesday, October 21 at 3:00 pm in the Council Conference Room. Both meetings are open to the public.

Council

- Mayor Fiorillo noted that she just returned from the NC League of Municipalities Conference and Village Clerk Lauren Craig was recognized in the program for being the 2014 recipient of the George C. Franklin Award.

3. Motion to Approve Consent Agenda.

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

- A. Resolution of appreciation for service on the Community Appearance Commission (Lazusky, Helgesen, McChesney).
- B. Public Safety Reports
 - Fire Department
 - Police Department

End of Consent Agenda.

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

4. Discuss with CAC Chairperson a proposal for grading and planting of the Village owned property directly across from Village Hall.

Bo Bozarth, Chairman of the Pinehurst Community Appearance Commission presented possible enhancements to the Village owned land across from Village Hall. He suggested enhancements

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 14, 2014**

including grading and taking out roots, tilling and planting groupings of blue sapphire trees and also wildflowers. The estimate for this project is approximately \$12,500. CAC is seeking permission to move forward with the concept. CAC is asking Council for the funds to support this project. Councilmember Strickland suggested viewing a plan for the area before agreeing to move forward. Council noted that the property being discussed could be used for future development but nothing is planned at this time. Mayor Fiorillo suggested Council look at the development proposal and the exact area that CAC is considering to make sure there is no future conflict and get back with the CAC on this item before proceeding.

Audience member Jack Farrell asked about the prospective development that the Mayor mentioned and if it would be used for a residential development and the Mayor noted that nothing has been formally submitted.

5. Discuss and consider an agreement with AC Sandhills for use of the West Pinehurst Park.

Assistant Village Manager Jeff Batton introduced the need for Council to consider an agreement with AC Sandhills following the last Council meeting discussion held with Todd Abbey, Executive Director of AC Sandhills and Mark Wagner. This was in regards to the proposal for field space for AC Sandhills to use the open space at the West Pinehurst Community Park. He noted an exit clause of 30 days by either party. The parking requirement for the park is a separate item and can be discussed further at another time. Councilmember Strickland inquired about who would maintain the new parking spaces and restrooms. Council formed a consensus to move forward on this agreement.

Audience member Doug Middaugh noted a sentence should be added that the Village will not provide water for irrigation purposes and he said item 8 regarding termination should have a line that the Village will not reimburse AC for any expenses for any expenses AC incurs upon termination.

6. Discuss the Concours d' Elegance sponsorship request.

Assistant Village Manager Natalie Dean shared an alternative to the original request from Jay Howard regarding the Concours d'Elegance and also shared research completed on any public funds contributed for the Pebble Beach and Amelia Island Concours.

Mayor Fiorillo noted a consensus to donate the facilities in kind which is approximately valued at \$14,500. Council and staff held a discussion about sponsoring an event during the Concours. Mayor Fiorillo noted the opportunity for a free military orchestra but the Village would need to pay for a stage and infrastructure. Upon discussion, Council requested that staff bring the event concept back to a future meeting with cost and research for further consideration. Audience member Jack Farrell asked if this is an appropriate use of tax payers' money and the precedent this sets for other groups in the future. Audience member Tom Reedy suggested getting the Blues Brothers cars and holding a Blues Brothers concert.

7. Discuss the HPC Chairman's proposal to increase the membership of the Historic Preservation Commission.

The Manager introduced the request from HPC Chairman Jim Lewis' request to increase the membership of the HPC. It was reduced from 7 to 5 members in the spring and the Chairman feels there have been several instances that decisions have been made with only 3 members. Councilmember Cashion noted that he spoke with Mr. Lewis about this and the possibility to recruit the two members of the HDDC that was recently dissolved. Upon discussion by Council, a general consensus was formed to go back to 7 members. The Manager noted an ordinance would be available for a vote under Other Business at the end of the agenda.

8. Discuss short-term rentals.

The Manager introduced the agenda item on short term rentals in the Lake Pinehurst Area due to several issues with short-term rental homes. The Manager explained that a proposed amendment to the Municipal Code was submitted by the Lake Pinehurst Association in July with the intent to restrict the rental or lease of a home in the applicable area around Lake Pinehurst for terms of less than six

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 14, 2014**

months. Village Attorney, Mike Newman has submitted a recommendation “that the Council should not adopt the proposed ordinance currently under consideration.” The Mayor explained there are four problem properties and the Police Chief is very aware of these properties and encourages anyone who notes disruptive behavior to report it to the police department.

Audience member Mary Bryson who lives on Torrey Pines Lane noted the reason people don’t call the police department is because they are afraid. She noted men who rent homes on her street that wander the streets, leave out garbage cans, and cause added noise.

Audience member Doug Middaugh noted he is against the proposed amendment. Mr. Middaugh said it is a fact the golf industry is suffering and more courses are closing than opening. He said it is clear that if adopted this would cast a shadow on Pinehurst and this Council should not negatively impact the Resort’s business.

Audience member Alan Hall lives in Doral Woods owns a rental property on Highway 5 and would hate to see a good, thriving rental property be negatively affected by a restriction such as this.

Audience member Jack Farrell noted that the Village could be allowing transient occupancy in buildings that are not up to code and to have someone check on this.

Audience member Rosemary Clare 665 Diamondhead shared she is totally opposed to short term rentals noting many commercial homes can be rented and she does not think Pinehurst needs private homes to support the resort’s business. She does not feel a private home is a commercial enterprise and should not be treated as one.

Audience member Mr. Jlyson is a recent resident and has spent time looking for a home in this area. He is asking that this meeting be a first step in engaging in the issue of the definition of short-term. He noted a memo written by the Asheville Planning Director that he would like Council to also consider.

Audience member Tom Reedy noted an issue of unmanaged growth of the deer population and the unmanaged growth of short-term rental properties. He noted the different sides of both issues and his concerns about the process taken on this issue. He asks for Council to create an ad hoc task force on this issue.

Mayor Fiorillo noted the need for neighbors to report issues to the police department. Councilmember Strickland shared a statement regarding the issue and stated it is a quality of life issue. Councilmember Strickland noted property rights and explained there should be a balanced approach. He said those opposed to short term rentals have shown flexibility while seeking solutions to the problem. Councilmember Strickland made a motion to undertake a task force association with the issues of short term rentals for the Village of Pinehurst. The motion died for lack of a second. Councilmember Strickland made a motion to entertain the resolution and undertake a study. The motion died for lack of a second.

Due to lack of a second to any motion to the contrary, the Mayor noted a majority of Council accepts the advice of the Village Attorney and Police Chief. Mayor Fiorillo explained that the Village has laws to follow and can handle the problem properties appropriately.

9. Consider a budget amendment to close the Land Dedication Fund.

The Manager explained the need for Council to consider a budget amendment to close the Land Dedication Fund. Upon a motion by Councilmember Strickland, seconded by Councilmember Phillips, Council unanimously approved Ordinance 14-36 closing the land dedication fund and transferring remaining funds to the general fund for the Village of Pinehurst by a vote of 5-0. (A copy of the ordinance can be found in the Ordinance Book.)

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 14, 2014**

10. Discuss yard debris cart size.

Assistant Village Manager Jeff Batton explained the need for Council to consider the yard debris cart size following a discussion held at a Council meeting last month. Mr. Batton asked Council if two cart sizes should be made available for yard debris. Staff's recommendation was to wait 12 months before offering a second size. The Council formed a consensus to use the 95 gallon Schaffer brand carts.

Audience member Doug Middaugh disagreed and said the 64 gallon size would be reasonable. Audience member Jack Farrell said he agreed with starting with one size at this time.

11. Discuss Village-wide LED street lighting recommendation.

Assistant Village Manager Jeff Batton discussed the recommendation for Village-wide LED street lighting. After running the analysis, the Village would incur additional costs of less than \$3,000 up front and the payback will be greater than that over 12 months. Mr. Batton shared a map of existing street lights and the suggested wattage differences noted by color on the map for 75W lights and 50W lights. Council formed a consensus to move forward with this plan.

12. Discuss the Village's volunteer program and committee appointments.

Village Clerk, Lauren Craig, discussed with Council a FY15 strategic initiative to develop a policy on volunteer and committee appointments. Ms. Craig asked Council to review the current state of Village volunteer committees and boards in regards to their size requirements, term length, and term limits. Upon discussion, Council determined to disband the Village Center Enhancement Committee effective 10/31/2014 and let the Business Guild take over promotion of the Village Center at this time. Council also suggested creating a more formal structure for the Risk Management Committee. Ms. Craig also had Council review the charge or purpose given to each committee/board. The 2005 Volunteer Program Policy was shared with Council and upon discussion Council determined to be flexible with the 2 year residency requirement going forward. Ms. Craig noted a revised policy will be taken to Council in a future meeting to consider implementing. Lastly, Ms. Craig discussed streamlining the volunteer recruitment and appointment process and Council determined to keep all terms as they are currently.

13. Other Business

- Upon a motion by Councilmember Cashion, seconded by Councilmember Strickland, Council unanimously approved Ordinance 14-37 amending Chapter 31 of the Pinehurst Municipal Code changing the number of members of the Historic Preservation Commission from 5 to 7 members by a vote of 5-0.

14. Comments from attendees.

- None.

15. Motion to go into Closed Session pursuant to NCGS §143-318.11(a) (6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee. Also 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.

Specifically, the Council will discuss the applicants for the Village Manager position and the litigation between the Estate of Ronald H. Armstrong, plaintiff v. The Village of Pinehurst.

Upon a motion by Councilmember Strickland, seconded by Councilmember Phillips, Council unanimously approved to go into Closed Session pursuant to NCGS §143-318.11(a)(6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee. Also 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. Specifically, the Council will discuss the applicants for the Village Manager position and the

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 14, 2014**

litigation between the Estate of Ronald H. Armstrong, plaintiff v. The Village of Pinehurst by a vote of 5-0.

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

Upon a motion by Councilmember Cashion seconded by Councilmember Strickland, Council unanimously approved to adjourn the Closed Session and re-enter the Regular Meeting by a vote of 5-0.

17. Motion to Adjourn.

Councilmember Campbell moved to adjourn the Regular Meeting. The motion was seconded by Councilmember Phillips and carried unanimously. The Regular Meeting adjourned at 7:55 p.m.

Respectfully Submitted,

Lauren M. Craig
Village Clerk

DRAFT

**VILLAGE OF PINEHURST
VILLAGE COUNCIL
CLOSED SESSION – OCTOBER 14, 2014**

**395 MAGNOLIA ROAD
COUNCIL CONFERENCE ROOM
PINEHURST, NORTH CAROLINA
4:30 PM**

MINUTES

At the regular meeting of the Pinehurst Village Council held at 4:30 p.m., Tuesday, October 14, 2014 in the Council Conference Room of Village Hall, 395 Magnolia Road, Pinehurst, North Carolina, Councilmember Strickland moved to go into Closed Session pursuant to NCGS §143-318.11(a) (6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee. Also 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. Specifically, the Council will discuss the applicants for the Village Manager position and the litigation between the Estate of Ronald H. Armstrong, plaintiff v. The Village of Pinehurst. The motion was seconded by Councilmember Phillips and carried unanimously by a vote of 5-0.

The following people were present:

Ms. Nancy Roy Fiorillo, Mayor
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Ms. Claire L. Phillips, Councilmember
Mr. John C. Strickland, Councilmember
Mr. Andrew M. Wilkison, Village Manager
Ms. Angela Kantor, Director of Human Resources
Mr. Michael Newman, Village Attorney

MAYOR NANCY ROY FIORILLO CALLED THE MEETING TO ORDER.

The Council discussed with the Village Attorney and the Village Manager the status of the litigation between the Estate of Ronald H. Armstrong and the Village of Pinehurst. The Village Attorney reported that all depositions had now been taken and his opinion regarding the case has not changed. Court ordered mediation is scheduled for December 8, 2014. The Council agreed that the current Village Manager, Andrew Wilkison, would represent the Village at the mediation along with the Village Attorney.

The Village Manager and the Village Attorney then left the room as the Council began their discussion regarding the candidates for Village Manager.

After Council discussion, the Village Manager and the Human Resources Director were requested to come into the Closed Session to receive direction from the Village Council. The Human Resources Director was directed to extend a job offer to Jeffrey M. Sanborn for the position of Village Manager at an annual salary of \$130,000.

ADJOURNMENT.

Upon the conclusion of the Closed Session, Councilmember Cashion moved to adjourn the Closed Session and re-enter the Special Meeting. The motion was seconded by Councilmember Strickland and carried unanimously.

Councilmember Campbell moved to adjourn the Meeting. The motion was seconded by Councilmember Phillips and carried unanimously. The Regular Meeting adjourned at 7:55 p.m.

**VILLAGE OF PINEHURST
VILLAGE COUNCIL
CLOSED SESSION – OCTOBER 14, 2014**

Respectfully Submitted,

Lauren M. Craig,
Village Clerk

DRAFT

**MINUTES OF
VILLAGE COUNCIL SPECIAL MEETING
OCTOBER 21, 2014**

**395 MAGNOLIA ROAD
COUNCIL CONFERENCE ROOM
PINEHURST, NORTH CAROLINA
3:00 P.M.**

The Pinehurst Village Council held a Quarterly Work Session at 3:00 p.m., Tuesday, October 21, 2014 in the Council Conference Room of the Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Ms. Claire L. Phillips, Councilmember
Mr. Andrew M. Wilkison, Village Manager
Ms. Lauren M. Craig, Village Clerk

Excused absence: Mr. John C. Strickland, Councilmember

And approximately 7 attendees, including 4 staff and 0 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo called the meeting to order.

2. Village Council's quarterly work session discussion.

- a. Purpose of quarterly work session: Councilmember Cashion explained this is a time to discuss issues as a Council. Councilmember Cashion shared examples of situations that would have been addressed much sooner if the topic was brought up in a forum like this meeting or Other Business to decide if staff and Council should be working on it or not. Council formed a consensus with this purpose.
- b. Live After 5: Council determined to discuss the request to take over the Live After 5 events before discussing the request from the Concours. Councilmember Cashion noted his support for taking over the events and perhaps include a military appreciation event for one of the four events each year. Assistant Village Manager Natalie Dean suggested if Council would like to partner with the resort, we should speak with Tom Pashley on his recommendations. Director of Parks and Recreation Mark Wagner noted that staff has several contacts of civic groups that would be able to secure the alcohol license for hosting these events going forward and rotate each event. Council did not make a decision on this topic at the meeting.
- c. Concours d'Elegance Event: Council reviewed a letter from Jay Howard, President of the Pinehurst Concours d'Elegance. Mayor Fiorillo noted that the band has been reserved through Tommy Bolton. Councilmember Cashion suggested determining the Live after 5 plans first before committing to hosting an event during the Concours. Mayor Fiorillo agreed to speak with the resort first to get more information before making a decision on this.
- d. Paving of West Pinehurst Park: Councilmember Campbell suggested Council allow a gravel parking lot at the West Pinehurst Park for the use of AC Sandhills. He noted the expense of paving the lot and the benefit the Village gets to have AC Sandhills use this land. To exempt this, Director of Planning and Inspections Kevin Reed, recommended amending the Pinehurst Development Ordinance. If allowed for an exemption this would be specifically for a zoning district where there are parks. Staff agreed to take this to the Planning and Zoning Board to start this amendment process.
- e. Trotter Hills: Mr. Burgess asked Council to help with additional funding for water issues but water valves were found to be turned off and this issue has been fixed at this time. Council asked for staff to communicate this back to Mr. Burgess.

**MINUTES OF
VILLAGE COUNCIL SPECIAL MEETING
OCTOBER 21, 2014**

- f. Arbor Place and CAC: Council noted that parameters need to be discussed with Bo Bozarth on the proposed CAC project and Councilmember Campbell agreed to introduce Bo Bozarth to Bob Koontz to discuss this further since no formal plans have been submitted.
- g. Spur Road Renovations: Mayor Fiorillo discussed the houses on Spur Road and their request to relocate the entrance of public services. Staff will look into this.
- h. Councilmember Phillips suggested Council keep updated on items regularly such as the items listed below. Councilmember Cashion also suggested adding several items like this under Other Business on meeting agendas going forward:
 - i. ETJ- this will come up through the partnership with the Moore County and Foxfire Village.
 - ii. Village owned lots- Councilmember Campbell noted he has no further information on this topic at this time.
 - iii. Relocating Public Works- Councilmember Cashion would like to meet with Jeff Batton and Councilmember Campbell on the options for this relocation. Councilmember Campbell would like to start research on these options to make a plan for the future. Councilmember Campbell suggested the possibility of beautifying the area rather than relocating public services.
 - iv. Recreational Complex/Cultural Center- a BIRDIE team is underway now to work on this. Assistant Village Manager Natalie Dean explained that this action plan will help determine the need first and alternative would be presented at Council's annual strategic planning retreat.
 - v. Village Center Enhancement- Assistant Village Manager Natalie Dean shared that the Village Center Enhancement Committee held its last meeting this morning. She noted that a meeting was set for October 29 to bring in a consultant but due to lack of participation and interest Natalie suggests the meeting be canceled.
 - vi. Arbor Place- waiting on the developers at this point to bring a formal concept forward.
 - vii. Blaine East- Council noted similar treatment on this proposed development as they are waiting for more information and a plan.
 - viii. Deer Task Force- Chief Phipps believes there will be a good resolution coming from this task force to be presented to the Village Council in November after much research.
 - ix. Steam Plant- Assistant Village Manager Natalie Dean noted the latest party interested in the steam plant determined they were not interested in this location because they needed more space. It was noted this property is not currently on the market but Natalie has facilitated introductions between interested parties and the resort who owns the property.
- i. Audience member Tom Campbell noted several citizens who were not happy with the yard debris/solid waste automation change and threatened to leave trash out on the street due to the Village not enforcing code compliance. Kevin Reed, Director of Planning and Zoning noted the BIRDIE process on this for recommendations to be taken to Council. Councilmember Campbell complimented Kevin Reed on his work at the Village.

3. Motion to Adjourn.

Councilmember Campbell moved to adjourn the Special Meeting. The motion was seconded by Councilmember Cashion and carried unanimously. The Special Meeting adjourned at 4:15 p.m.

Respectfully Submitted,

Lauren M. Craig
Village Clerk

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 28, 2014**

**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, October 28, 2014 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
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Ms. Claire L. Phillips, Councilmember
Mr. John C. Strickland, Councilmember
Mr. Andrew M. Wilkison, Village Manager
Ms. Lauren M. Craig, Village Clerk

And approximately 25 attendees, including 8 staff and 2 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo called the meeting to order.

2. Invocation and Pledge of Allegiance

Andrew M. Wilkison, Village Manager offered the invocation and led everyone in the Pledge of Allegiance.

3. Presentation of resolution supporting the 2014 Veteran's Weekend events to MOAA.

Mayor Nancy Roy Fiorillo presented the resolution to Gary Marlar, President of MOAA supporting the 2014 Veteran's Weekend events.

4. Reports

Manager

- Deer Management Task Force is meeting tomorrow at 11am in the Council Conference Room and the public is invited.

Council

- Councilmember Cashion shared that he and the Mayor met with Tom Pashley from Pinehurst Resort and Dave Kilarski from FirstHealth which are two of the Village's key partners.
- Mayor Fiorillo had lunch with the Mayor of Newry, Ireland and the Mayor of Southern Pines and they would like for the Village of Pinehurst to partner with their Sister Cities program. Denise Baker may present this to Council in early 2015.

5. 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 reappointing a member of the Beautification Committee (Burrows).
- B. Motion to Receive Budget Amendments Report for October 15, 2014
- C. Approval of Draft Village Council Meeting Minutes
 - September 2 Special Meeting
 - September 2 Closed Session
 - September 9 Regular Meeting
 - September 23 Regular Meeting

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 28, 2014**

September 24 Special Meeting

End of Consent Agenda.

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

6. Interview and consider a resolution appointing a member to the Historic Preservation Commission (Jacoby).

The Manager introduced Amanda Jacoby to the Village Council and Jim Lewis, Chairman of the HPC. He noted that Amanda has shown interest and has interviewed with the Chairman and staff members who would like to appoint Amanda to the commission. Upon a motion by Councilmember Campbell, seconded by Councilmember Strickland, Council unanimously approved Resolution 14-60 appointing Amanda Jacoby as a member of the Historic Preservation Commission for the Village of Pinehurst by a vote of 5-0. (A copy of this resolution can be found in the Resolution Book.)

7. Presentation of the 2014 Community Survey Results.

John Frye, Director of Financial Services, introduced the 2014 Community Survey Results and introduced Jason Morado, Project Manager with ETC Institute. Mr. Frye explained that the Village recently conducted its third annual Community Survey. The Village contracted with ETC Institute to gather input from residents on a broad spectrum of Village services and the survey was administered from mid-August to mid-September 2014. The information gathered from the survey will help the Village establish budget priorities and refine policy decisions.

Jason Morado, Project Manager with ETC Institute shared a summary of the methodology for administering the survey and major findings. He noted finding #1 that residents have a positive perception of the Village. Mr. Morado shared finding #2 that overall satisfaction with the Village is similar to the 2012 and 2013 survey results. He shared the results in detail for each question noting any significant increases or decreases. Finding #3 was explained that Pinehurst is setting the standard for service delivery compared to other communities. Mr. Morado shared the importance-satisfaction ratings for each category of service that the Village offers and the level of importance for additional questions.

Audience member Rick Coburn from the Villas at Forest Hills asked about the enforcement of neighborhood covenants and restrictions with and Home Owners Associations.

8. Presentation of the FY 2014 Annual Performance Report.

Assistant Village Manager Natalie Dean introduced the FY 2014 Annual Performance Report, which identifies FY 2014 performance levels compared to goals, the status of implementation of initiatives, and significant accomplishments. Ms. Dean gave the background on the citizen survey and how it plays a role in the Village's Strategic Operating Plan. Significant accomplishments noted were partnering with the USGA for the 2014 U.S. Open Championships, evaluation of yard debris collection process and recommendation to move to single day collection, installation of new gateway signs, relocation of Welcome Center and construction of public restrooms, evaluation of village-wide street lighting needs, automation of the Council agenda process, and preparation of Village-wide employee compensation study. Ms. Dean covered the composite scores for each of the four perspectives of the Village broken down by strategic objective and noted trends over the last three years. Council congratulated Natalie Dean on the presentation of this information.

9. Presentation of the Quarterly Financial Statements for the Quarter Ended September 30, 2014.

John Frye, Director of Financial Services, presented the financial statements for the quarter ended September 30, 2014. Mr. Frye noted several differences since last year at this time. He noted that the Village remains in a very good financial position starting the fiscal year and that revenues exceeded expenditures by a larger margin than anticipated in the forecast for the first quarter. The Village's operating expenditures were also noted to be under control and revenue outlook is stable.

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 28, 2014**

10. Consider a resolution awarding a contract for yard debris carts.

John Frye, Director of Financial Services, introduced the agenda item regarding the need to award a contract for yard debris carts. He explained at the October 14 meeting, Council selected the brown 95-gallon yard debris rolling carts from Schaefer for the yard debris automation project. In order to make the purchase at the price presented at that meeting, the Village will need to adopt the attached "piggybacking" resolution. A notice of intent was provided in the newspaper for this "piggybacking" resolution. Upon a motion by Councilmember Strickland, seconded by Councilmember Cashion, Council unanimously approved Resolution 14-57 awarding a contract to Schaefer Systems International, Inc. in the amount of \$145,950 for the purchase of three thousand 95-gallon rolling yard debris carts at \$48.65 per cart by a vote of 5-0. (A copy of this resolution can be found in the Resolution Book.)

11. Discuss and consider a proposed Street Lighting Policy.

Assistant Village Manager Jeff Batton explained that the Village has a current street lighting policy dating back to 1990 and that the conditions spelled out in the policy would not allow any additional street lights in Village Acres as recommended in the Street Lighting BIRDIE recommendation recently approved by Council. He also noted that the Village does not have a policy to handle the decorative street lights in areas to be annexed or new developments where roads would become public. Councilmember Campbell made several suggestions on the wording of the policy. Council determined to proceed with a vote with the suggested changes. Upon a motion by Councilmember Phillips, seconded by Councilmember Strickland, Council unanimously approved Resolution 14-58 as amended adopting a policy for street lights for existing neighborhoods and roads in the Village of Pinehurst by a vote of 5-0. (A copy of this resolution can be found in the Resolution Book.)

12. Consider an ordinance amending NC General Statute reference in the Pinehurst Municipal Code Section 71.17 (A).

The Manager explained the need to amend the Pinehurst Municipal Code section 71.17 regarding Golf Carts on Public Streets and Roads. This amendment is only to correct a NC General Statute reference due to changes made by the General Assembly. Upon a motion by Councilmember Strickland, seconded by Councilmember Cashion, Council unanimously approved Ordinance 14-38 amending the Pinehurst Municipal Code to correct a statutory reference in Section 71.17 (A) regarding the operation of golf carts on public streets and roads by a vote of 5-0. (A copy of this ordinance can be found in the Ordinance Book.)

13. Discussion and Motion Adopting the 2015 Village Council meeting schedule.

Lauren Craig, Village Clerk shared a draft 2015 Village Council meeting schedule and asked for Council to consider a motion to accept this schedule or to suggest changes. Ms. Craig noted once approved a public notice would be sent. Upon a motion by Councilmember Cashion, seconded by Councilmember Phillips, Council unanimously approved the official schedule for the 2015 Village Council meetings by a vote of 5-0.

14. Other Business

- Mayor Fiorillo explained that Council is ready to vote on hiring the new Village Manager. Mayor Fiorillo noted appreciation from Angie Kantor and Andy Wilkison on this process and that Council is delighted to make this announcement. Upon a motion by Councilmember Phillips, seconded by Councilmember Cashion, Council unanimously authorized the Mayor to execute on behalf of the Village of Pinehurst an Employment Agreement with Mr. Jeffrey M. Sanborn for the purpose of employing Mr. Sanborn as Village Manager for the Village of Pinehurst by a vote of 5-0.

15. Comments from attendees.

- None.

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
OCTOBER 28, 2014**

- 16. Motion to go into Closed Session pursuant to NCGS §143-318.11(a)(6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee.**

Specifically, the Council will discuss the Village Manager's performance review and to consider the appointment of Interim Village Manager.

Upon a motion by Councilmember Strickland seconded by Councilmember Phillips, Council unanimously approved to go into Closed Session by a vote of 5-0.

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

Upon a motion by Councilmember Campbell, seconded by Councilmember Strickland, Council unanimously approved to adjourn the Closed Session and re-enter the Regular Meeting by a vote of 5-0.

Council considered the appointment of an interim Manager starting the day before Thanksgiving until the time that Mr. Jeff Sanborn is able to assume the duties of Village Manager. Motion by Councilmember John Cashion, second by Council Member Claire Phillips for the Council to appoint Jeff Batton to be interim manager until Jeff Sanborn is able to assume the duties of Village Manager, unanimously approved 5-0.

- 18. Motion to Adjourn.**

Councilmember Strickland moved to adjourn the Regular Meeting. The motion was seconded by Councilmember Campbell and carried unanimously. The Regular Meeting adjourned at 6:45 p.m.

Respectfully Submitted,

Lauren M. Craig
Village Clerk

**VILLAGE OF PINEHURST
VILLAGE COUNCIL
CLOSED SESSION – OCTOBER 28, 2014**

**395 MAGNOLIA ROAD
COUNCIL CONFERENCE ROOM
PINEHURST, NORTH CAROLINA
4:30 PM**

MINUTES

At the regular meeting of the Pinehurst Village Council held at 4:30 p.m., Tuesday, October 28, 2014 in the Council Conference Room of Village Hall, 395 Magnolia Road, Pinehurst, North Carolina, Councilmember Strickland moved to go into Closed Session pursuant to NCGS §143-318.11(a) (6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee. Specifically, the Council will discuss the Village Manager's performance review and to consider the appointment of Interim Village Manager. The motion was seconded by Councilmember Phillips and carried unanimously by a vote of 5-0.

The following people were present:

Ms. Nancy Roy Fiorillo, Mayor
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Ms. Claire L. Phillips, Councilmember
Mr. John C. Strickland, Councilmember
Mr. Andrew M. Wilkison, Village Manager
Ms. Angela Kantor, Director of Human Resources
Mr. Michael Newman, Village Attorney

MAYOR NANCY ROY FIORILLO CALLED THE MEETING TO ORDER.

The Village Council discussed the annual performance review of the Village Manager. At the conclusion of the review, the Council invited Assistant Manager Jeff Batton into the Closed Session to discuss the interim manager position after the retirement of Andrew M. Wilkison.

ADJOURNMENT.

Upon the conclusion of the Closed Session, Councilmember Campbell moved to adjourn the Closed Session and re-enter the Special Meeting. The motion was seconded by Councilmember Strickland and carried unanimously.

Councilmember Strickland moved to adjourn the Meeting. The motion was seconded by Councilmember Campbell and carried unanimously. The Regular Meeting adjourned at 6:45 p.m.

Respectfully Submitted,

Lauren M. Craig,
Village Clerk



PLANNING AND INSPECTIONS DEPARTMENT STAFF REPORT

To: Mayor Fiorillo and Village Council
From: Kevin B. Reed, Director of Planning and Inspections
Cc: Andy Wilkison, Village Manager
Lauren Craig, Village Clerk
Bruce Gould, Principal Planner
Date: November 12, 2014
Subject: Public Hearing and Staff Report for Proposed Major Site Plan to Construct the Members Club Pool Complex at 1 Carolina Vista

Request

The applicant requests a Major Site Plan approval from the Village Council in order to develop a new pool complex to serve the Members Club at Pinehurst Resort. In accordance with Section 9.16.1.5 of the Pinehurst Development Ordinance (PDO), all proposed Major Site Plans must be reviewed by the Planning & Zoning Board (P&Z) after a public hearing the P&Z Board shall then make a recommendation to the Village Council. The Village Council shall also conduct a public hearing prior to taking action. In addition, since the proposed project is located in the Pinehurst Historic Preservation Overlay District, a public hearing and approval must also be obtained from the Historic Preservation Commission (HPC).

Project Profile

Applicant/Owner: Pinehurst, LLC

Property Location: 1 Carolina Vista

Zoning: RD- Recreational Development: This district is established as a district in which the primary use of the land is predominantly reserved for privately owned recreation, clubhouses and support structures, natural or man-made bodies of water, resort complexes and other similar uses.

Historic Preservation Overlay District: This district is established for the purpose of preserving the Village's heritage; safeguarding its character by preserving the district as a whole and any property therein that embodies important elements of its social, economic, cultural, political, or architectural history.

Land Area	±407.89 Acres
Current Land Use:	Pinehurst Resort Golf Courses, Resort Clubhouse and Members Club

Project Analysis

Project Setting

The Members Club Pool Facility is proposed to be located on approximately 6 acres of land between the existing Tennis Facility and the Members Club at the Pinehurst Clubhouse. The project will be adjacent to and accessed from both Carolina Vista and Village Green Rd. The applicant is proposing to remove additional tennis courts and two existing parking areas to accommodate this new facility. Tree removal will be minimized as the site location is already predominately cleared as a result of existing development and trees that had been removed to accommodate temporary US Open Facilities. The site is bounded to the north, west and south by resort property and to the east by the existing Village Green Rd. access and the residential properties on the opposite side.

Project Amenities

The facility will consist of a two pools, one being a family pool that will be ± 5,344 sq. ft. in size and an adult pool that will be ±3,618 sq. ft. in size. The two pools will be separated by a ±8,221 pool house structure consisting of a bar, café, indoor and outdoor covered seating and two restroom facilities. The pool house will be approximately 20' in height. There will be a 20' slide that will enter the family pool and a spa and fire pit will be constructed in the vicinity of the adult pool. Cabanas will also be placed around each of the pools. A new bag drop cottage and entry pavilion will also be constructed. A total of 169 parking spaces will be built to include 24 for golf carts and bike racks. A new sidewalk system is included to link the parking areas, tennis facility and the members club to the new pool complex. The site will be well landscaped both inside the complex and in the new parking areas utilizing existing and supplemental plantings to buffer the residential lots to the east. A black aluminum fence will surround the pool area and shadowbox fencing will be placed around utility areas in order to screen them from view.

Watershed Area

This project is located within a watershed protection area. However, due to the fact that after this proposed development the site will contain less than 12% impervious surface these regulations do not trigger any additional regulations or restrictions. It should be noted that the proposal does include several Best Management Practices (BMP's) to deal with water runoff and this is discussed further in the infrastructure section of this analysis.

Dimensional Criteria

The proposed major site plan complies with the dimensional criteria of the RD Zoning District including the 50' building setback and 20' buffering requirement.

Infrastructure and Zoning Criteria

There is adequate water and sewer is available to the site to meet both domestic and fire protection requirements.

The proposed Major Site Plan has been reviewed by the Technical Review Committee and found to be compliant with all applicable regulations.

In addition, the Planning & Zoning Board conducted the required public hearing on the project at its meeting held on November 6, 2014. Following its discussion of the request, the P&Z Board voted unanimously to recommend approval of the Major Site Plan to the Village Council.

Staff Recommendation

Staff recommends approval of the Major Site Plan with the following conditions:

1. Construction drawings for the project to be approved by the TRC; and,
2. Issuance of an Erosion and Sediment Control Permit from the State.

**VILLAGE OF PINEHURST
BUDGET AMENDMENTS APPROVED BY BUDGET OFFICER
FOR THE PERIOD OCTOBER 16 - NOVEMBER 12, 2014**

Under Village of Pinehurst Ordinance #14-25, the Village Council grants the Budget Officer, or Village Manager the ability to transfer appropriations under specific conditions. These conditions allow transfers of up to \$10,000 between departments (including contingency) of the same fund for the 2014-2015 Budget. The Budget Officer may **not** transfer monies between funds at any time.

According to Section 159-15 of The Local Government Budget and Fiscal Control Act, "any such transfers shall be reported to the governing board at its next regular meeting and shall be entered in the minutes". Listed below are the amendments authorized by the Budget Officer for the period specified above.

Note: Since appropriations are made at the department level, line item adjustments within the same department may be made without limit and do not require a report since they do not actually amend the adopted budget ordinance.

	<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>DEBIT</u>	<u>CREDIT</u>	<u>APPROVED DATE</u>
1	10-40-710-7430	Capital Outlay: IT Equipment Charges	\$ 4,305		10/16/14
	10-10-330-7430	Capital Outlay: IT Equipment Charges	\$ 600		
	10-20-410-7430	Capital Outlay: IT Equipment Charges		\$ 4,815	
	10-20-420-7430	Capital Outlay: IT Equipment Charges	\$ 2,190		
	10-30-510-7430	Capital Outlay: IT Equipment Charges	\$ 1,500		
	10-80-610-7430	Capital Outlay: IT Equipment Charges	\$ 810		
	10-80-640-7430	Capital Outlay: IT Equipment Charges		\$ 4,590	
	<i>(Amendment to correct departmental IT Equipment Charges budgets; there was an error in the template that was used to calculate the original allocations)</i>				
2	10-20-420-7400	Capital Outlay: Equipment	\$ 7,123		10/17/14
	10-20-420-5400	Departmental Supplies		\$ 7,123	
	<i>(Amendment transferring operating funds to capital to purchase & install a gate and access control system for the public services yard. The item was initially expected to cost under the \$5,000 capitalization threshold.)</i>				



Annual Report of The Risk Management Committee

Includes:

- Introduction
- Employees Health Benefit Plan Recommendation
- Business Insurance Program
- Workers' Compensation Program
- Flexible Spending Accounts
- Other Work by the Committee

Risk Management Committee:

- Jeff Batton, Chair
- Becky Jensen, Financial Services Operations Manager
- Angie Kantor, Human Resources Director
- Mr. George Hillier, Volunteer Citizen
- Mr. Dick White, Volunteer Citizen

November 18, 2014

Introduction

On an annual basis, the Risk Management Committee (RMC) produces this report highlighting the various Village insurance, safety and wellness programs that operate under the RMC. The RMC is directly involved in determining coverage limits, plan designs, guiding negotiations and selecting and recommending the best insurance programs for the Village. The Committee also does other types of reviews, evaluations and offers suggestions in many areas of loss control. The mission statement of the RMC is "To serve as consultant, advisor and review team for all items related to the Village's management of risk as well as the employee health and safety programs." The purpose of this memorandum is to highlight the various insurance programs managed as well as some of the other items of interest associated with the work this committee does.

Employee Health Benefit Plan Recommendation

Medical, vision, life and accidental death and dismemberment coverage is currently provided to all full-time employees through Blue Cross/Blue Shield of NC and is fully paid by the Village of Pinehurst. Renewal follows the calendar year. Dependent coverage is available to all full-time employees and is paid by the employee at a rate of 75% of actual cost. Approximately 50% of Village employees elect to have some level of additional coverage for spouses, dependents or family.

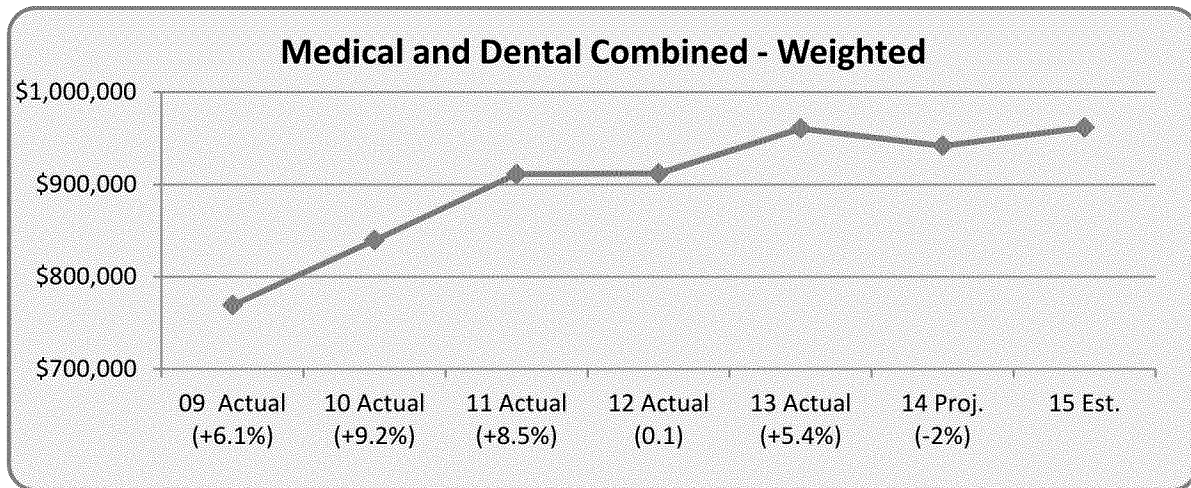
Employees are provided basic dental coverage at the expense of the Village. Currently, MetLife is our provider. Renewal occurs on a calendar year basis. Dependent coverage is available for purchase by the employee at 100% of actual cost.

The RMC elected to negotiate directly with Blue Cross/Blue Shield prior to making a determination of whether to go out to bid. It is the opinion of the committee that it best to maintain a good relationship with a provider rather than jumping from one carrier to another to save a few dollars. That practice can eventually lead to providers not wanting to quote your coverage or may drive cost of coverage up faster. The Committee's recommendation for the 2015 health insurance renewal is to remain with Blue Cross/Blue Shield (BC/BS) for medical, vision, life and accidental death and dismemberment. The negotiated renewal is a 4.5% increase over the 2014 aggregate rate with no plan modifications. Based on some outstanding and chronic health factors within our insured staff and dependents, as well as the impacts of the Affordable Care Act, we believe this to be a fair and reasonable increase. The national trend is projected to be approximately 6.8% in 2015 *(1)*.

For dental insurance, the current provider is MetLife. The Village had a two-year rate guarantee for 2013 and 2014 with MetLife so we sent the coverage to bid with BC/BS and MetLife. The Committee recommends we renew with MetLife. The renewal is 13% increase which increases the monthly employee coverage premium by \$3.22. MetLife has also offered a cap on next year's renewal at no more than 9%. While we recommend we accept this offer, we would not be under any obligation to renew with MetLife. We could rebid and select another provider if we so choose.

The Village will again allow employees to opt out of coverage in 2015. This allows certain individuals to utilize their own insurance at a lower cost to them personally. This, of course, also benefits the Village in that we save on paying the employee premium.

The total net premium paid (premium less withholdings) for health and dental benefit for 2015 is estimated at \$961,652 and the weighted average increase is estimated at 2.1%. The graph below shows the combined health and dental benefit insurance trend for a six year period.



RMC works with our broker to bid and negotiate rates in an effort to provide a sound benefit program at a fair and reasonable price to the Village.

Long term disability is also provided for Department Heads as a benefit and a small amount of life insurance is provided for all employees. Sageis USABLE is the current provider and the RMC recommends remaining with them. This benefit will cost the Village about \$15,000 for 2015 and is the same as 2014.

The RMC also selects companies for elective coverage such as short-term disability, life insurance, etc. that employees can choose if desired with the employee paying 100% of the cost.

Business Insurance Program

The Business Insurance Program includes all property and liability insurance and consists of a variety of coverages including general liability, employee benefits liability, public officials liability, employment practices liability, police liability, liquor liability and the statutorily required public officials bond. It also includes all real property owned by the Village such as buildings, vehicles, heavy equipment, portable equipment, computer hardware and software and extends to crimes such as employee dishonesty, forgery, inside thefts and outside thefts.

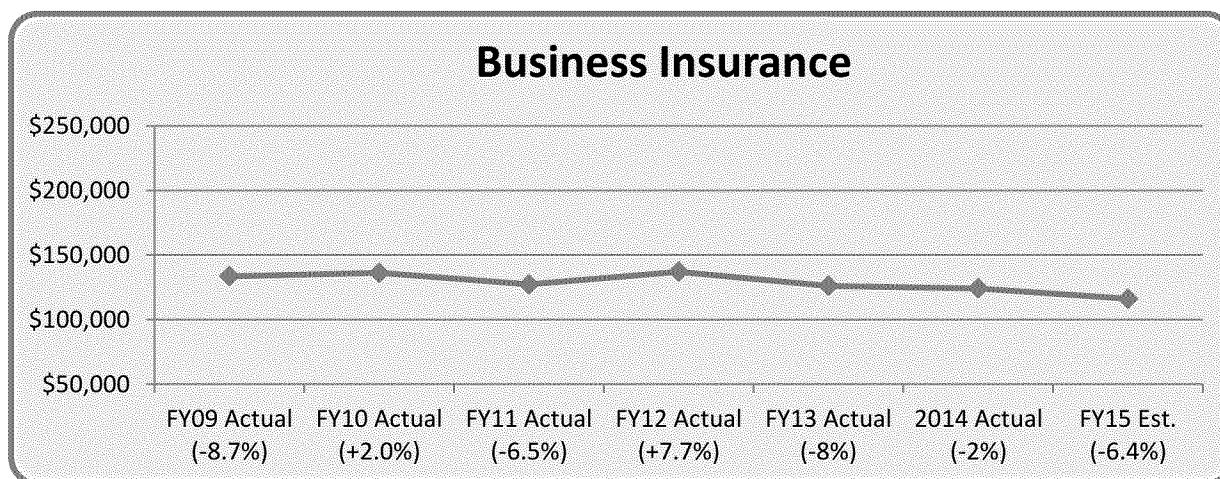
All liability and property, with exception of the Harness Track, is insured by the Interlocal Risk Financing Fund of NC. This program is administered by the North Carolina League of Municipalities (NCLM). The

Harness Track property requires special coverage for liability and property and is handled through Markel Insurance.

All of the property/liability coverages are renewed on a fiscal year basis. The combined premium for all Village liability and property is estimated at \$116,183 for FY 2015 which is approximately a 6.4% reduction over the current year. The Village insures itself at \$3,000,000 per occurrence for most types of liability claims and insures approximately \$22 million in real property.

By being with the NCLM program, the Village enjoys incentive credits that help lower the annual premium when the League's reserves are extremely healthy. This amounts to a return of premium paid in years when the pool as a whole has done very well in controlling loss. You must also be in good standing for loss control with your own program as well to qualify for the incentive program. The Village received \$14,604 in credit for FY 2015.

Shown in the graph below are the premiums paid for a seven year period. Generally speaking, the Village has performed pretty well in loss control over this time period.



Experience and history partly account for fluctuations in premium; however, the amount of incentive credit can also have an effect on premium paid from one year to the next.

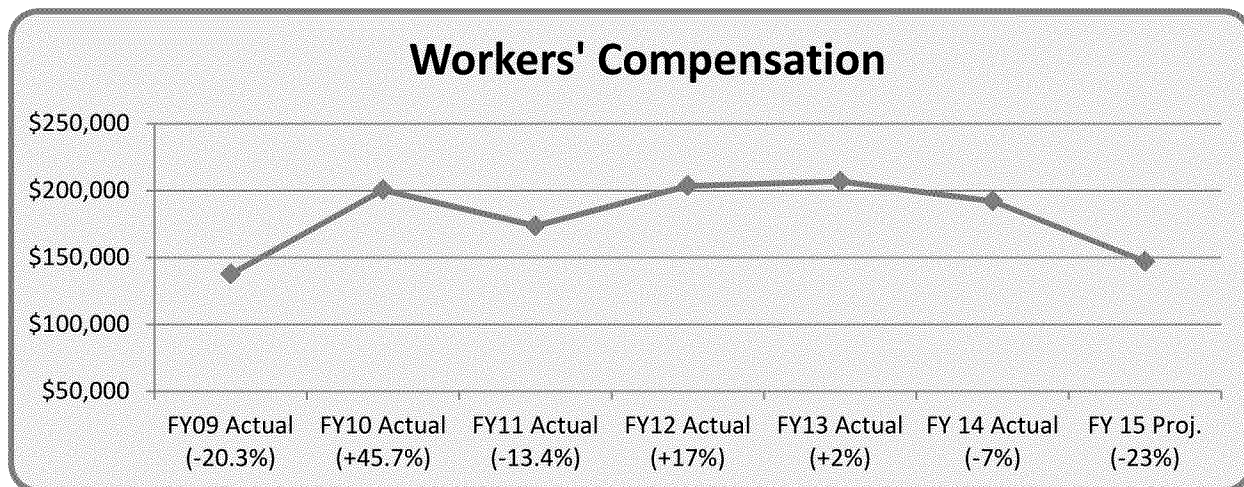
Workers Compensation Program

The Workers' Compensation program covers medical expenses and lost wages incurred by employees due to injuries. Workers' Compensation insurance is through the N.C. Interlocal Risk Management Agency. This program is administered by the NCLM. The Harness Track staff is not insured separately for workers compensation. They fall within the same pool as all other employees.

Workers' Compensation coverage is renewed on a fiscal year basis. The premium for FY 2015 is estimated at \$147,085 which represents a 23% decrease from the previous year.

As with Business Insurance, by being with the League, the Village enjoys incentive credits for continued participation and positive pool and individual performance. The incentive credit for 2014 was \$36,719, which is about \$9,800 more than the previous year.

The graph below shows the premiums paid for a seven year period. Generally speaking, the Village has experienced both positive and negative yearly results but current trend is very positive.



Premium paid is based on payroll and a rolling three year experience modifier that represents a composite of injuries and lost work time. Like Business Insurance, Workers' Compensation can have fluctuations in premium impacted by the amount of incentive credit and payroll fluctuations.

Flexible Spending Accounts

The Village offers a flexible spending account option for employees to have childcare expenses and qualifying medical expenses deducted pre-tax from paychecks as permitted by IRS regulations. Our current administrator is Health Equity. This is the second year with Health Equity.

Other Work by the Committee

The RMC reviews all accidents that incur property damage to ascertain trends and recommend any potential loss control measures to reduce accidents. Workers' Compensation claims are also reviewed for trends and training opportunities are developed to mitigate injuries to the extent possible. The Committee periodically reviews certain policies that are related to loss control and suggests new Village policies to manage risk and loss.

The Village has a Wellness Committee and a Safety Committee made up of various Village staff that operate under the umbrella of RMC. Safety is chaired by Angie Kantor and Wellness is chaired by Debbie Yates. RMC receives quarterly update reports on all activities of these committees and periodically makes recommendations or provides feedback on program initiatives as well as offers suggested programs for consideration.

The Wellness Committee focuses on employee health and their physical and mental well-being. The Committee was/is active with a number of initiatives during calendar year 2014 including:

- Weight Loss competition – The committee held this competition in two phases this year. The first phase ran from January through March. Workload permitting, employees were allowed 45

minutes during the workday to exercise up to 2 days per week. For those who hit their goal in Phase 1, they were allowed to continue in the second phase which ran from April through June. There were \$50 bonuses for those who hit their goal weight.

- Health Screenings - Conducted in May at Public Services. This event offered various health screenings for staff such as cholesterol, blood pressure, weight, BMI, etc.
- Employee Gardens - Produce was available beginning in June and running through November/December.
- Flu Shot Clinic – Clinic was held in October. Sixty-four (64) people benefited from this event.
- Lunch 'N Learns – Provided four informative Lunch & Learns for staff.
- The committee also sponsored chair massages for each department throughout the year in order to help reduce stress for employees.

The Safety Committee was equally active in promoting safety among Village employees. The following represents some of the initiatives this committee worked on during the year:

- Committee members perform monthly safety inspections of departments on a rotating basis. Department Heads attend the monthly inspections and managers randomly attend the inspections quarterly. Follow-up occurs 90 days post inspection.
- Monthly safety newsletter is posted on the Intranet bulletin board.
- Sponsored several training opportunities: Bloodborne Pathogens, Heat/Sun Safety, CPR/First Aid, Fire Extinguisher training, and General Housekeeping.
- Regularly update all Safety Data Sheets in all departments.
- Monthly discussion of all injuries and accidents to determine whether preventable or non-preventable which is reported to the applicable department (with recommendations) and the Risk Management Committee.
- The committee also sponsored a Safety Poster contest in May. The Planning and Inspections department won the contest and the winner was announced at a picnic in May.

The RMC is an active committee performing valuable services to the Village government and staff. General business meetings are held quarterly with additional meetings held at health insurance renewal and property/liability renewal times. The make-up of the committee brings a multitude of experience and strengths to bear which would not otherwise be present if not for the unique manner in which the Village has set up the risk management function. Our committee approach of staff and knowledgeable citizen volunteers has served the Village well when facing difficult issues and provides good balance when considering those issues.

REVISIONS			
SYM.	DESCRIPTION	DATE	BY



PRELIMINARY — DO NOT USE FOR CONSTRUCTION

LKC Engineering, pllc
 140 Aqua Shed Court
 Aberdeen, NC 28315
 O: 910.420.1437
 F: 910.637.0096
 lkceengineering.com
 License No. P-1095

Engineering
 Landscape Architecture
 Planning

LKC

Rendering 2

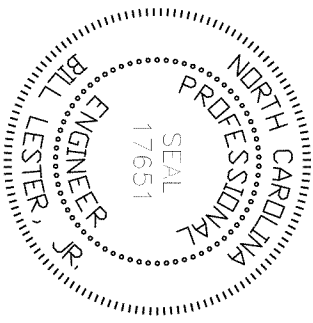
Pinehurst Resort and Country Club
 Members Club Pool

Pinehurst, North Carolina

DATE:	October 30, 2014
DESIGNED:	-
DRAWN:	-
CHECKED:	-
NO.	

R1.2

REVISIONS			
SYM.	DESCRIPTION	DATE	BY



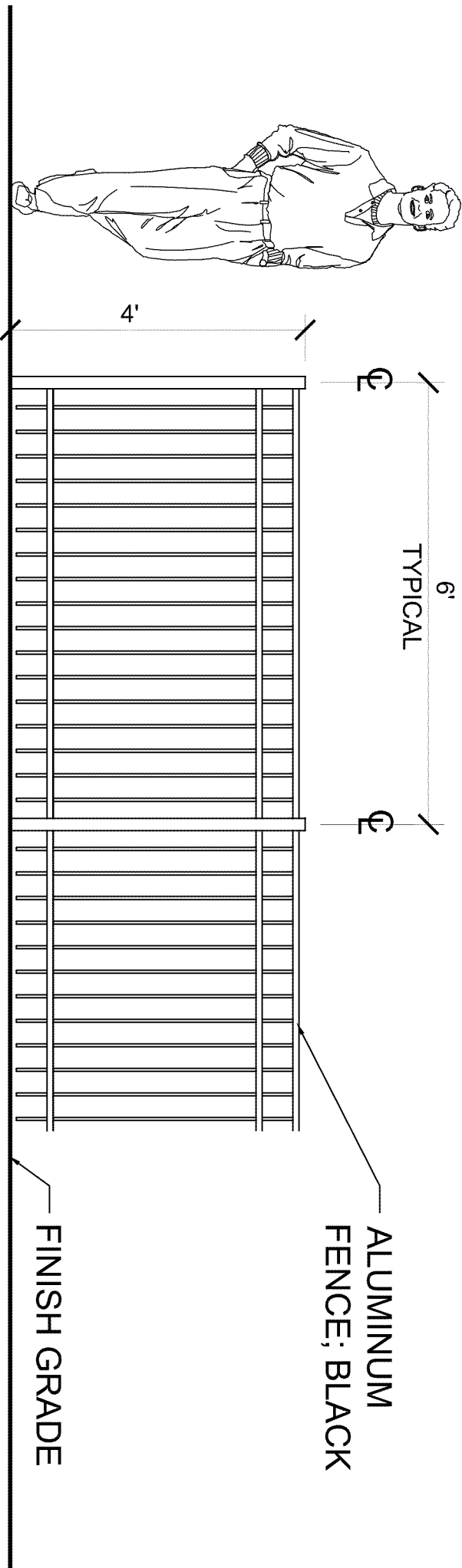
LKC Engineering, PLLC
140 Aqua Shed Court
Aberdeen, NC 28315
O: 910.420.1437
F: 910.637.0096
lkceengineering.com
License No. P-1095

PRELIMINARY — DO NOT USE FOR CONSTRUCTION

5

ALUMINUM FENCE DETAIL

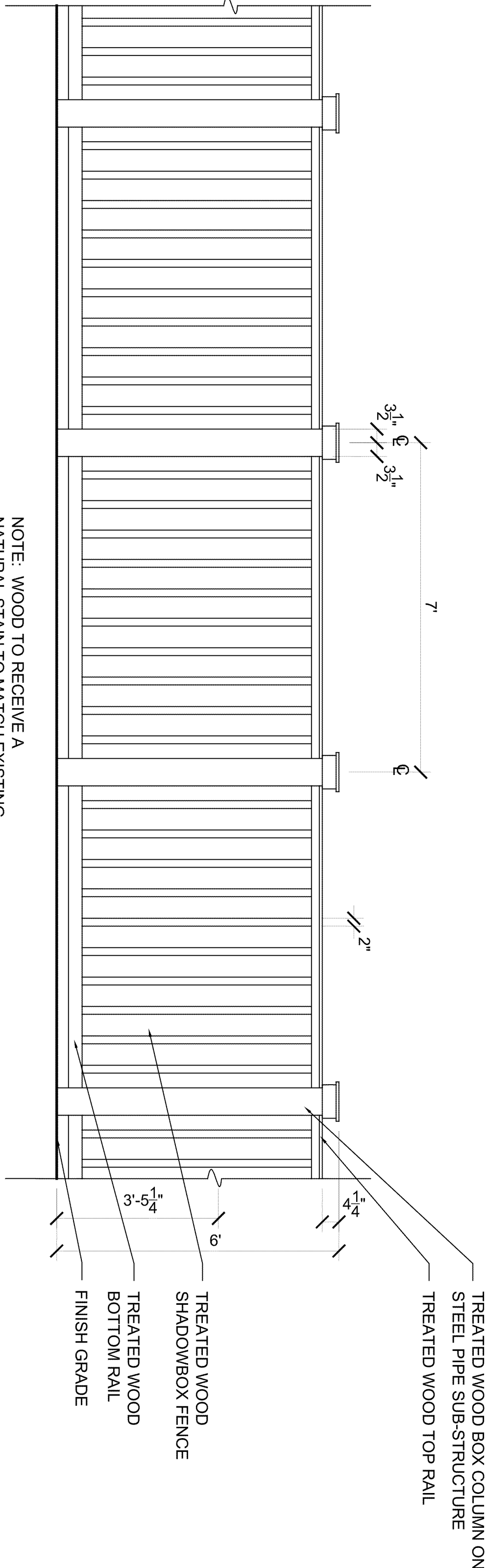
SCALE: 1/2" = 1'-0"



C6.2

SCALE: 1/2" = 1'-0"

NOTE: WOOD TO RECEIVE A NATURAL STAIN TO MATCH EXISTING HOUSE

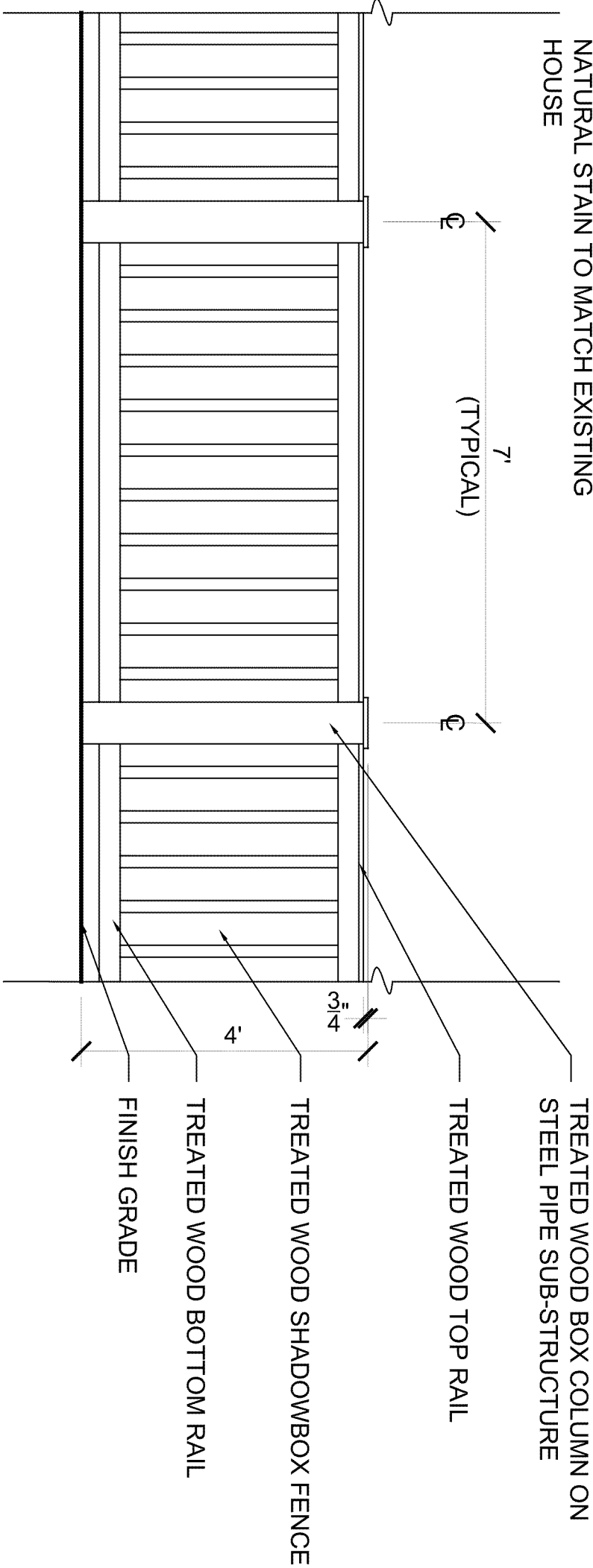


1

6' SHADOWBOX FENCE DETAIL

SCALE: 1/2" = 1'-0"

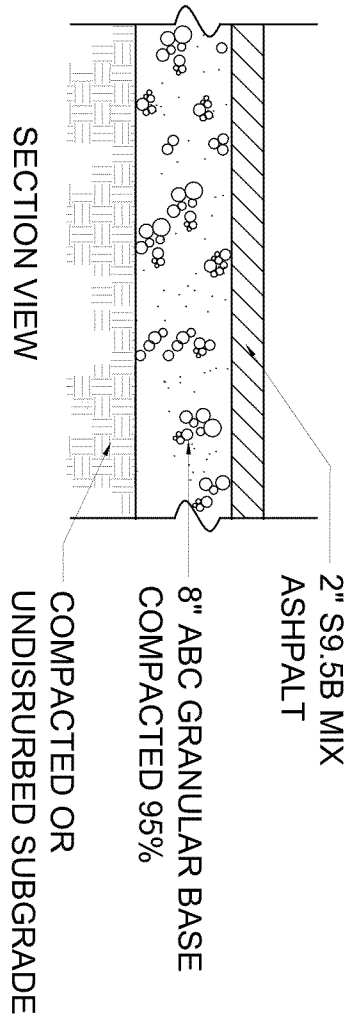
NOTE: WOOD TO RECEIVE A NATURAL STAIN TO MATCH EXISTING HOUSE



6

HEAVY DUTY ASPHALT DETAIL

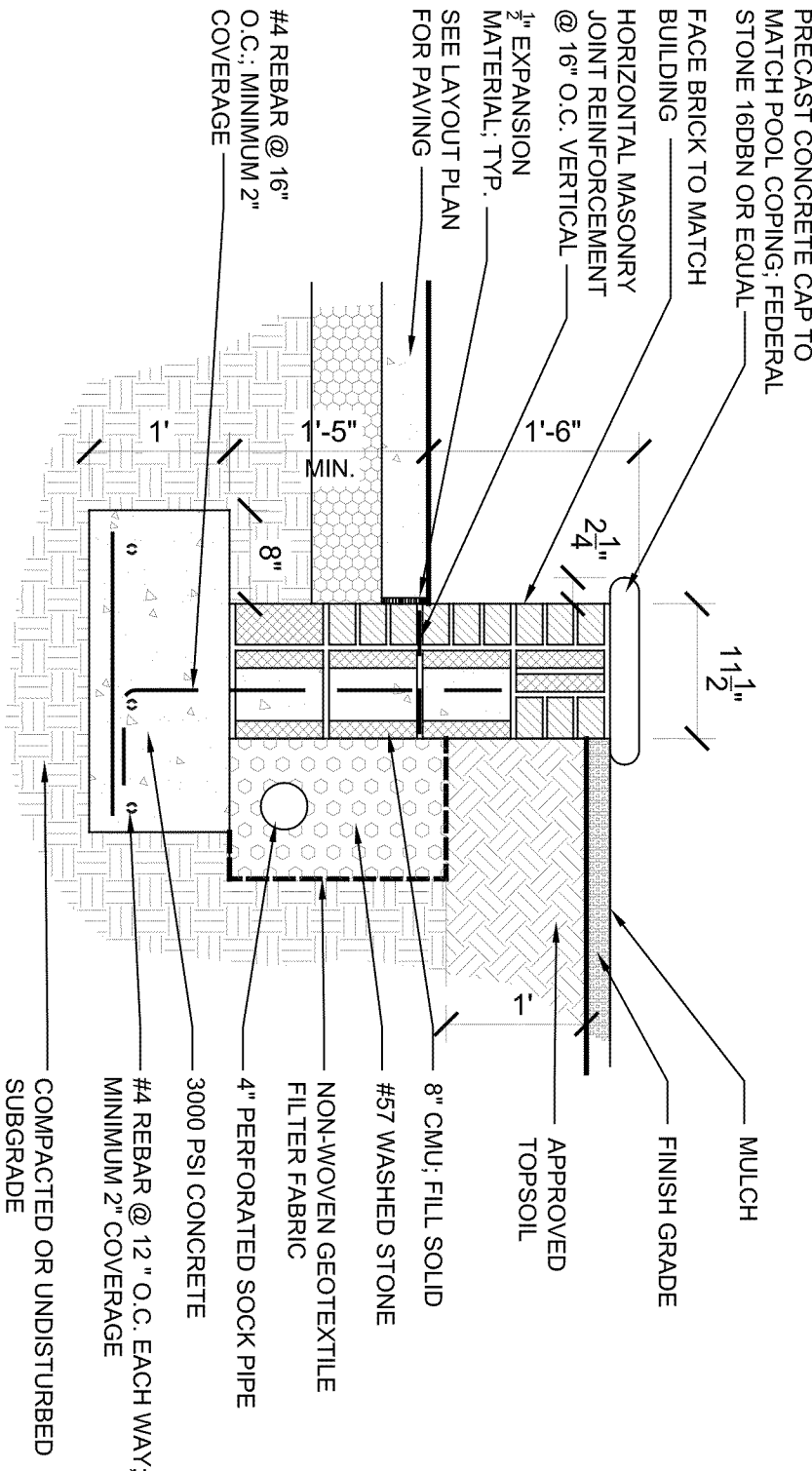
NTS



2

4' SHADOWBOX FENCE DETAIL

SCALE: 1/2" = 1'-0"



3

RETAINING WALL DETAIL

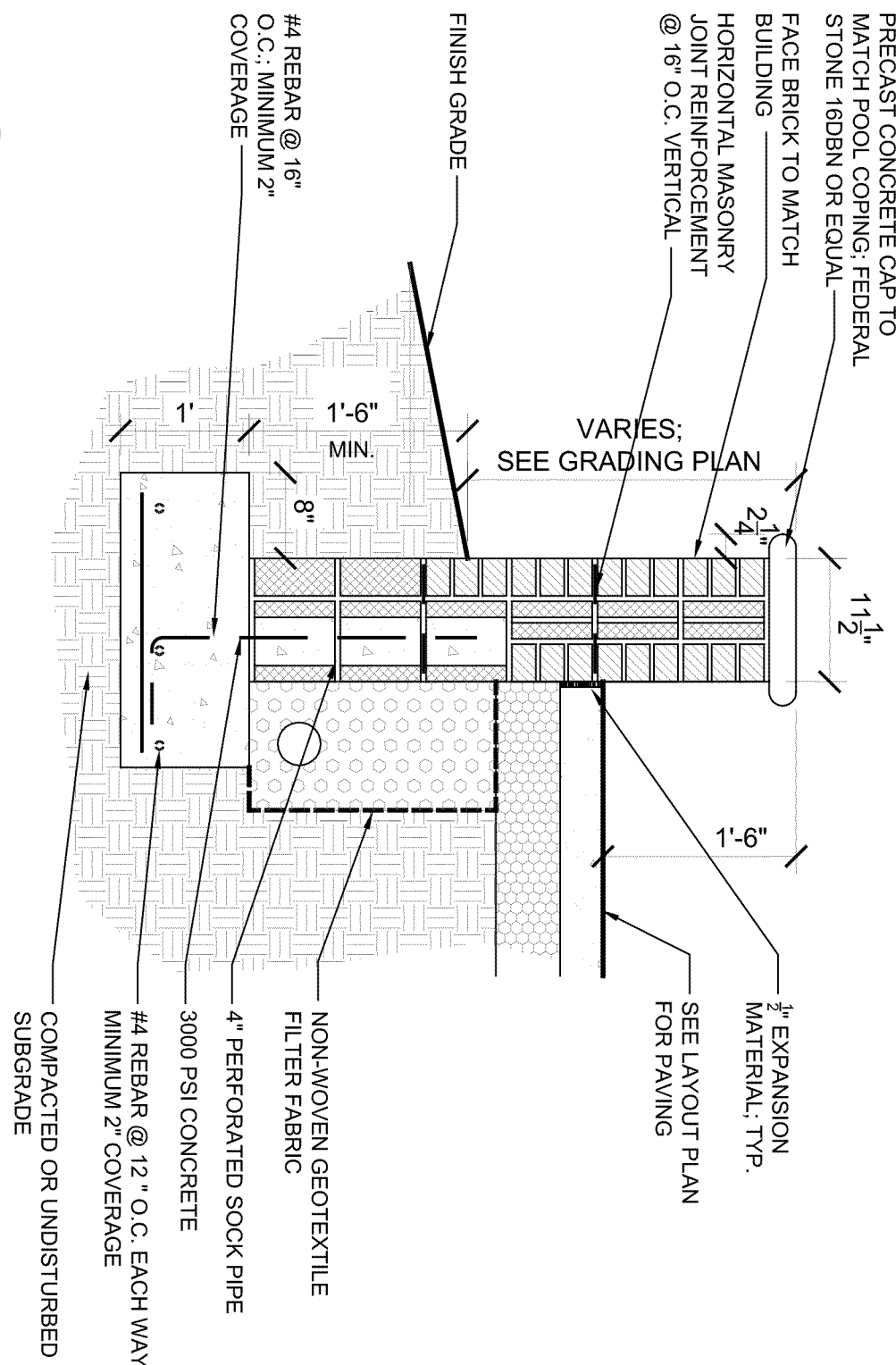
SCALE: 3/4" = 1'-0"



4

SEAT WALL DETAIL

SCALE: 3/4" = 1'-0"



Village of Pinehurst
Construction Plan Approval

All Construction Methods and Materials shall be in accordance with the Village of Pinehurst, Moore County Public Utilities, and NCDOT Standards and Specifications. The Village of Pinehurst reserves the right to amend the more stringent shall govern unless a written waiver is issued by the Village Engineer. Utility installations and other Public Facilities, including streets, sidewalks, and handicap ramps, have been approved by the Village of Pinehurst and shall be so installed unless a change is authorized by prior written approval. Public Sanitary Sewer and Utility Easements shall be recorded prior to the final acceptance and/or issuance of a Certificate of Occupancy by the Village.

Plan Approval Number: _____

Engineering Department: _____

Fire Department: _____

Planning Department: _____

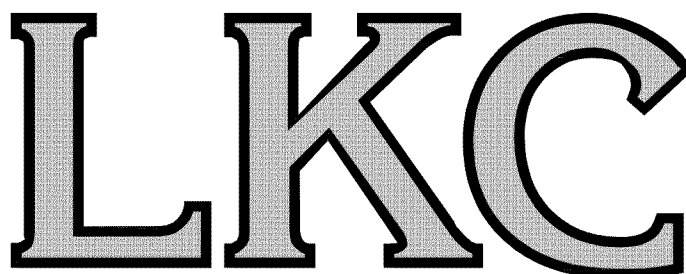
Moore Co. Public Utilities: _____

INFRASTRUCTURE INSPECTION NOTICE TO CONTRACTOR

This is to advise you that the Village of Pinehurst is now requiring a **minimum** of Forty-eight (48) hours of notice when requesting an Engineering Inspection. Inspection requests may be made by calling the Engineering Department at 295-1900. Items requiring an Engineering Inspection include, but are not limited to:

1. Subgrade inspection/proof rolling (streets, sidewalks, firelanes, etc.)
 2. Density tests from an approved geotechnical engineering firm may be required/accepted by the Village.
 3. Placement and compaction of pavement materials including concrete and asphalt surface courses. Includes stringlines/grade control, paving & rolling operations, material inspections.
 4. Installation of water and sewer mains and services including pressure testing, pipe laying, excavation to water mains, lateral installation, NO TIE connections, etc. The Village of Pinehurst reserves the right to require the Contractor shall also contact Moore County Public Utilities Department Engineering Division at 947-6315 to schedule utility inspections as required by MCPUD.
 5. Installation of formwork and placement of concrete (sidewalks, curb & gutter, etc.) within the public right of way.
 6. Installation of storm drainage systems (pipes, trenches, catch basins, frames/grates, outlet protection, etc.)
- Failure to schedule the required inspections shall be grounds for rejection of all work not inspected and issuance of a stop-work order until the project is in compliance.**

Site Details



Engineering
Landscape Architecture
Planning

Pinehurst Resort and Country Club
Members Club Pool

Pinehurst, North Carolina

DATE: October 30, 2014
DESIGNED: -
DRAWN: PMHJ
CHECKED: -
NO. C6.2

REVISIONS			
SYM.	DESCRIPTION	DATE	BY



LEGEND

- PROPERTY LINE
- EXISTING TREE
- EXISTING ROW TREE
- PROPOSED ENCLOSED BUILDING
- PROPOSED FENCE
- PROPOSED CONCRETE VERTICAL CURB
- PROPOSED BRICK CURB
- PROPOSED BRICK PAVING
- CENTERLINE
- PROPOSED FIRE LANE (HEAVY DUTY ASPHALT)

GENERAL SITE PLAN & LAYOUT NOTES:

- Site survey and topographic information provided by Benny Brown, Professional Surveyor, West End, NC.
- Owner to provide service for adequate electrical and water connection needs.
- The contractor shall determine the exact location of all existing utilities prior to installation.
- Construction of this project may be subject to local building codes. No work should begin before local requirements are researched and satisfied. This shall include the need to obtain a site work permit, if required.
- Final all conditions. Report any discrepancies immediately to LKC Engineering, LLC (910.420.1437).
- No materials or equipment shall be stored within the drip line of any tree. Trees and existing landscaping not designated for removal shall be protected. **The existing landscape easement shall be protected at all times.**
- Coordinate installation of all sleeves necessary for all underground services (electrical, irrigation, etc.).
- Install all paving as indicated on plan and details.
- Install plants as indicated on planting plan.
- Contractor shall be responsible for scheduling and coordination of all illustrated construction activities on the job site. Coordinate all work with Owner, Architect, and LKC Engineering.
- Contractor shall protect all adjacent properties, the general public, and all the Owner's facilities. Should damage occur, Contractor shall repair immediately as directed by the Owner representative. All new travel lanes shall be constructed of 8" stone/2" asphalt; see detail 6/C6.2.

INFRASTRUCTURE INSPECTION NOTICE TO CONTRACTOR

This is to advise you that the Village of Pinehurst is now requiring a **minimum** of Forty-eight (48) hours of notice when requesting an Engineering Inspection. Inspection requests may be made by calling the Engineering Department at 295-1900. *Items requiring an Engineering Inspection include, but are not limited to:*

- Subgrade inspection/proof rolling (streets, sidewalks, firelanes, etc.)
- Density tests from an approved geotechnical engineering firm may be required.
- Placement and inspection of base course materials including proof-rolling. Density tests from a Village-approved geotechnical engineering firm may be required/accepted by the Village.
- Placement and compaction of pavement materials including concrete and asphalt surface courses. Includes stringlines/grade control, paving & rolling operations, material inspections, and inspection of subgrade and services including pressure testing, pipe laying, chlorination of water mains, bacterial testing, manhole pulls, etc. necessary to meet the Village's Utility Ordinances, N.C.I.E. The Contractor shall also contact Moore County Public Utilities Department Engineering Division at 947-6315 to schedule utility inspections as required by MCPUD.
- Installation of formwork and placement of concrete (sidewalks, curb & gutter, etc.) within the public right of way.
- Installation of storm drainage systems (pipes, trenches, catch basins, manholes, grates, outlet protection, etc.)

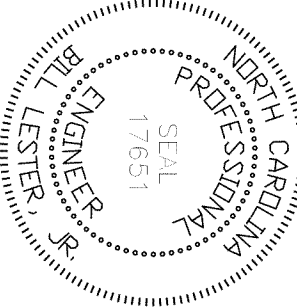
Failure to schedule the required inspections shall be grounds for rejection of all work not inspected and issuance of a stop-work order until the project is in compliance.

Village of Pinehurst
Construction Plan Approval

All Construction Methods and Materials shall be in accordance with the Village of Pinehurst, Moore County Public Utilities, and NCODOT Standards and Specifications. The Village of Pinehurst reserves the right to move any or all construction materials, methods, or materials to a more appropriate location or to a different material, method, or material, at the discretion of the Village Engineer. Utility installations and other Public Facilities, including streets, sidewalks, and handicap ramps, have been approved by the Village of Pinehurst and shall be so installed unless a change is authorized by prior written approval. Public Sanitary Sewer and Utility Easements shall be recorded prior to the final acceptance and/or issuance of a Certificate of Occupancy by the Village.

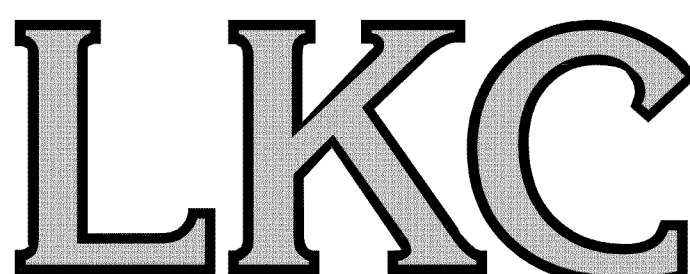
Plan Approval Number _____
Engineering _____
Fire Department _____
Planning _____
Moore Co. Public Utilities _____

PRELIMINARY — DO NOT USE FOR CONSTRUCTION



LKC Engineering, pllc
140 Aqua Shed Court
Aberdeen, NC 28315
O: 910.420.1437
F: 910.637.0096
lkceengineering.com
License No. P-1095

Engineering
Landscape Architecture
Planning



Layout Plan

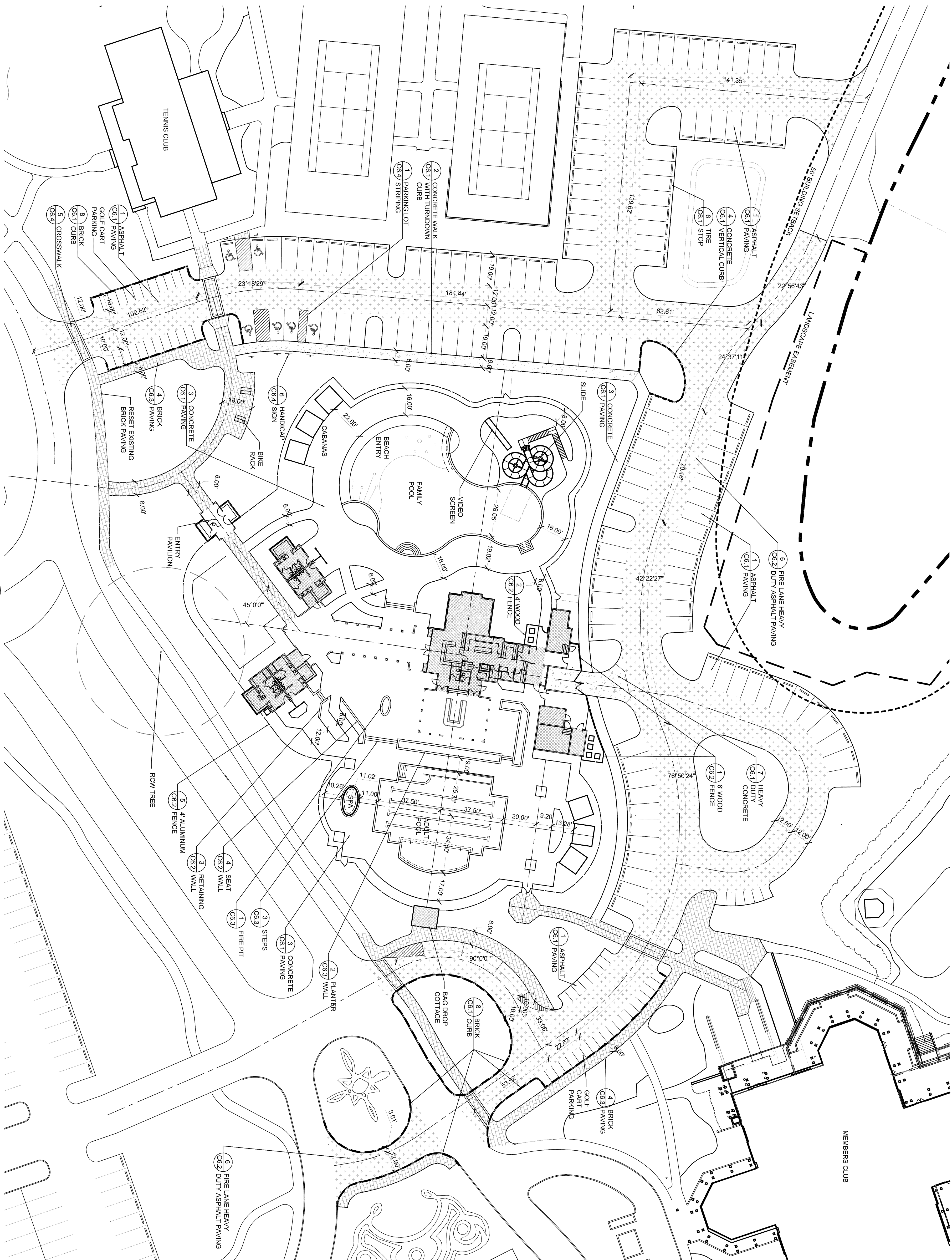
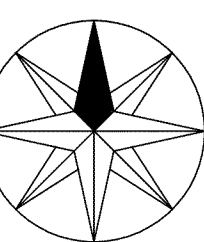
Pinehurst Resort and Country Club
Members Club Pool

Pinehurst, North Carolina

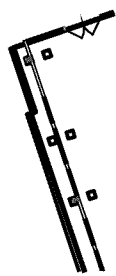
LAYOUT PLAN

1
C4.1

SCALE: 1"=30'-0"



REVISIONS			
SYM.	DESCRIPTION	DATE	BY



LEGEND

- PROPERTY LINE
- EXISTING TREE
- EXISTING ROW TREE
- PROPOSED ENCLOSED BUILDING
- 1/2"-3/4" DEC PENNSYLVANIA RIVER/JACK PEA GRAVEL (GRAY) OVER APPROVED GROUND COVER FABRIC
- PROPOSED LONGLEAF PINE
- PROPOSED LAUREL OAK
- PROPOSED DOGWOOD
- PROPOSED MAGNOLIA
- PROPOSED GREEN GIANT ARBORVITAE
- PROPOSED FENCE

NOTES:

- SEE SHEET L1.3 FOR PLANTING NOTES.
- SEE SHEET L1.4 FOR PLANT SCHEDULE.
- SEE SHEET L1.3 FOR REQUIRED PLANTING CALCULATIONS.
- SEE SITE DETAIL SHEETS FOR PLANTING DETAILS.

INFRASTRUCTURE INSPECTION NOTICE TO CONTRACTOR

This is to advise you that the Village of Pinehurst is now requiring a minimum of Forty-eight (48) hours of notice when requesting an Engineering Inspection. Inspection requests may be made by calling the Engineering Department at 252-5100. *Items requiring an Engineering Inspection include, but are not limited to:*

- Subgrade inspection/proof rolling (streets, sidewalks, firelanes, etc.)
- Density tests from an approved geotechnical engineering firm may be required.
- Placement and inspection of base course materials including proof-rolling. Density tests from a Village approved geotechnical engineering firm may be required/accepted by the Village.
- Placement and compaction of pavement materials including concrete and asphalt surface courses. Includes stringline/grade control, paving & rolling operations, material inspections.
- Installation of storm drainage systems including pressure testing, pipe laying, chlorination of water mains, bacterial testing, manhole pulls, etc. necessary to meet the Village's Utility Ordinances. NOTE: The Contractor shall also contact Moore County Public Utilities Department Engineering Division at 947-6315 to schedule utility inspections as required by MCPUD.
- Installation of formwork and placement of concrete (sidewalks, curb & gutter, etc.) within the public right of way.
- Installation of storm drainage systems (pipes, trenches, catch basins, frames/grates, outlet protection, etc.)

Failure to schedule the required inspections shall be grounds for rejection of all work not inspected and issuance of a stop-work order until the project is in compliance.

Village of Pinehurst
Construction Plan Approval

All Construction Methods and Materials shall be in accordance with the Village of Pinehurst, Moore County Public Utilities, and MCPUD Standards and Specifications. The Village of Pinehurst reserves the right to require the Village Engineer, Utility installations and other Public Facilities, including streets, sidewalks, and handicap ramps, have been approved by the Village of Pinehurst and shall be so installed unless a change is authorized by prior written approval. Public Sanitary Sewer and Utility Easements shall be recorded prior to the final acceptance and/or issuance of a Certificate of Occupancy by the Village.

Plan Approval Number: _____

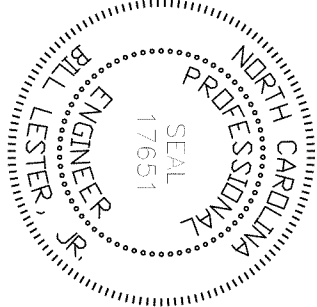
Engineering: _____

Fire Department: _____

Planning: _____

Moore Co. Public Utilities: _____

PRELIMINARY — DO NOT USE FOR CONSTRUCTION



LKC Engineering, pllc
140 Aqua Shed Court
Aberdeen, NC 28315
O: 910.420.1437
F: 910.637.0096
lkceengineering.com
License No. P-1095

Engineering
Landscape Architecture
Planning

LKC

Overall Planting Plan

Pinehurst Resort and Country Club
Members Club Pool

Pinehurst, North Carolina

DATE: October 30, 2014

DESIGNED: KSH

DRAWN: PMHJ

CHECKED: -

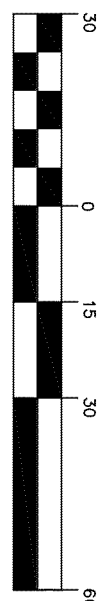
NO.

L1.1

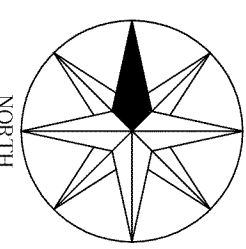
OVERALL PLANTING PLAN

L1.1

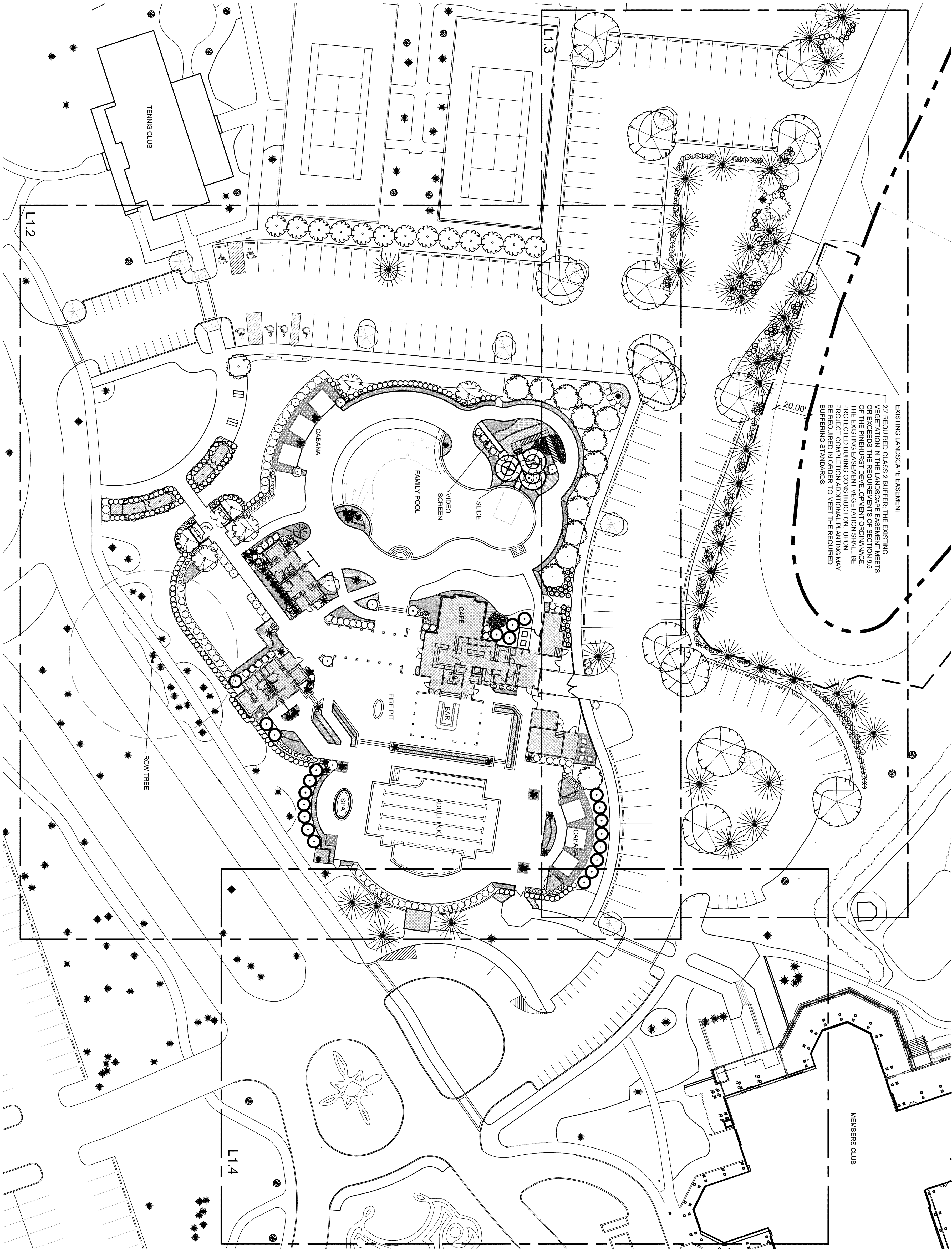
SCALE: 1"=30'-0"



SCALE: 1"=30'-0"



NORTH



REVISIONS			
SYM.	DESCRIPTION	DATE	BY

LEGEND



PROPERTY LINE



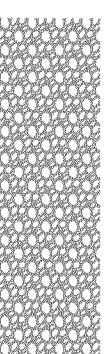
EXISTING TREE



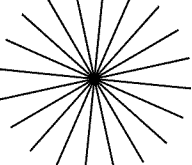
EXISTING ROW TREE



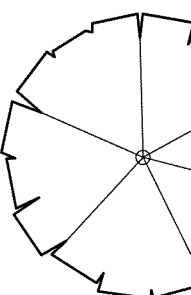
PROPOSED ENCLOSED BUILDING



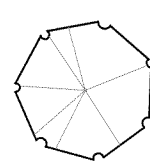
1/2\"



PROPOSED LONGLEAF PINE



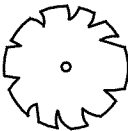
PROPOSED LAUREL OAK



PROPOSED DOGWOOD



PROPOSED MAGNOLIA

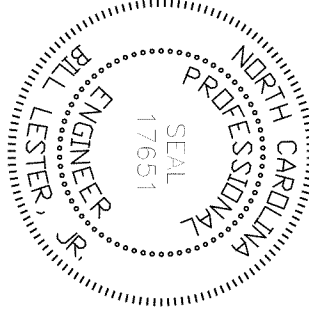


PROPOSED GREEN GIANT ARBORVITAE



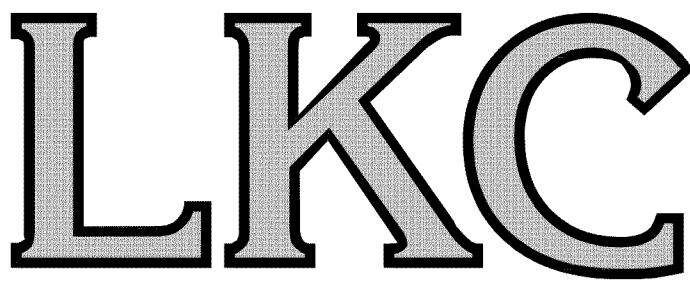
PROPOSED FENCE

PRELIMINARY — DO NOT USE FOR CONSTRUCTION



LKC Engineering, pllc
140 Aqua Shed Court
Aberdeen, NC 28315
O: 910.420.1437
F: 910.637.0096
lkceengineering.com
License No. P-1095

Engineering
Landscape Architecture
Planning



Enlarged Planting Plan 1

Pinehurst Resort and Country Club
Members Club Pool

Pinehurst, North Carolina

INFRASTRUCTURE INSPECTION NOTICE TO CONTRACTOR

This is to advise you that the Village of Pinehurst is now requiring a minimum of Forty-eight (48) hours of notice when requesting an Engineering Inspection. Inspection requests may be made by calling the Engineering Department at 295-1900. *Items requiring an Engineering Inspection include, but are not limited to:*

1. Subgrade inspection/proof rolling (streets, sidewalks, firelanes, etc.)
2. Density tests from an approved geotechnical engineering firm may be required
3. Placement and inspection of base course materials including proof-rolling. Density tests from a Village approved geotechnical engineering firm may be required/accepted by the Village.
4. Placement and compaction of pavement materials including concrete and asphalt surface courses. Includes stringlines/grade control, paving & rolling operations, material inspections, and services including pressure testing, pipe laying, chlorination of water mains, bacterial testing, manhole pulls, etc. necessary to meet the Village's Utility ordinances. NOTE: The Contractor shall also contact Moore County Public Utilities Department Engineering Division at 947-6315 to schedule utility inspections as required by MCPUD
5. Installation of formwork and placement of concrete (sidewalks, curb & gutter, etc.) within the public right of way.
6. Installation of storm drainage systems (pipes, trenches, catch basins, manholes, etc.)

Failure to schedule the required inspections shall be grounds for rejection of all work not inspected and issuance of a stop-work order until the project is in compliance.

Village of Pinehurst
Construction Plan Approval

All Construction Methods and Materials shall be in accordance with the Village of Pinehurst, Moore County Public Utilities, and NCDDOT Standards and Specifications. The Village of Pinehurst reserves the right to enforce a more stringent shall govern unless a written waiver is issued by the Village Engineer. Utility installations and other Public Facilities, including streets, sidewalks, and handicap ramps, have been approved by the Village of Pinehurst and shall be so installed unless a change is authorized by prior written approval. Public Sanitary Sewer and Utility Easements shall be recorded prior to the final acceptance and/or issuance of a Certificate of Occupancy by the Village.

Plan Approval Number _____

Engineering _____

Fire Department _____

Drawn: PMHJ

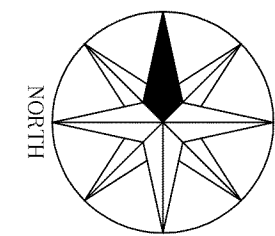
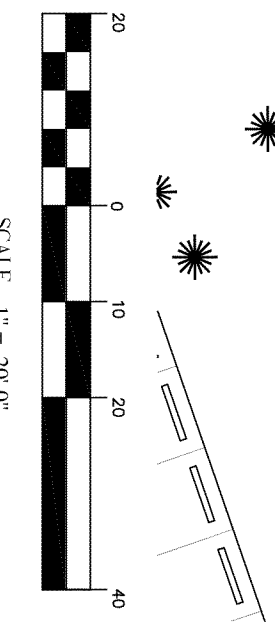
Checked: _____

Moore Co. Public Utilities _____



1
ENLARGED PLANTING PLAN 1

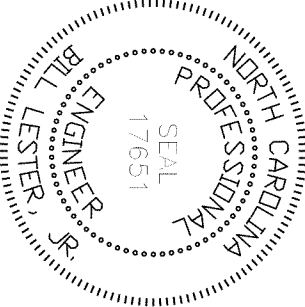
SCALE: 1" = 20'-0"



DATE: October 30, 2014
DESIGNED: KSH
DRAWN: PMHJ
CHECKED: _____
NO.

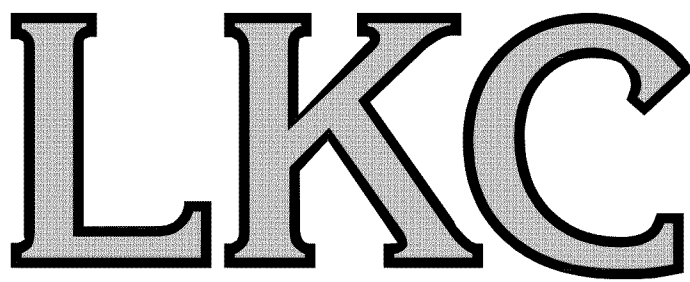
L1.2

REVISIONS			
SYM.	DESCRIPTION	DATE	BY



LKC Engineering, pllc
140 Aqua Shed Court
Aberdeen, NC 28315
O: 910.420.1437
F: 910.637.0096
lkceengineering.com
License No. P-1095

Engineering
Landscape Architecture
Planning

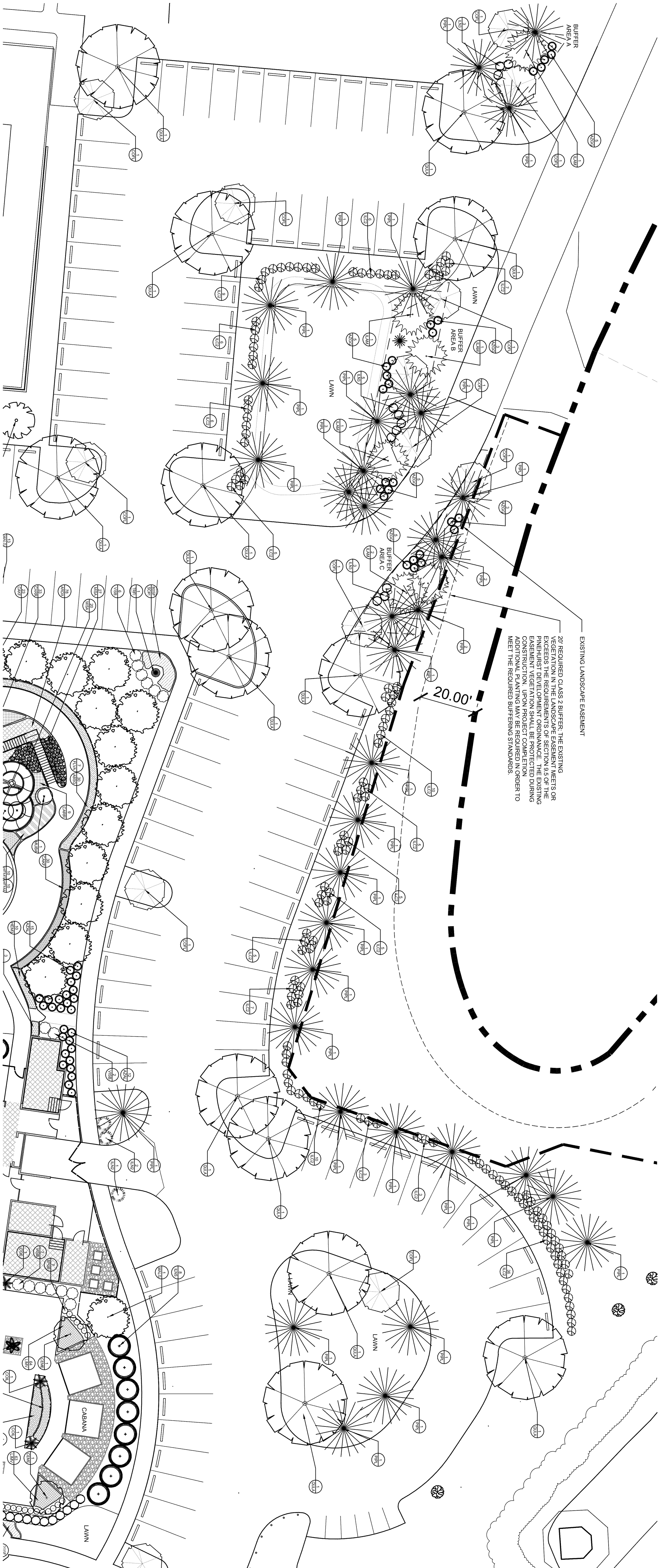


Enlarged Planting Plan 2

Pinehurst Resort and Country Club
Members Club Pool

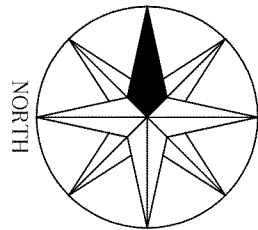
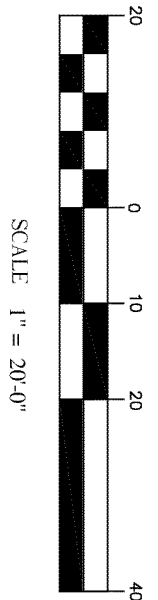
Pinehurst, North Carolina

PRELIMINARY — DO NOT USE FOR CONSTRUCTION



1 ENLARGED PLANTING PLAN 2

L1.3 SCALE: 1" = 20'-0"



LEGEND

- PROPERTY LINE
- EXISTING TREE
- EXISTING ROW TREE
- PROPOSED LAUREL OAK
- PROPOSED DOGWOOD
- PROPOSED MAGNOLIA
- PROPOSED GREEN GIANT ARBOVITAE
- PROPOSED LONGLEAF PINE
- PROPOSED ENCLOSED BUILDING
- 1/2"-3/4" DEC PENNSYLVANIA RIVERJACK PEA GRAVEL (GRAY) OVER APPROVED GROUND COVER FABRIC

PLANTING NOTES:

- Base information provided by Benny L. Brown, Professional Surveyor, West End, NC.
- All areas to be sodded shall receive 4" lean soil or approved existing soil.
- All shrub bed and groundcover areas shall receive 12" lean soil or approved amended soil.
- Locate all utilities prior to beginning planting and irrigation work. Report any conflicts immediately to LKC Engineering.
- Field verify all conditions. Report any discrepancies to LKC Engineering prior to beginning work.
- Plant locations are approximate. All utilities to be located prior to installation of plants. Field staking should be done to avoid underground utilities.
- Provide continuous pine straw mulch (3" thick) in all shrub and tree areas and at the base of specimen trees in a 3' minimum diameter, unless otherwise noted.
- Provide continuous pine bark mulch (medium grade) in all bedding, annual, perennial, and groundcover areas, unless otherwise noted.
- Any rows or groups of more than one shrub, or tree shall be mulched together, not as individual.
- Sizes of plant material given are to be considered minimum.
- No substitutions for plant material are acceptable unless approved by the LKC Engineering.
- Provide sod in all disturbed areas not covered by designated plantings to match existing lawn.
- See detail sheets for planting details.
- Plants to be inspected or approved by LKC Engineering prior to acceptance and installation. LKC Engineering to approve plant staking and/or layout locations prior to planting.
- All b&b plants to be summer dug/conditioned.
- Annuals and perennials to be contract grown to ensure availability.
- Provide 1/2"-3/4" DEC Pennsylvania Riverjack pea gravel (gray), minimum 2" depth, over approved ground cover fabric where specified.

Required Planting Calculations

Required	Provided
Parking - Required Perimeter Planting: 380 lf	18
Property line adjacent to project: 18	120
Required Longleaf Pines: 120	120
Required Shrubs: 120	120
Parking - Required Within Parking: 61,408 sf	Area Credit
Parking Lot Area: 61,441 sf	
Area within to be Landscaped: 20	5,000 sf
Required Large Trees (x 250 sf): 12	1,250 sf
Required Small Trees (x 125 sf): 12	1,250 sf
Total Area Credit Provided: 6,250 sf	

Additional Buffer Planting Calculations

Required	Provided
Longleaf Pines @ 1/200sf: 3	7 (1 existing)
Underspray Trees @ 2500sf: 8	19
Shrubs @ 1/125f: 8	11
Total	15
	13
	37

INFRASTRUCTURE INSPECTION NOTICE TO CONTRACTOR

This is to advise you that the Village of Pinehurst is now requiring a minimum of Forty-eight (48) hours of notice when requesting an Engineering Inspection. Inspection requests may be made by calling the Engineering Department at 295-1900. Items requiring an Engineering Inspection include, but are not limited to:

- Subgrade inspection/proof rolling (streets, sidewalks, firelanes, etc.)
- Density tests from an approved geotechnical engineering firm may be required.
- Placement and inspection of base course materials including proof-rolling, be required/accepted by the Village.
- Placement and compaction of pavement materials including concrete and asphalt surface courses. Includes stringlines/grade control, paving & final surface inspection.
- Final inspection and acceptance of all work and services including pressure testing, pipe laying, chlorination of water mains, bacterial testing, manifold pulls, etc. necessary to meet the Village's Utility ordinances. NOTE: The Contractor shall also contact Moore County Public Utilities Department Engineering Division at 947-6315 to schedule utility inspections as required by MCPUD.
- Installation of stormwater and placement of concrete (sidewalks, curb & gutter, etc.) within the public right of way.
- Installation of storm drainage systems (pipes, trenches, catch basins, manholes/grates, outlet protection, etc.)

Failure to schedule the required inspections shall be grounds for rejection of all work not inspected and issuance of a stop-work order until the project is in compliance.

Village of Pinehurst Construction Plan Approval	
All Construction Methods and Materials shall be in accordance with the Village of Pinehurst, Moore County Public Utilities, and NCDDOT Standards and Specifications. In the event of a conflict between standards, the more stringent shall govern unless a written waiver is issued by the Village Engineer. Utility installations and other Public Facilities, including streets, sidewalks, and handicap ramps, have been approved by the Village of Pinehurst and shall be so installed unless a change is authorized by prior written approval. Public Sanitary Sewer and Utility Easements shall be recorded prior to the final acceptance and/or issuance of a Certificate of Occupancy by the Village.	
Plan Approval Number	_____
Engineering	_____
Fire Department	_____
Planning	_____
Moore Co. Public Utilities	_____

L1.3

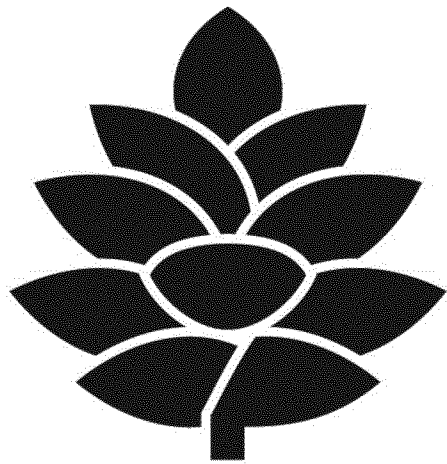
Village of Pinehurst, North Carolina
Comprehensive Annual Financial Report



For the Fiscal Year Ended
June 30, 2014

Prepared by
Financial Services Department

John G. Frye
Director of Financial Services



Village of Pinehurst, North Carolina
Comprehensive Annual Financial Report – Table of Contents
For the Fiscal Year Ended June 30, 2014

	Exhibit No. <u>Schedule No.</u>	Page No.
INTRODUCTORY SECTION		
Letter of Transmittal	-	i-iii
Certificate of Achievement	-	iv
Organizational Chart	-	v
List of Principal Officials	-	vi
FINANCIAL SECTION		
Independent Auditors' Report.....	-	1-3
Management's Discussion and Analysis.....	-	4-15
Basic Financial Statements:		
Government Wide Financial Statements		
Statement of Net Position	1	16
Statement of Activities	2	17
Fund Financial Statements		
Balance Sheet – Governmental Funds.....	3	18
Statement of Revenues, Expenditures and Changes In Fund Balances – Governmental Funds.....	4	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Annual Budget and Actual – General Fund	6	21
Notes to the Financial Statements	-	22-43
Required Supplementary Information:		
Law Enforcement Officers' Special Separation Allowance Required Supplementary Information - Schedule of Funding Progress ...	A-1	44
Law Enforcement Officers' Special Separation Allowance Required Supplementary Information - Schedule of Employer Contributions	A-2	45
General Fund:		
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General Fund	B-1	46-49
Non-Major Governmental Funds:		
Combining Balance Sheet – Non-Major Governmental Funds.....	C-1	50
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances – Non-Major Governmental Funds	C-2	51-52
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual –Land Dedication	C-3	53
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Residential Assurance Interest ...	C-4	54

Village of Pinehurst, North Carolina
Comprehensive Annual Financial Report – Table of Contents
For the Fiscal Year Ended June 30, 2014

	Exhibit No. <u>Schedule No.</u>	<u>Page No.</u>
Non-Major Governmental Funds (Continued):		
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Jackson Hamlet CDBG-III	C-5	55
Fiduciary Funds:		
Statement of Changes in Assets and Liabilities.....	D-1	56
Capital Assets Used in the Operation of Governmental Funds:		
Schedule by Source	E-1	57
Schedule by Function and Activity	E-2	58
Schedule of Changes by Function and Activity	E-3	59
ADDITIONAL FINANCIAL DATA		
Schedule of Ad Valorem Taxes Receivable – General Fund.....	F-1	60
Analysis of Current Tax Levy – General Fund	F-2	61
Schedule of Transfers	F-3	62
STATISTICAL SECTION		
Government-Wide Information:		
Net Position by Component	1	63-64
Changes in Net Position	2	65-66
Fund Information:		
Fund Balances – Governmental Funds by Year	3	67-68
Changes in Fund Balances – Governmental Funds by Year	4	69-70
Assessed Value and Estimated Actual Value of Taxable Property	5	71
Direct and all Overlapping Property Tax Rates	6	72
Principal Property Tax Payers	7	73
Property Tax Levies and Collections	8	74
Ratios of Outstanding Debt by Type.....	9	75
Direct and Overlapping Governmental Activities Debt	10	76
Legal Debt Margin Information.....	11	77
Demographic and Economic Statistics	12	78
Principal Employers	13	79
Full-Time Equivalent Employees by Function.....	14	80
Operating Indicators by Function	15	81-82
Capital Asset Statistics by Function.....	16	83-84
COMPLIANCE SECTION		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	-	85-86
Schedule of Expenditures of Federal and State Awards	-	87



HISTORY, CHARM, AND SOUTHERN HOSPITALITY_____

September 25, 2014

Dear Mayor, Members of the Village Council, and Citizens:

The Comprehensive Annual Financial Report of the Village of Pinehurst, North Carolina is submitted for your review and use. This report was prepared by the Village's Financial Services Department, and it is the comprehensive publication of the Village's financial position and results of operations as of and for the fiscal year ended June 30, 2014. The Village, like all other local governments in the State, is required by state law to publish a complete set of financial statements within four months of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended June 30, 2014, and to provide further accountability to citizens and other interested parties by providing a more comprehensive report in lieu of the minimum basic financial statement requirements.

As a comprehensive annual financial report this document provides financial detail and historical trends beyond the basic financial statements in the Financial Section. The Supplementary Information provides details on the Village's pension plans. The Statistical Section provides trend information on financial performance, revenue capacity, debt capacity, demographic and economic indicators, and operating information. A Compliance Section includes documentation on federal and state grants and awards compliance.

Village management is responsible for both the accuracy of the data and the completeness and fairness of the report. To ensure reliability of the information Village management has established a comprehensive framework of internal controls. Internal controls protect the Village's assets from loss, theft and misuse and provide reliable information for the preparation of this report. Because the cost of internal controls should not outweigh their benefits, the Village's controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, to the best of our knowledge and belief, this financial report is complete, accurate and reliable in all material respects.

As noted earlier, the Village is required by state law to have an annual independent financial audit. Dixon Hughes Goodman, LLP, Certified Public Accountants, conducted the audit and concluded in an unmodified ("clean") opinion that the financial statements present fairly in conformity with GAAP, in all material respects, the financial position and changes in financial position for the Village of Pinehurst, North Carolina, as of June 30, 2014. The independent auditors' report on the basic financial statements is located at the beginning of the financial section of this report.

Management's discussion and analysis of the basic financial statements (MD&A) immediately follows the independent auditors' report and provides a prescribed narrative introduction, overview, and analysis of the basic financial statements. The MD&A is designed to complement this letter of transmittal and should be read in conjunction with it.

Profile of the Village

"The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions, enhanced by a unique combination of cultural arts and recreational activities." This is the vision statement adopted by the Village Council in 2012. Our mission is to preserve and enhance the community's character and ambiance by guiding growth, managing change, and providing services in a financially responsible manner. The Village was

incorporated in 1980, and is located in the Sandhills Region of North Carolina. The Village has a land area of approximately 17 square miles, and an estimated population of 15,150. Pinehurst is the largest of eleven municipalities in Moore County. The Village is empowered to levy a property tax on both real estate and personal properties located within its boundaries. It also is empowered by state statute, on a limited basis, to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing board.

The Village has operated under the Council-Manager form of government since its incorporation in 1980. Policy making and legislative authority are vested in the Village Council consisting of the mayor and four other members. The Village Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the Village's manager and attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Council, for overseeing the day-to-day operations of the Village, and for appointing the heads of the various departments. Four members of the Village Council and the Mayor are elected to four year staggered terms. The Council then selects the Mayor Pro-tem and Treasurer from within the Council membership.

The Village provides a full range of services, including police and fire protection; the maintenance of streets and other infrastructure; planning and building inspections; solid waste services; and recreational activities.

The Pinehurst Village Council is required to adopt a budget by July 1 of each year. The Village's budget ordinance creates a legal limit on spending authorizations, and serves as the foundation for Pinehurst's financial planning and control. The budget is prepared by fund and department. The Village Manager is authorized by the budget ordinance to make certain limited transfers within funds to facilitate budget execution consistent with Council intent.

Local Economy

The Village of Pinehurst, like other municipalities, continues to recover from the Great Recession of 2008. The Village is primarily a residential community with a historically strong growth rate in residential development. At the height of the housing market, from 2000 to 2007, approximately 250 new homes were constructed each year within the Village. During the recession that followed, the number of new homes constructed fell to a historical low of 51 new homes in 2010. In 2014, 101 new homes were constructed. This is the first time since 2008 that the number of new homes constructed has exceeded 100.

The tourism industry contributes significantly to the economic well-being of the Village. Moore County ranks eleventh out of one-hundred North Carolina counties in tourism, with an estimated \$374 million in annual tourism generated revenues. This is due primarily to the world-renowned reputation of Pinehurst Resort, which is owned by the privately held company Pinehurst, LLC. The resort's golf, hotel, and spa amenities draw tourists from all over the world as a result of its exceptional quality. Pinehurst Resort was selected to host the 1999 and 2005 U.S. Open Golf Championships. Also, in 2014 the Resort successfully hosted the first ever back to back U.S. Open and U.S. Women's Open Championships. This was the first time in history the tournaments were held at the same venue over two successive weeks. The resort is the Village's largest taxpayer and employs over 1,200 people.

The Village of Pinehurst can also claim a top-notch regional health facility, FirstHealth of the Carolinas. FirstHealth is a private, not-for-profit health care system based in Pinehurst which serves 15 counties. First Health is one of the County's largest employers, providing an employment base of over 3,400 health care professionals and staff. Their commitment to quality is evidenced by FirstHealth's flagship hospital, Moore Regional, being consistently named among the Top 100 Hospitals in the country.

Long-Term Financial Planning and Major Initiatives

The Village is committed to maintaining a strong financial position even in these challenging economic times. In 2012, the Village Council adopted a new Fund Balance policy which requires the Village to maintain a minimum unassigned General Fund balance of 15% of actual expenditures as reported in the Village's CAFR. In addition, when preparing the annual General Fund budget, the total appropriated fund balance should result in anticipated ending total fund balance in the range of 30%-40% of budgeted expenditures. At June 30, 2014 the General Fund's unassigned fund balance of \$4,317,496 represented 26% of General Fund actual expenditures and total fund balance was 42% of budgeted expenditures.

In Fiscal Year 2014 the Village adopted its first strategic operating plan (SOP) and continued with this model in FY 2015. This was done as a part of implementing the Malcolm Baldrige Performance Excellence Criteria and is

year budget and a five-year capital improvement plan (CIP). The strategic operating plan is a strategic, results-driven approach to resource allocation that is closely aligned with the Village Council's strategy and achieving the results articulated in the Village's balanced scorecard.

The Village Council's Areas of Focus for the 2015 Strategic Plan are: (1) Preserve the character and ambiance of the Village, (2) Promote economic opportunity, (3) Provide safe traffic and pedestrian mobility, and (4) Provide recreational and cultural opportunities.

Major initiatives of the FY 2015 Strategic Plan to address these Areas of Focus include:

- Evaluate the code enforcement process
- Incrementally expand the Village Center into the Village Place/Rattlesnake Trail corridor
- Extend sidewalk and walkway system
- Improve the adequacy of street lighting in neighborhoods
- Evaluate the need for indoor recreation facilities

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Pinehurst for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. This was the twenty-first consecutive year the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal years ended June 30, 2008 through 2014. This year, for the first time, the Village was also awarded special recognition for its performance measures with its budget award. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document had to be judged to be proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the dedicated efforts of the entire staff of the Financial Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the Village Council for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Pinehurst's finances.

Respectfully submitted,



Andrew M. Wilkison
Village Manager



John G. Frye
Director of Financial Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Pinehurst
North Carolina**

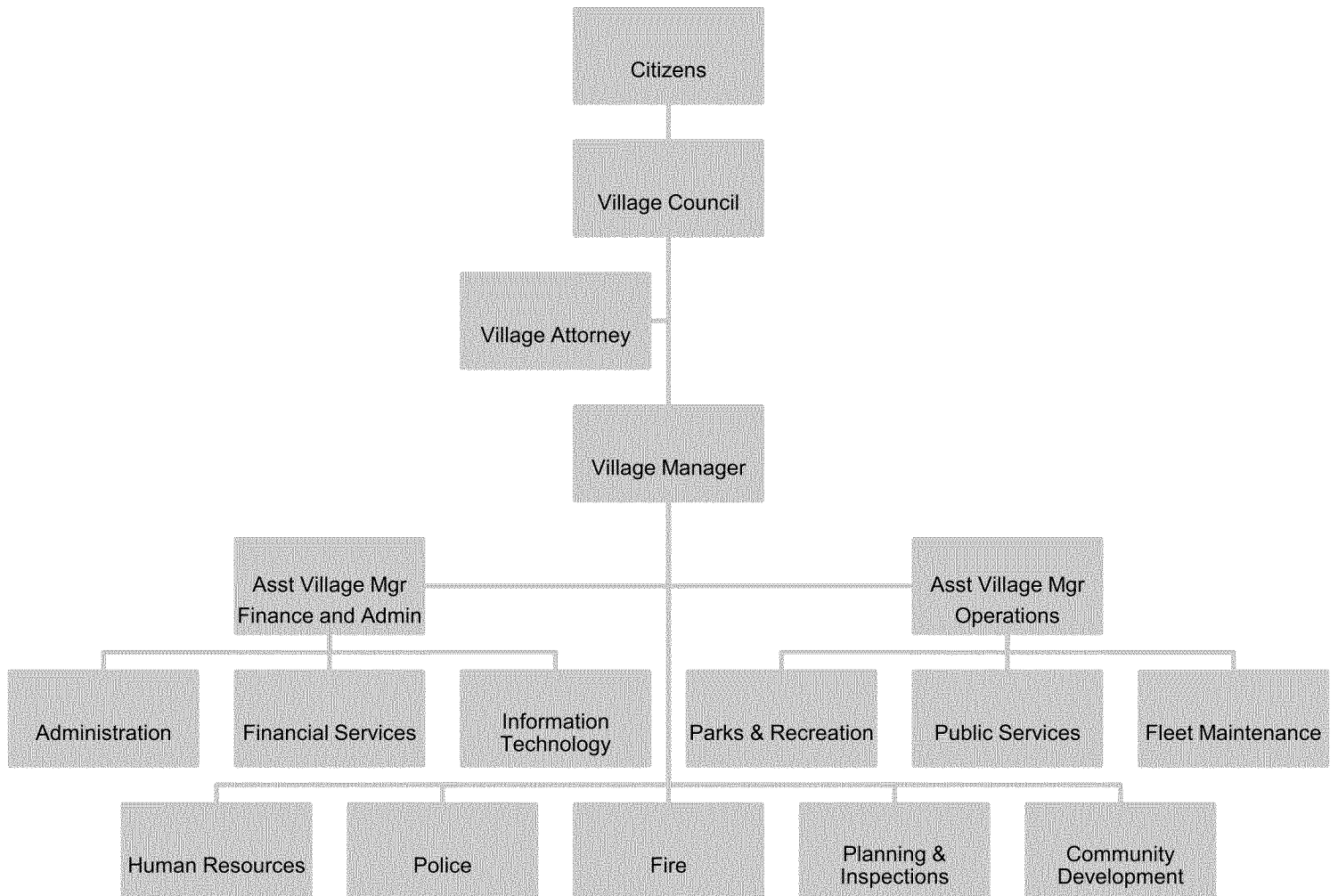
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is written in a cursive, flowing style.

Executive Director/CEO

**Village of Pinehurst, North Carolina
Organizational Chart
June 30, 2014**



**Village of Pinehurst, North Carolina
List of Principal Officials
June 30, 2014**

Elected Officials

Nancy Roy Fiorillo	Mayor
John R. Cashion	Mayor Pro-Tem
John C. Strickland	Treasurer
Clark Campbell	Council Member
Claire Phillips	Council Member

Appointed Officials

Andrew M. Wilkison	Village Manager
Natalie E. Dean	Assistant Village Manager
Jeff Batton	Assistant Village Manager
Michael J. Newman	Village Attorney
Lauren Craig	Village Clerk
John G. Frye	Financial Services Director
Angela M. Kantor	Human Resources Director
Jason Whitaker	Chief Information Officer
Earl Phipps	Police Chief
Carlton Cole	Fire Chief
Vacant	Planning & Inspections Director
Walt Morgan	Public Services Director
Randy Kuhn	Fleet Maintenance Director
Mark Wagner	Parks and Recreation Director



DIXON HUGHES GOODMAN^{LLP}
Certified Public Accountants and Advisors

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of
the Village Council
Village of Pinehurst
Southern Pines, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Pinehurst, North Carolina as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise of the Village's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Pinehurst, North Carolina as of June 30, 2014, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United State of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance's Schedule of Funding Progress and Schedule of Employer Contributes, on pages 44 and 45, respectively, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic finical statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Village of Pinehurst, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules, and Schedule of Expenditures of Federal and State Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

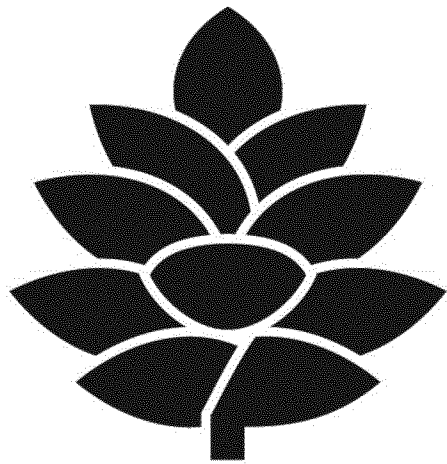
The combing and individual fund statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepared the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund statements, budgetary schedules, other schedules, and Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2014 on our consideration of Village of Pinehurst's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Pinehurst's internal control over financial reporting and compliance.

Dixon Hughes Goodman LLP

September 24, 2014



Village of Pinehurst Management's Discussion and Analysis June 30, 2014

As management of the Village of Pinehurst (the Village), we offer readers of the Village of Pinehurst's financial statements this narrative overview and analysis of the financial activities of the Village of Pinehurst for the fiscal year ended June 30, 2014. We encourage readers to read the information presented here in conjunction with additional information we have furnished in the Village's financial statements, which follow this narrative.

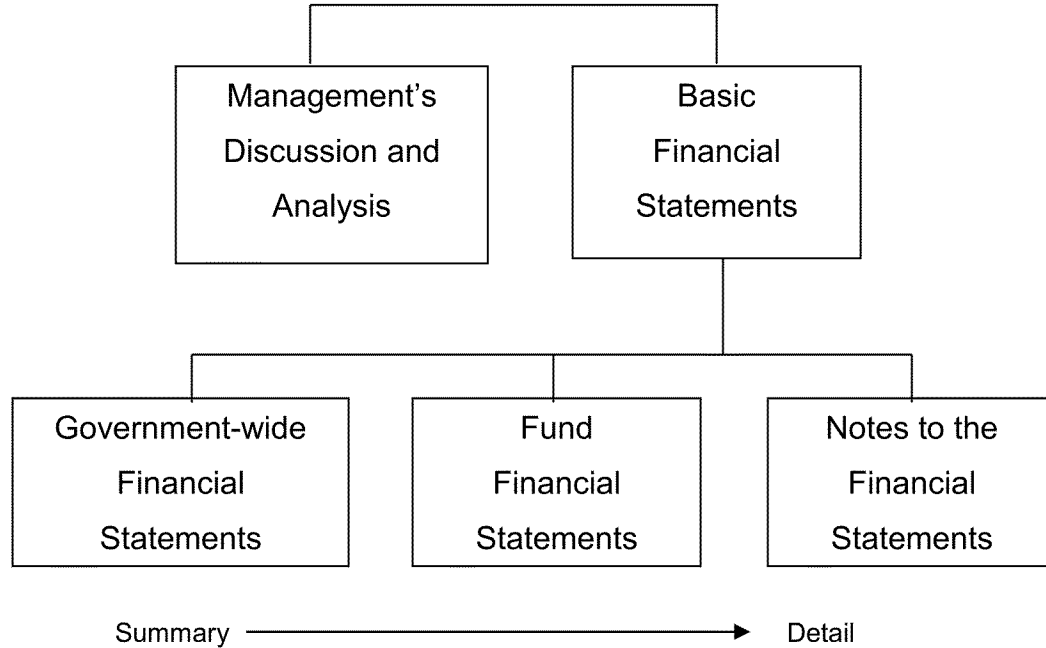
Financial Highlights

- The assets and deferred outflows of resources of the Village of Pinehurst exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$25,940,113 (*net position*).
- The Village's total net position increased by \$809,589 primarily due to an increase in capital assets during the fiscal year and the reduction in long term debt due to scheduled principal payments.
- As of the close of the current fiscal year, the Village of Pinehurst's governmental funds reported combined ending fund balances of \$7,751,738 an increase of \$579,235 in comparison with the prior year. Approximately 56% of this total amount, or \$4,317,496, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,317,496, or 26% of total general fund expenditures for the fiscal year.
- The Village of Pinehurst's total debt increased by \$171,170 (8%) during the current fiscal year. The increase was due to the payment of \$378,830 in principal on existing debt obligations and the issuance of \$550,000 in new installment financing debt. Total debt outstanding was \$2,262,742 at the 2014 fiscal year end.
- The Village of Pinehurst's credit rating from the North Carolina Municipal Council remained unchanged at 86 during the year. This rating is comparable to a rating of Aa/AA by the national rating agencies. The Village had no general obligation bonded debt as of June 30, 2014.
- Throughout the year, the Village's deposits were insured or collateralized as required by state law. Total investment earnings were approximately \$10,424, which is equivalent to a return of approximately 0.12% on the average amount of cash and cash equivalents during the year. At fiscal year's end, 44% of the Village's cash and investments were held in insured or collateralized depository accounts and 56% were invested in the North Carolina Capital Management Trust, a SEC-registered (2a7) money market mutual fund.
- The Village has received the Certificate of Achievement for Excellence in Financial Reporting for 21 consecutive years. The Certificate of Achievement is the highest form of recognition awarded in the field of governmental financial reporting.
- For the 2013-14 fiscal year, the Village received the Distinguished Budget Presentation Award for the seventh consecutive year from the Government Finance Officer's Association for its annual budget. The Village was also, for the first time, awarded special recognition for its performance measures with its budget award.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village of Pinehurst's basic financial statements. The Village's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Village through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Village of Pinehurst.

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Village's financial status.

The next statements (Exhibits 3 through 7) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Village's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Village's individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Village's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Village's financial status as a whole.

The two government-wide statements report the Village's net position and how they have changed. Net position is the difference between the Village's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Village's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include all of the Village's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the Village charges customers to provide. The Village does not engage in any business-type activities as of June 30, 2014. The final category is the component unit. The Village does not have any component units as of June 30, 2014.

The government-wide financial statements are on Exhibits 1 and 2 of the basic financial statements.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Village's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Pinehurst, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the North Carolina General Statutes or the Village's budget ordinance. All of the funds of the Village of Pinehurst can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. All of the Village's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Village's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Village of Pinehurst adopts an annual budget for its General Fund, as required by the North Carolina General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Village, the management of the Village, and the Village Council about which services to provide and how to pay for them. It also authorizes the Village to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Village complied with the budget ordinance and whether or not the Village succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the Statement of Revenues, Expenditures and Changes in Fund Balances. The statement shows four columns: 1) the original budget as adopted by the Village Council; 2) the final budget as amended by the Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Village of Pinehurst has one fiduciary fund, which is an agency fund.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 22-43 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the Village of Pinehurst's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 44 of this report.

Interdependence with Other Entities - The Village depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Village is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign government and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis

Net Position

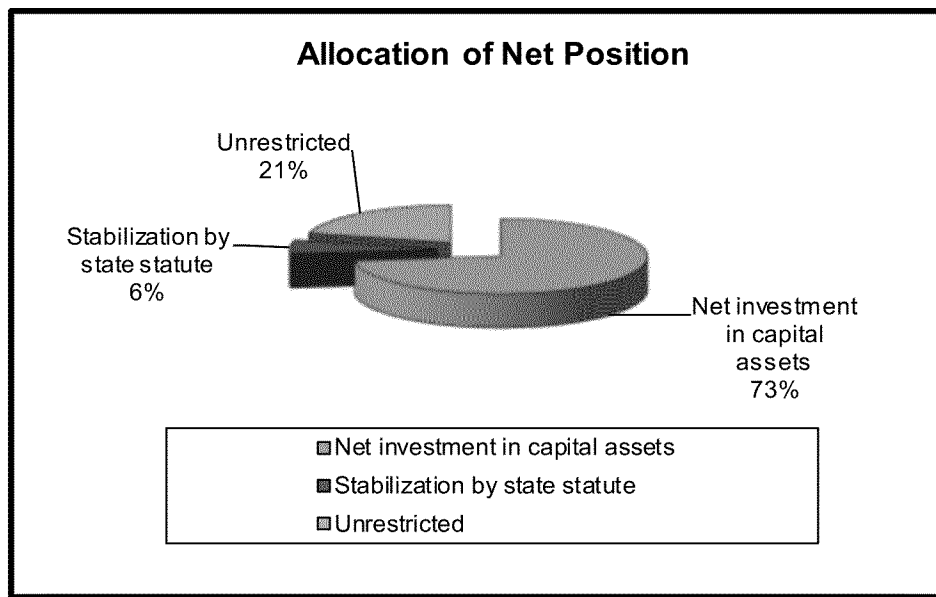
The following (Figure 2) reflects condensed information on the Village's net position:

Village of Pinehurst's Net Position

Figure 2

	Governmental Activities 2014	Governmental Activities 2013
Current and other assets	\$ 8,868,781	\$ 8,549,532
Capital assets	21,216,738	20,707,515
Total assets	30,085,519	29,257,047
Long-term liabilities outstanding	3,130,679	2,874,107
Other liabilities	1,014,711	1,226,842
Total liabilities	4,145,390	4,100,949
Prepaid taxes	16	25,574
Total deferred inflows of resources	16	25,574
Net position:		
Net investment in capital assets	18,953,996	18,615,943
Restricted for:		
Stabilization by state statute	1,568,981	1,882,835
Unrestricted	5,417,136	4,631,746
Total net position	\$ 25,940,113	\$ 25,130,524

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the Village of Pinehurst exceeded liabilities and deferred inflows by \$25,940,113 as of June 30, 2014. The Village's net position increased by \$809,589 for the fiscal year ended June 30, 2014. However, the largest portion, \$18,953,996 or 73%, reflects the Village's net investment in capital assets (e.g. land, right of ways, buildings, machinery, and equipment). The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Village's net position, \$1,568,981, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$5,417,136 is unrestricted.



Governmental Activities

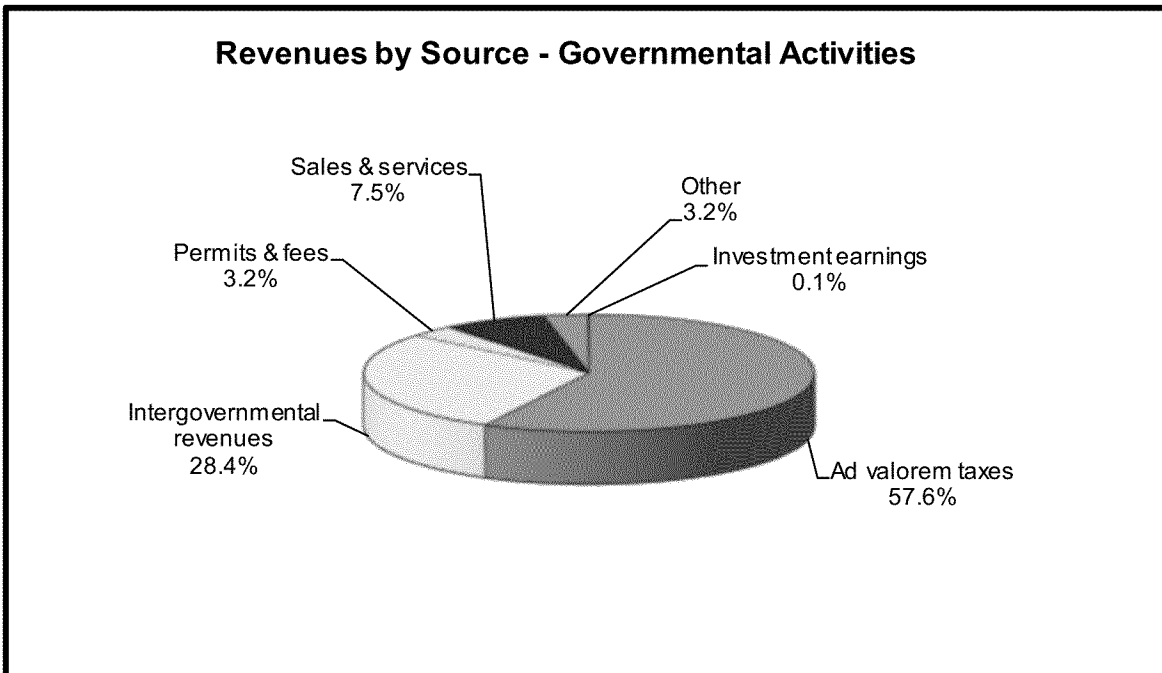
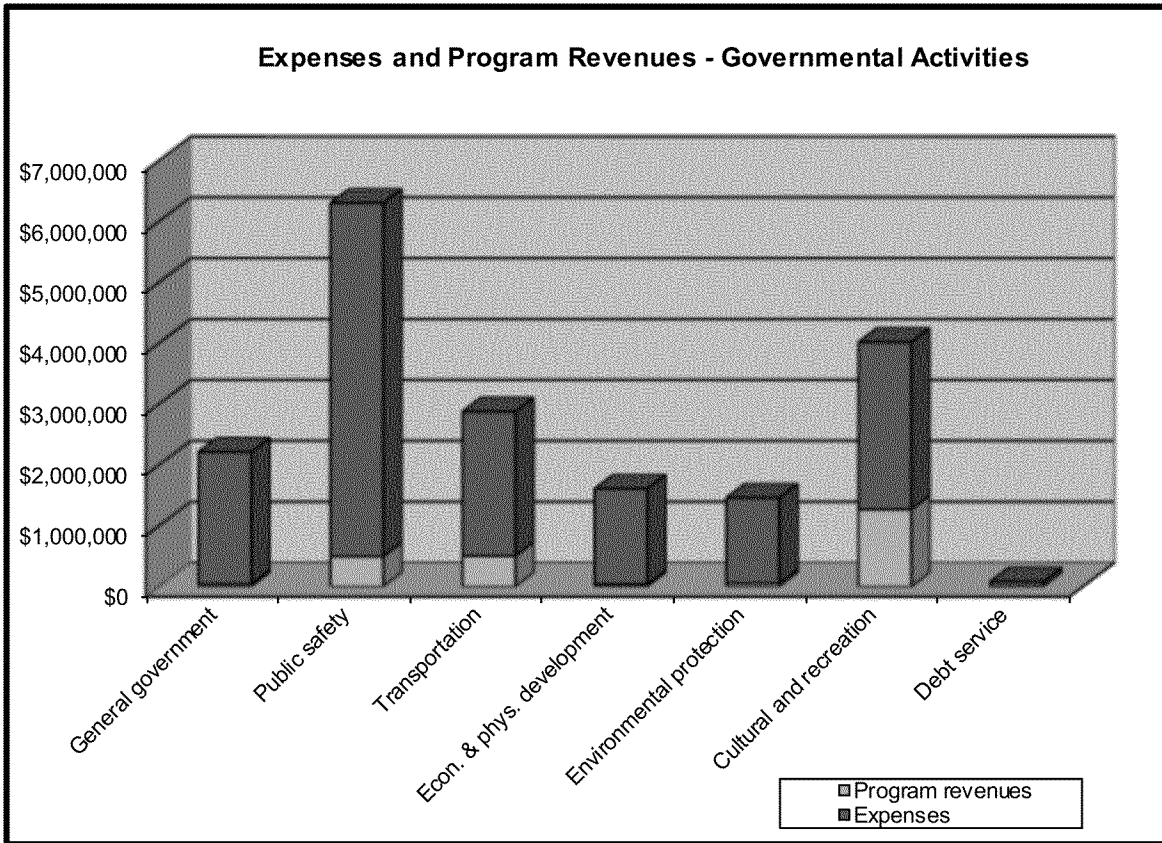
Governmental activities increased the Village's net position by \$809,589, thereby accounting for 100% of the total growth in the net position of the Village of Pinehurst.

Several aspects of the Village's financial operations influenced the positive change in total governmental net position:

- Property tax revenue increased approximately \$195,000 or 2.0% from the prior year due to the increase in the construction of new single family homes.
- Continued diligence in the collection of property taxes by maintaining a tax collection percentage in the General Fund of 99.91%, which is comparable to the statewide average of 97.41%.
- Unrestricted intergovernmental revenues increased by \$109,000 or 2.6% due to increased collections of sales taxes and electricity franchise taxes. The increase in electricity franchise taxes may be attributed to the unusually cold winter heating season.
- Investment earnings decreased by approximately 24%, or \$2,500 compared to the prior year as the rate available on investments remains low.
- Expenses net of program revenues increased by \$637,000, or 4.6%.
- Operating grants and contributions increased \$13,000 or 2% primarily due to increased environmental protection grants received in the current year.
- Charges for services increased by approximately \$771,000 or 42% primarily due to revenues received from the USGA for the 2014 U.S. Open Golf Championships.
- Principal payments of \$378,000 reduced long term obligations to \$2,262,742.

Village of Pinehurst's Change in Net Position
Figure 3

	Governmental Activities 2014	Governmental Activities 2013
Revenues:		
Program revenues:		
Charges for services	\$ 1,817,348	\$ 1,046,703
Operating grants and contributions	546,089	533,380
Capital grants and contributions	42,563	207,252
General revenues:		
Property taxes	9,763,042	9,567,944
Golf cart licenses	2,230	1,775
Grants and contributions not restricted to specific programs	4,271,703	4,162,616
Other	506,156	337,218
Total revenues	<u>16,949,131</u>	<u>15,856,888</u>
Expenses:		
General government	2,168,794	1,611,659
Public safety	5,803,531	5,582,355
Transportation	2,369,495	2,475,382
Economic & physical development	1,566,159	1,542,829
Environmental protection	1,402,623	1,275,525
Culture and recreation	2,746,748	2,100,673
Interest on long-term debt	82,192	88,541
Total expenses	<u>16,139,542</u>	<u>14,676,964</u>
Increase in net position	809,589	1,179,924
Net position, July 1	<u>25,130,524</u>	<u>23,950,600</u>
Net position, June 30	<u><u>\$ 25,940,113</u></u>	<u><u>\$ 25,130,524</u></u>



Business-type activities

The Village of Pinehurst does not currently engage in Business-type activities.

Financial Analysis of the Village's Funds

As noted earlier, the Village of Pinehurst uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village of Pinehurst's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Village of Pinehurst's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2014, the governmental funds of the Village of Pinehurst reported a combined fund balance of \$7,751,738, an increase of \$579,235 or 8% over last year.

The general fund is the chief operating fund of the Village of Pinehurst. At the end of the current fiscal year, Village of Pinehurst's unassigned fund balance in the General Fund was \$4,317,496, while total fund balance reached \$7,748,844. The Village Council of the Village of Pinehurst has determined that the Village should maintain a minimum unassigned fund balance of 15% of actual general fund expenditures at year end and total fund balance of 30%-40% of budgeted general fund expenditures when adopting the annual budget. Fund balance at these levels is maintained in to meet the cash flow needs of the Village and to be prepared for unforeseen emergencies and opportunities. The Village currently has unassigned fund balance of 26% of actual general fund expenditures, while total fund balance represents 42% of budgeted expenditures.

Fund balance in the Village's General Fund increased by \$587,096 during the 2014 fiscal year. Key components of this change are as follows:

- Property tax revenue increased approximately \$214,000 from the prior year due to the increase in the construction of new single family homes. In addition, building permits and inspection fees increased by 13%, or \$32,000.
- Sales tax revenues increased \$26,000 or 1% due to a modest increase in retail sales.
- Utility franchise taxes increased 10%, or \$54,000. This may be due to the unusually cold winter heating season.
- Other Financing Sources increased by \$628,000 due to loan proceeds of \$550,000 and the sale of a surplus fire station property during the fiscal year.
- Capital outlays were \$344,000 lower than the previous fiscal year, when significant capital improvements were made downtown in preparation for the 2014 U.S. Open Golf Championships.

Proprietary Funds

The Village of Pinehurst does not have any proprietary funds.

General Fund Budgetary Highlights

The Village of Pinehurst employs conservative budgetary practices. Revenue estimates are based on conservative assumptions and projections. Village departments are encouraged to provide a high level of service to the citizens of the Village while working to conserve resources.

During the fiscal year, the Village revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Comparing budget to actual amounts, the Village exceeded the originally budgeted operating revenue estimates by \$243,896, or only 1.5%. The primary revenue that came in above estimated budget amounts were property taxes, unrestricted intergovernmental revenues, and sales and services revenues. Property taxes were \$90,000 higher due to higher than expected levels of new home construction. Unrestricted intergovernmental revenues were \$65,000 above budget, primarily due to increased electricity franchises taxes. This may be due to the colder winter heating season as mentioned above. Finally, sales and services revenues were \$51,000 above budget. This is due to better than expected facility rental income at the Village's Fair Barn, Harness Track, and Arboretum facilities.

Total expenditures were 4.0% less than originally budgeted amounts. Expenditures were less than budgeted amounts for the following significant items: (1) contracted and professional services of \$278,000 were lower than expected, including the \$85,000 bicycle pedestrian plan that was not started until late in the fiscal year, (2) salaries and benefits were \$306,000 lower due to employee vacancies related to turnover; and (3) capital expenditures were \$393,000 below budget.

Capital expenditures in the General Fund were lower than originally budgeted as mentioned above. The majority of this variance was due to a \$175,000 automated solid waste vehicle that was ordered at the end of the fiscal year that will not be delivered until December 2014. Also, a few other capital items were delayed for various reasons. These items have all been re-appropriated in Fiscal Year 2014-15. A few other capital items also came in slightly below their proposed budgets.

As a result of the variances in revenues and expenditures outlined above, fund balance in the General Fund increased by \$587,096 at June 30, 2014. At June 30, 2014, the General Fund reported fund balance of \$7,748,844, an 8.2% increase above the previous year. This increase can be attributed mostly to one-time revenues from the U.S. Open Golf Championships and the sale of a surplus fire station property.

Capital Asset and Debt Administration

Capital assets

The Village of Pinehurst's investment in capital assets for its governmental activities as of June 30, 2014 totals \$21,216,738 (net of accumulated depreciation). These assets include land, right of ways, buildings and improvements, furniture and equipment, vehicles, infrastructure such as streets and drainage systems, and construction in progress.

Major capital asset transactions during the year include the following additions (there were no significant demolitions or disposals; the surplus fire station mentioned above had no historical cost as it was donated to the Village prior to the requirements of GASB 34):

- Fire engine replacement costing \$550,000
- Automated solid waste vehicle costing \$173,000
- Wayfinding signage totaling \$131,000
- Timmel pavilion parking lot costing \$140,000
- Street sweeper replacement costing \$93,000
- Addition of public restroom facilities downtown costing \$76,000
- Harness Track storm drainage improvements of \$44,000
- Welcome Center renovations totaling \$20,000

Village of Pinehurst's Capital Assets
(net of depreciation)
Figure 4

	Governmental Activities	Governmental Activities
	2014	2013
Land	\$ 5,748,713	\$ 5,770,349
Right of Ways	73,867	75,892
Buildings and Improvements	8,299,667	8,073,521
Furniture and Equipment	725,140	580,267
Vehicles	2,415,169	2,035,158
Infrastructure	3,897,984	3,749,757
Construction in Progress	56,198	422,571
Total	<u>\$ 21,216,738</u>	<u>\$ 20,707,515</u>

Additional information on the Village's capital assets can be found in Note 6 of the Basic Financial Statements.

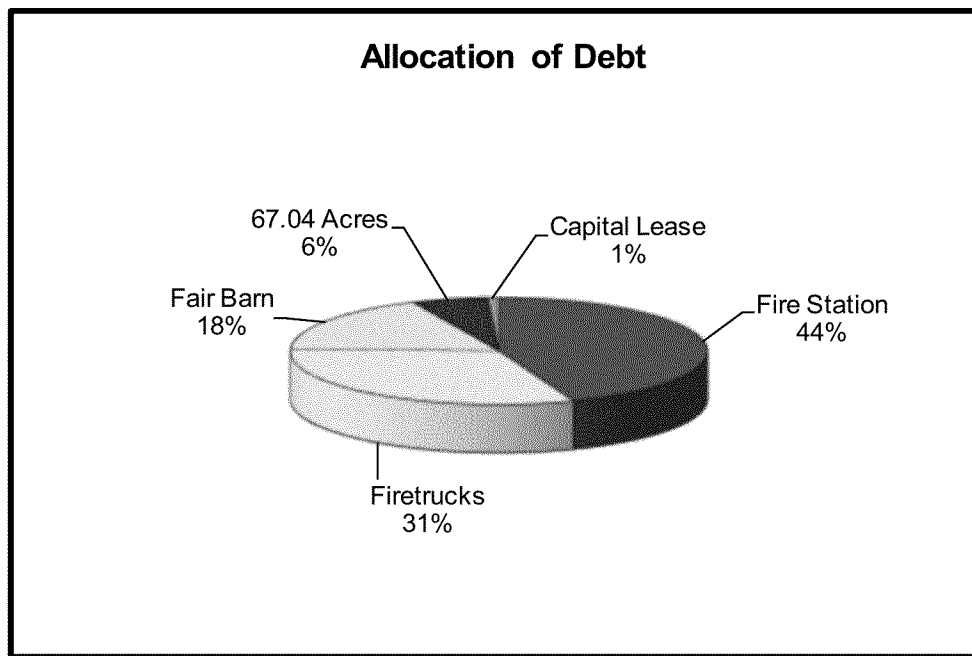
Long-term debt

As of June 30, 2014, the Village of Pinehurst had total outstanding debt of \$2,262,742. Installment purchase agreements of \$2,242,982 or 99% of the total debt outstanding are collateralized by the assets that are financed. A capital lease of \$19,760 has one remaining annual payment and title passes to the Village at the end of the capital lease term.

Village of Pinehurst's Outstanding Debt
Figure 5

	Governmental Activities	Governmental Activities
	2014	2013
Capital Lease	\$ 19,760	\$ 38,571
Fire Station	1,000,000	1,166,667
Fair Barn	400,000	450,000
Firetrucks	709,649	269,667
67.04 Acres	133,333	166,667
Total	<u>\$ 2,262,742</u>	<u>\$ 2,091,572</u>

During fiscal year 2014 the Village of Pinehurst's total debt increased by \$171,170 (8.2%). This is due to principal payments of \$378,830 and the addition of one installment financing debt of \$550,000 as detailed in Note 11.



North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Village of Pinehurst is \$276,355,076.

Additional information regarding the Village of Pinehurst's long-term debt can be found in Note 11 beginning on page 39 of this report.

Economic Factors and Next Year's Budgets and Rates

The following economic indicators and conditions reflect the current operating environment of the Village:

- Improving unemployment: The Village of Pinehurst's unemployment rate dropped from 8.8% to 6.0% during the fiscal year. The current rate is just under the State rate of 6.9% and is slightly above historical levels.
- Recovery in new home construction: The Village added 101 new homes last year within the Village limits and its extraterritorial jurisdiction. This is the first time the number of homes constructed has exceeded 100 since FY 2008. The total value of the homes constructed was also 30% higher than the previous fiscal year.
- The Village annexed the small residential area known as Cotswold effective July 31, 2014. Revenues and expenditures related to this annexation have been incorporated into the Village's five-year plan.
- U.S. Open Golf Championships: The Village successfully hosted back to back Men's U.S. Open and Women's Open golf championships in June of 2014. This was the first time in history the tournaments were held at the same venue over two successive weeks. The positive media attention the Village received during the tournaments will likely generate increased tourism activity in the future.

The Village also supported a cooperative economic development marketing effort this year called "Moore Opportunity". The project, managed by Partners in Progress, is designed to provide vital information on our area to companies looking to expand or relocate their facilities.

Budget Highlights for the Fiscal Year Ending June 30, 2015

Governmental Activities

Revenues of the Village are expected to decrease by 3.7% overall for FY 2015. This is primarily due to the one-time revenues related to the 2014 U.S. Open golf championships and sale of the fire station property in FY 2014. The modest economic recovery is offsetting these losses to some degree. For example, property tax revenues are expected to increase by just under 1% due to increased levels of new home construction mentioned above. For the 2014-15 Fiscal Year the Village maintained the current ad valorem tax rate of \$0.28 per \$100 valuation.

Budgeted expenditures in the General Fund are expected to fall to \$17,756,060, a decrease of 2%. This small decrease is a result of capital investments made in the previous fiscal year preparing for the U.S. Opens. Debt service expenditures also continue to decrease as the Village pays down its remaining debt obligation balances.

In Fiscal Year 2014 the Village adopted its first strategic operating plan (SOP) and continued with this model in FY 2015. This initiative was undertaken as a part of implementing the Malcolm Baldrige Performance Excellence Criteria and is designed to provide an integrated approach to organizational performance management. The SOP includes a one-year budget and a five-year capital improvement plan (CIP). The SOP is a strategic, results-driven approach to resource allocation that is closely aligned with the Village Council's strategy and achieving the results articulated in the Village's balanced scorecard.

The Village Council's Areas of Focus for the 2015 Strategic Plan are: (1) Preserve the character and ambiance of the Village, (2) Promote economic opportunity, (3) Provide & promote safe traffic and pedestrian mobility, and (4) Provide recreational and cultural opportunities.

Major initiatives of the FY 2015 Strategic Plan to address these Areas of Focus include:

- Evaluate the code enforcement process
- Incrementally expand the Village Center into the Village Place/Rattlesnake Trail corridor
- Extend sidewalk and walkway system
- Improve the adequacy of street lighting in neighborhoods
- Evaluate the need for indoor recreation facilities

Total capital outlays of \$1,974,000 are down 15% compared to the previous fiscal year. The decrease is due to the considerable number of projects completed in Fiscal Year 2014 in preparation for the 2014 U.S. Opens. Notable projects in FY 2015 include:

- Highway 211 improvements - \$336,000
- Automated solid waste vehicle - \$190,000
- Cotswold drainage project - \$140,000
- Other small drainage projects - \$153,000
- Expand the Village Center - \$65,000
- Wicker Park development - \$50,000
- Bicycle trails - \$50,000

Business – type Activities

The Village does not engage in any Business-type activities.

Requests for Information

This report is designed to provide an overview of the Village's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to John Frye, Financial Services Director at 910-295-8646, or Village of Pinehurst, 395 Magnolia Road, Pinehurst, NC 28374.

Village of Pinehurst, North Carolina
Statement of Net Position
June 30, 2014

Exhibit 1

	Governmental Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 7,271,814
Taxes receivables (net)	30,294
Special assessments receivable	87,508
Interest receivable	6,299
Other receivables	14,658
Due from other governments	1,283,551
Inventories	44,071
Prepaid items	130,586
Total unrestricted current assets	<u>8,868,781</u>
Capital assets (net of accumulated depreciation):	
Land and non-depreciable improvements	5,748,713
Construction in progress	56,198
Right of ways	73,867
Buildings and improvements	8,299,667
Furniture and equipment	725,140
Vehicles	2,415,169
Infrastructure	3,897,984
Total capital assets	<u>21,216,738</u>
Total assets	<u>30,085,519</u>
Liabilities	
Current liabilities:	
Accounts payable and accrued liabilities	992,533
Accrued interest payable	22,178
Long-term liabilities due within one year	819,216
Total current liabilities	<u>1,833,927</u>
Non-current liabilities:	
Long-term liabilities due in more than one year	2,311,463
Total liabilities	<u>4,145,390</u>
Deferred Inflows of Resources	
Prepaid taxes	16
Total deferred inflows of resources	<u>16</u>
Net Position	
Net investment in capital assets	18,953,996
Restricted for:	
Stabilization by state statute	1,568,981
Unrestricted	5,417,136
Total net position	<u><u>\$ 25,940,113</u></u>

Village of Pinehurst, North Carolina
Statement of Activities
For the Fiscal Year Ended June 30, 2014

Exhibit 2

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Position
					Governmental
					Activities
Governmental Activities:					
General government	\$ 2,168,794	\$ -	\$ -	\$ 42,563	\$ (2,126,231)
Public safety	5,803,531	490,364	5,791	-	(5,307,376)
Transportation	2,369,495	19,000	485,575	-	(1,864,920)
Economic and physical development	1,566,159	39,567	65	-	(1,526,527)
Environmental protection	1,402,623	-	54,651	-	(1,347,972)
Cultural and recreation	2,746,748	1,268,417	7	-	(1,478,324)
Interest on long-term debt	82,192	-	-	-	(82,192)
Total governmental activities	<u>\$ 16,139,542</u>	<u>\$ 1,817,348</u>	<u>\$ 546,089</u>	<u>\$ 42,563</u>	<u>(13,733,542)</u>
General revenues:					
Ad valorem taxes					9,763,042
Golf cart licenses					2,230
Unrestricted intergovernmental					4,271,703
Investment earnings					10,424
Miscellaneous					495,732
Total general revenues					<u>14,543,131</u>
Change in net position					809,589
Net position-beginning					<u>25,130,524</u>
Net position-ending					<u>\$ 25,940,113</u>

Village of Pinehurst, North Carolina
Balance Sheet
Governmental Funds
June 30, 2014

Exhibit 3

	Major Funds		
	General Fund	Total Non-Major Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 7,268,920	\$ 2,894	\$ 7,271,814
Receivables, net:			
Taxes	30,294	-	30,294
Assessments	87,508	-	87,508
Interest	6,299	-	6,299
Other receivables	14,658	-	14,658
Due from other governments	1,280,306	3,245	1,283,551
Inventories	44,071	-	44,071
Prepaid items	130,586	-	130,586
Total assets	<u>\$ 8,862,642</u>	<u>\$ 6,139</u>	<u>\$ 8,868,781</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 278,648	\$ 3,245	\$ 281,893
Withholdings and accrued expenditures	551,113	-	551,113
Deposits	159,527	-	159,527
Total liabilities	<u>989,288</u>	<u>3,245</u>	<u>992,533</u>
Deferred inflows of resources:			
Unavailable revenues	124,494	-	124,494
Prepaid taxes	16	-	16
Total deferred inflows of resources	<u>124,510</u>	<u>-</u>	<u>124,510</u>
Fund balances:			
Nonspendable:			
Inventory	44,071	-	44,071
Prepaid items	130,586	-	130,586
Restricted:			
Stabilization by state statute	1,568,981	-	1,568,981
Committed:			
Special Revenue funds	-	2,894	2,894
Assigned:			
Subsequent year's expenditures	1,687,710	-	1,687,710
Unassigned	4,317,496	-	4,317,496
Total fund balances	<u>7,748,844</u>	<u>2,894</u>	<u>7,751,738</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,862,642</u>	<u>\$ 6,139</u>	
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds			21,216,738
Liabilities for earned revenues considered deferred inflows of resources in the fund statements			124,494
Some liabilities, including notes payable and accrued interest are not due and payable in the current period and therefore are not reported in the funds			<u>(3,152,857)</u>
Net position of governmental activities			<u>\$ 25,940,113</u>

Village of Pinehurst, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

Exhibit 4

	Major Funds		
	General Fund	Total Non-Major Funds	Total Governmental Funds
Revenues			
Ad valorem taxes	\$ 9,771,682	\$ -	\$ 9,771,682
Golf cart licenses	2,230	-	2,230
Unrestricted intergovernmental	4,271,703	-	4,271,703
Restricted intergovernmental	502,679	45,394	548,073
Permits and fees	1,252,453	-	1,252,453
Sales and services	564,975	-	564,975
Investment earnings	10,642	72	10,714
Assessment income	11,791	-	11,791
Miscellaneous	266,641	-	266,641
Total revenues	<u>16,654,796</u>	<u>45,466</u>	<u>16,700,262</u>
Expenditures			
Current:			
General government	2,196,930	-	2,196,930
Public safety	5,856,007	-	5,856,007
Transportation	2,792,152	-	2,792,152
Economic and physical development	1,409,024	45,394	1,454,418
Environmental protection	1,456,374	-	1,456,374
Cultural and recreation	2,694,676	-	2,694,676
Debt service:			
Principal	378,829	-	378,829
Interest and other charges	83,098	-	83,098
Total expenditures	<u>16,867,090</u>	<u>45,394</u>	<u>16,912,484</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(212,294)</u>	<u>72</u>	<u>(212,222)</u>
Other Financing Sources (Uses)			
Transfers from other funds	7,933	-	7,933
Transfers to other funds	-	(7,933)	(7,933)
Sales of capital assets	241,457	-	241,457
Issuance of debt	550,000	-	550,000
Total other financing sources (uses)	<u>799,390</u>	<u>(7,933)</u>	<u>791,457</u>
Net change in fund balance	587,096	(7,861)	579,235
Fund balances, beginning	<u>7,161,748</u>	<u>10,755</u>	<u>7,172,503</u>
Fund balances, ending	<u>\$ 7,748,844</u>	<u>\$ 2,894</u>	<u>\$ 7,751,738</u>

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2014**

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 579,235
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	602,778
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(93,555)
Revenues in the statement of activities that are not reported as revenues in the fund statements.	(23,202)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt.	(171,171)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(84,496)</u>
Total changes in net position of governmental activities	<u>\$ 809,589</u>

Village of Pinehurst, North Carolina

Exhibit 6

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance -

Annual Budget and Actual

For the Fiscal Year Ended June 30, 2014

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$ 9,682,000	\$ 9,682,000	\$ 9,771,682	\$ 89,682
Golf cart licenses	1,700	1,700	2,230	530
Unrestricted intergovernmental	4,207,200	4,207,200	4,271,703	64,503
Restricted intergovernmental	552,755	546,255	502,679	(43,576)
Permits and fees	1,241,250	1,241,250	1,252,453	11,203
Sales and services	484,015	514,015	564,975	50,960
Investment earnings	20,500	20,500	10,642	(9,858)
Assessments	-	12,410	11,791	(619)
Miscellaneous	221,480	217,612	266,641	49,029
Total revenues	16,410,900	16,442,942	16,654,796	211,854
Expenditures:				
Current:				
General government	2,433,305	2,418,305	2,196,930	221,375
Public safety	6,144,765	6,236,402	5,856,007	380,395
Transportation	3,027,805	2,947,165	2,792,152	155,013
Economic & physical development	1,307,585	1,597,762	1,409,024	188,738
Environmental protection	1,524,125	1,832,125	1,456,374	375,751
Cultural and recreation	2,606,270	2,982,798	2,694,676	288,122
Contingency	50,000	11,900	-	11,900
Debt service:				
Principal retirement	381,017	381,017	378,829	2,188
Interest and fees	87,203	87,203	83,098	4,105
Total expenditures	17,562,075	18,494,677	16,867,090	1,627,587
Excess (deficiency) of revenues over (under) expenditures	(1,151,175)	(2,051,735)	(212,294)	1,839,441
Other Financing Sources (Uses):				
Debt issuance	550,000	550,000	550,000	-
Sales of capital assets	-	245,900	241,457	(4,443)
Transfers from other funds	-	7,933	7,933	-
Total other financing sources (uses)	550,000	803,833	799,390	(4,443)
Fund balance appropriated	601,175	1,247,902	-	(1,247,902)
Net change in fund balances	\$ -	\$ -	587,096	\$ 587,096
Fund balances, beginning			7,161,748	
Fund balances, ending			\$ 7,748,844	

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 1. Summary of Significant Accounting Policies

The accounting policies of the Village of Pinehurst conform to generally accepted accounting principles (GAAP) as applicable to government units. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Village of Pinehurst is a municipal corporation, which is governed by a five-member council. The mayor is directly elected along with the other four council members. For financial reporting purposes, in accordance with generally accepted accounting principles, the Village of Pinehurst includes any separate entity for which the Village is financially accountable. For the year ended June 30, 2014, no other entity is included in the Village of Pinehurst financial statements.

B. Basis of Presentation

Government-wide Statements. The statement of net position and the statement of activities display information about the nonfiduciary activities of the primary government. These statements include the financial activities of the overall government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Eliminations of these charges are performed to avoid distortion of the direct costs and program revenues reported for the various functions concerned. These statements report the *governmental activities* of the Village. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the Village's funds. Separate statements for each fund category – *governmental and fiduciary* – are presented, even though the latter is excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The Village reports the following major governmental fund:

The **General Fund** is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The primary sources of revenue are ad valorem taxes, other taxes and licenses, and intergovernmental revenues. The primary expenditures are for public safety, transportation, and general government services.

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The Village reports the following non-major governmental funds:

The **Land Dedication Fund** is set up to record the dedication of land or payment of fees in lieu of the dedication of land from developers.

The **Residential Assurance – Interest Fund** is set up to record the interest accumulated on investment of the deposits from contractors in the Residential Assurance Agency Fund.

The **Jackson Hamlet Community Development Block Grant (CDBG-III) Project Fund** was established to account for costs incurred in the design and construction of additional sewer facilities for the Jackson Hamlet Community adjacent to the Village of Pinehurst.

Additionally, the government reports the following fiduciary fund:

The **Residential Assurance Agency Fund** is used to account for the contributions from builders to ensure proper cleanup, site drainage and landscaping, and to enforce all codes and ordinances regarding site cleanliness. The accumulated interest on these contributions is recorded in a separate Special Revenue Fund. Both the Residential Assurance Agency Fund and the associated Residential Assurance Interest Special Revenue Fund were closed during the fiscal year ended June 30, 2014 (see Exhibit C-4, page 54 and Exhibit D-1, page 56).

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all governmental funds of the Village are accounted for during the year on the modified accrual basis of accounting. All fiduciary funds, including agency funds, use the accrual, rather than the modified accrual basis of accounting.

Government-wide and Fiduciary Financial Statements. The government-wide and fiduciary financial statements are reported using the economic resources measurement focus with the exception of agency funds, which technically have no measurement focus. The government-wide and fiduciary financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Village considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as utilities franchise tax, collected and held by the State at year-end on behalf of the Village are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the Village funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. As it is the Village's policy to use restricted revenue sources before unrestricted, we first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The Village's budgets are adopted as required by North Carolina General Statutes. An annual budget ordinance is adopted for the General Fund, Municipal Service District Fund, Residential Assurance – Interest Fund, and Land Dedication Fund. All annual appropriations lapse at fiscal year-end. A project ordinance was adopted for the Jackson Hamlet CDBG-III Capital Project Fund, which is consolidated with the operating funds for reporting purposes. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the object level for the General Fund (e.g. operating expenditures and capital outlay), at the departmental level for the special revenue funds, and at the object level for the capital projects funds. A function is a group of related activities aimed at accomplishing a major service, such as public safety; a department is a component of a function, such as police. The Village manager may authorize all budget transfers within a department and transfers that do not exceed \$10,000 between departments. Transfers between funds require council approval. During the year, several amendments to the original budget became necessary, the effects of which were not material. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Data (Continued)

As required by North Carolina General Statutes, Chapter 159, Section 26(d) [hereinafter references to the North Carolina General Statutes will be cited as G.S.], the Village maintains encumbrance accounts, which are considered to be "budgetary accounts". Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the Village are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Village may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Village may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the Village to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the state of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The Village's investments with maturity of more than one year at acquisition and non-money market investments are reported at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earnings and investment contracts are reported at cost.

In accordance with State law, the Village has invested in securities which are callable. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The Village pools moneys from several funds to facilitate disbursement and investment and maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

3. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Village levies ad valorem taxes, except for ad valorem taxes on certain vehicles, on July 1, the beginning of the fiscal year, and these taxes are due on September 1 (lien date); however, no interest or penalties are assessed until the following January 6. These taxes are based on the assessed values as of January 1, 2013.

4. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

5. Inventory and Prepaid Items

Inventory is valued at cost, which approximates market, using the first-in, first-out method. The inventory of the General Fund consists of expendable supplies and is recorded as an expenditure when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

6. Capital Assets

Capital assets are defined by the government as tangible or intangible assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. The minimum capitalization cost for all assets is \$5,000. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (years)
Right of Ways	40
Infrastructure	20 - 40
Buildings and improvements	20
Furniture and equipment	3 - 10
Vehicles	4 - 20

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Village has no deferred outflows of resources at June 30, 2014.

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

7. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Village has four items that meet the criterion for this category - prepaid taxes, property taxes receivable, special assessments receivable, and other receivables.

8. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Compensated Absences

The vacation policy of the Village provides for the accumulation without any applicable maximum until December 31 of each year. At December 31, employees may carryover two times the employee's annual accrual rate for the current year. This rate varies according to years of employment and position. Any excess hours removed from vacation shall be added to the employee's sick leave balance. The Village has assumed a first-in, first-out method of using accumulated compensated time. Compensated vacation absences are reported in the government-wide financial statements as an expense and a liability as the leave is earned. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Village's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Village has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

10. Net Position/Fund Balances

Net Position

Net Position in government-wide financial statements is classified net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

10. Net Position/Fund Balances (Continued)

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance may be spent.

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories - portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Prepaid items – portion of fund balance that is not an available resource because it represents expenditures that were paid in the current fiscal year, but are attributed to the next fiscal year.

Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State statute - portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

Committed Fund Balance –portion of fund balance that can only be used for specific purposes imposed by a formally adopted resolution approved by a majority vote of a quorum of Village of Pinehurst's governing body (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing body.

Committed for Land Dedication – portion of fund balance that has been budgeted by the Village Council for the dedication of land or payment of fees in lieu of the dedication of land from developers for open space preservation.

Committed for Residential Assurance Fund Interest – portion of fund balance that represents interest from the Residential Assurance Agency Fund budgeted by the Village Council for community projects.

Committed for Jackson Hamlet CDBG-III – portion of fund balance that has been budgeted by the Village Council for construction of additional sewer facilities in the Jackson Hamlet Community adjacent to the Village of Pinehurst.

Assigned fund balance – portion of fund balance that Village of Pinehurst intends to use for specific purposes imposed by majority vote by quorum of the Village Council.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The Village Council approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$10,000.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Equity (Continued)

Fund Balances (Continued)

Unassigned fund balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

For the purpose of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance.

The Village of Pinehurst has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the Village in such a manner that available fund balance is at least equal to or greater than 15% of budgeted expenditures and total fund balance is 30% - 40% of budgeted expenditures. Any portion of the general fund balance in excess of 30% of budgeted expenditures may be appropriated for expenditure by the Village Council.

Note 2. Stewardship, Compliance and Accountability

A. Significant Violations of Finance-Related Legal and Contractual Provisions

1. Noncompliance with North Carolina General Statutes

Expenditures of on-behalf payments are not considered to be violations of state statute budget requirements (See Note 13).

Note 3. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.” The details of this \$21,216,738 difference are as follows:

Capital assets	\$ 37,300,469
Accumulated depreciation	<u>(16,083,731)</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 21,216,738</u>

Another element of the reconciliation states that “Liabilities for earned revenues considered deferred inflows of resources in the fund statements.” The details of this \$124,494 difference are as follows:

Taxes receivable	\$ 30,294
Other receivables	6,692
Assessments receivable	<u>87,508</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 124,494</u>

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

**Note 3. Reconciliation of Government-Wide and Fund Financial Statements
(Continued)**

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position (Continued)

Another element of the reconciliation states that "Some liabilities, including notes payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds." The details of the \$3,152,857 difference are as follows:

Accrued interest payable	\$ (22,178)
Compensated absences payable	(671,113)
Net pension obligation	(196,824)
Leases payable	(19,760)
Installment purchases payable	<u>(2,242,982)</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u><u>\$ (3,152,857)</u></u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of the \$602,778 difference are as follows:

Capital outlay	\$ 2,120,756
Depreciation expense	<u>(1,517,978)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 602,778</u></u>

Another element of that reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position." The details of this \$93,555 difference are as follows:

Prior year construction in progress deletion	\$ (85,968)
Donated assets received	42,563
Gain on disposal of assets	218,414
Proceeds from disposal of assets	(230,364)
Loss on disposal of assets	<u>(38,200)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of activities</i>	<u><u>\$ (93,555)</u></u>

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

**Note 3. Reconciliation of Government-Wide and Fund Financial Statements
(Continued)**

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities
(Continued)**

Another element of that reconciliation states that "Revenues in the statement of activities that are not reported as revenues in the fund statements." The details of this \$23,202 difference are as follows:

Special assessment payments	\$ (11,791)
Change in other deferred inflows	(2,771)
Change in deferred tax inflows	<u>(8,640)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (23,202)</u>

Another element of that reconciliation state that "The issuance of long-term debt (e.g. bonds, leases, installment financing) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$171,171 difference are as follows:

Principal payments	\$ 378,829
Installment financing obligation issuance	<u>(550,000)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (171,171)</u>

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this \$84,496 difference are as follows:

Accrued interest payable	\$ 906
Compensated absences	(61,981)
Pension obligation	<u>(23,421)</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (84,496)</u>

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 4. Deposits and Investments

A. Assets

1. Deposits

All of the Village's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Village's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer.

Since the State Treasurer is acting in a fiduciary capacity for the Village, these deposits are considered to be held by the Village's agent in the Village's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Village or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Village under the Pooling method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer enforces strict standards of financial stability for each depository that collateralized public deposits under the Pooling Method. The Village has no policy regarding custodial credit risk for deposits.

At June 30, 2014 the Village's deposits had a carrying amount of \$3,198,322. The cash balance in the bank at June 30, 2014 totaled \$3,264,953. Of the bank balance, \$739,735 was covered by federal depository insurance and \$2,525,218 was covered by collateral held under the Pooling Method. At June 30, 2014, the Village's petty cash fund totaled \$1,568.

2. Investments

At June 30, 2014, the Village's investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
NC Capital Management Trust – Cash Portfolio	\$4,071,924	N/A	AAAm

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Village's investment policy will structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Also, the Village's investment policy requires the investment of operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Credit Risk. Credit risk is the risk of loss due to the failure of the security issuer or backer. The Village will minimize this risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Village will do business, and diversifying the investment portfolio so that potential losses on individual securities will be minimized. The Village's investment in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAm by Standard & Poor's as of June 30, 2014.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 5. Receivables

Receivables as of year-end for the government's individual major funds and the non-major and fiduciary funds in the aggregate, including any applicable allowances for uncollectible accounts, are as follows:

	General	Non-Major and Other Funds	Total
Receivables:			
Taxes	\$ 30,294	\$ -	\$ 30,294
Special assessments	87,508	-	87,508
Interest	6,299	-	6,299
Accounts	23,638	-	23,638
Intergovernmental	<u>1,280,306</u>	<u>3,245</u>	<u>1,283,551</u>
Gross receivables	1,428,045	3,245	1,431,290
Less: Allowance for uncollectible accounts	<u>8,980</u>	<u>-</u>	<u>8,980</u>
Net total receivables	<u>\$ 1,419,065</u>	<u>\$ 3,245</u>	<u>\$ 1,422,310</u>

Note 6. Capital Assets

Capital asset activity for the Primary Government for the year ended June 30, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,770,349	\$ 28,514	\$ (50,150)	\$ 5,748,713
Construction in progress	<u>422,571</u>	<u>87,974</u>	<u>(454,347)</u>	<u>56,198</u>
Total capital assets not being depreciated	<u>6,192,920</u>	<u>116,488</u>	<u>(504,497)</u>	<u>5,804,911</u>
Capital assets being depreciated:				
Right of ways	81,000	-	-	81,000
Buildings and improvements	17,599,906	1,081,298	-	18,681,204
Furniture and equipment	2,117,069	328,161	-	2,445,230
Vehicles	5,100,348	748,350	(64,200)	5,784,498
Infrastructure	<u>4,246,225</u>	<u>257,401</u>	<u>-</u>	<u>4,503,626</u>
Total	<u>29,144,548</u>	<u>2,415,210</u>	<u>(64,200)</u>	<u>31,495,558</u>
Less accumulated depreciation for:				
Right of ways	5,108	2,025	-	7,133
Buildings and improvements	9,526,385	855,072	-	10,381,537
Furniture and equipment	1,536,802	183,287	-	1,720,090
Vehicles	3,065,190	368,340	(64,200)	3,369,329
Infrastructure	<u>496,468</u>	<u>109,174</u>	<u>-</u>	<u>605,642</u>
Total	<u>14,629,953</u>	<u>1,517,978</u>	<u>(64,200)</u>	<u>16,083,731</u>
Total capital assets being depreciated, net	<u>14,514,595</u>	<u>897,232</u>	<u>-</u>	<u>15,411,827</u>
Governmental activity capital assets, net	<u>\$ 20,707,515</u>	<u>\$ 1,013,720</u>	<u>\$ (504,497)</u>	<u>\$ 21,216,738</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 332,688
Public safety	471,656
Transportation	186,732
Economic & physical development	46,233
Environmental protection	120,643
Cultural and recreation	<u>360,027</u>
Total depreciation expense	<u>\$ 1,517,978</u>

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 6. Capital Assets (Continued)

Construction and Other Capital Related Commitments. The Village has active construction projects and other capital related commitments as of June 30, 2014. The projects include the fabrication of automated solid waste vehicle and storm drainage improvements at the Village's Harness Track. At June 30, 2014, the Village's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Solid Waste vehicle chassis	\$ -	\$ 87,558
Solid Waste vehicle body fabrication	-	85,440
Harness Track storm water project	41,702	18,912
Total	<u>\$ 41,702</u>	<u>\$ 191,910</u>

Note 7. Pension Plan Obligations

A. Local Government Employees' Retirement System

Plan Description. The Village of Pinehurst contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six percent of their covered salary. The Village is required to contribute at an actuarially determined rate. For the Village, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.07% and 7.28%, respectively, of annual covered payroll. The contribution requirements of members of the Village of Pinehurst are established and may be amended by the North Carolina General Assembly. The Village's contributions to LGERS for years ended June 30, 2014, 2013, and 2012 were \$432,279, \$386,669, and \$394,794, respectively. The contributions made by the Village equaled the required contributions for each year.

B. Law Enforcement Officers Special Separation Allowance

1. Plan Description

The Village of Pinehurst administers a public employee retirement system (the "Separation Allowance"), a single-employer retirement defined benefit pension plan that provides retirement benefits to the Village's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Plan does not maintain separate financial statements since the Plan will be funded when expenditures become due.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 7. Pension Plan Obligations (Continued)

B. Law Enforcement Officers Special Separation Allowance (Continued)

1. Plan Description (Continued)

All full-time law enforcement officers of the Village are covered by the Separation Allowance. At December 31, 2013, the Separation Allowance's membership consisted of:

Retirees receiving benefits	2
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>24</u>
Total	<u>26</u>

2. Summary of Significant Accounting Policies

Basis of Accounting. The Village has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

3. Contributions

The Village is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The Village's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2013 actuarial valuation using the projected unit credit actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25 – 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 17 years.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 7. Pension Plan Obligations (Continued)

B. Law Enforcement Officers Special Separation Allowance (Continued)

3. Contributions (Continued)

The Village's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 67,978
Interest on net pension obligation	8,670
Adjustment to annual required contribution	<u>(14,128)</u>
Annual pension cost	62,520
Contributions made	<u>39,099</u>
Increase (decrease) in net pension obligation	23,421
Net pension obligation beginning of year	<u>173,403</u>
Net pension obligation end of year	<u>\$ 196,824</u>

Three Year Trend Information

<u>For Year Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	\$ 49,704	87.83%	\$ 158,492
2013	54,010	72.39%	173,403
2014	62,520	62.54%	196,824

4. Funded Status and Funding Progress

As of December 31 2013, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$626,720. The covered payroll (annual payroll of active employees covered by the plan) was \$1,206,717, and the ratio of the UAAL to the covered payroll was 51.94 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

C. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The Village contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Village. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the Village to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the

Note 7. Pension Plan Obligations (Continued)

C. Supplemental Retirement Income Plan for Law Enforcement Officers (Continued)

law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$84,301, which consisted of \$60,211 from the Village and \$24,090 from the law enforcement officers.

D. Firefighters' and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of the Village of Pinehurst, to the Firefighters' and Rescue Squad Workers' Pension Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. The Fund provides pension benefits for eligible fire and rescue squad workers that have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Firefighters' and Rescue Squad Workers' Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute \$10 per month to the Fund. The State, a non-employer contributor, funds the plan through appropriations. The Village does not contribute to the Fund. Contribution requirements of plan members and the State of North Carolina are established and may be amended by North Carolina General Assembly.

E. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 401K. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. The Village established the plan and may amend it at its discretion. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan and all income attributable to those amounts are immediately 100% vested to the participant. The Village currently contributes five percent for all regular employees to the plan. Contributions for the year ended June 30, 2014 were \$441,109, which consisted of \$243,715 from the Village and \$197,394 in voluntary contributions from employees.

The Village also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan and all income attributable to those amounts are immediately 100% vested to the participant. The Village does not make contributions to the 457 plan.

F. Other Employment Benefits

The Village has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 7. Pension Plan Obligations (Continued)

F. Other Employment Benefits (Continued)

24 months prior to the employee's death, but the benefit may not exceed \$50,000 with a minimum of \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the Village, the Village does not determine the number of eligible participants. The Village has no liability beyond the payment of monthly contributions. The contributions to Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payrolls, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Village considers these contributions to be immaterial.

For the fiscal year ended June 30, 2014, the Village made contributions to the State for death benefits of \$0. The Village's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.00% and 0.00% of covered payroll, respectively.

Due to a surplus in the death benefit, a decision was made by the State to temporarily stop employer contributions to the LGERS Death Benefit Plan beginning July 1, 2012. A temporary relief period based on the number of years the employer has contributed as of December 31, 2010 was established as follows:

<u>No. Years Contributing</u>	<u>Years Relief</u>	<u>FY Contributions Resume</u>
Less than 10	1	2014
10-20	2	2015
20 or more	3	2016

The period of reprieve is determined separately for law enforcement officers. The Village of Pinehurst will have a three year reprieve because it has been contributing for more than 20 years. Contributions will resume in the fiscal year beginning July 1, 2015.

Note 8. Deferred Inflows of Resources

Deferred inflows of resources at year-end is comprised of the following:

	<u>Unavailable Revenue</u>	<u>Unearned Revenue</u>
Prepaid taxes	\$ -	\$ 16
Taxes receivable	30,294	-
Others receivable	6,692	-
Special assessments receivable	87,508	-
Total	<u>\$ 124,494</u>	<u>\$ 16</u>

Note 9. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village participates in two self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the Village obtains general liability and auto liability coverage of \$3 million per occurrence, property coverage up to the total insured values of the property policy, and workers' compensation coverage up to statutory limits. The liability and property exposures are reinsured through commercial carriers for claims in excess of retentions as selected by the Board of Trustees each year. Stop loss insurance is purchased by the Board of Trustees to protect against large medical claims that exceed certain dollar cost levels. Specific information on the limits of the reinsurance, excess and stop loss policies purchased by the Board of Trustees can be obtained by contacting the Risk Management Services Department of the NC League of

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 9. Risk Management (Continued)

Municipalities. The pools are audited annually by certified public accountants, and the audited financial statements are available to the Village upon request.

The Village carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

As the Village has no facilities within a FEMA recognized flood zone, we have elected not carry additional flood insurance coverage.

In accordance with G.S. 159-29, the Village's employees that have access to \$100 or more at any given time of the Village's funds are performance bonded through a commercial surety bond. The Finance Officer and Tax Collector are each individually bonded for \$490,000 and \$10,000 respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$500,000.

Note 10. Claims, Judgments and Contingent Liabilities

At June 30, 2014, the Village was a defendant to various lawsuits. In the opinion of Village management and the Village attorney, the ultimate outcome of these legal matters will not have a material adverse effect on the Village's financial position.

Note 11. Long-Term Obligations

A. Capital Lease

The Village has entered into an agreement to lease certain equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date its inception.

The agreement was executed on January 14, 2013 to lease computer equipment and requires 3 annual payments of \$20,932. In this agreement, title passes to the Village at the end of the lease term.

The following is an analysis of the assets recorded under capital leases at June 30, 2014:

Class of Property	Cost	Accumulated Depreciation	Net Book Value
Computer Equipment	<u>\$ 59,503</u>	<u>\$ 17,851</u>	<u>\$ 41,652</u>
	<u>\$ 59,503</u>	<u>\$ 17,851</u>	<u>\$ 41,652</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2014 were as follows:

Year Ending June 30	
2015	\$ <u>20,847</u>
Total minimum lease payments	20,847
Less: amount representing interest	<u>1,087</u>
Present value of the minimum lease payments	\$ <u>19,760</u>

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 11. Long-Term Obligations (Continued)

B. Installment Purchase

Long-term debt obligations of the Village consisted of the following at June 30, 2014:

\$500,000 land installment purchase dated 4/7/03 due in 30 semi-annual payments consisting of fixed principal of \$16,667 plus interest at 3.98% through April 2018; collateralized by land	\$ 133,333
\$2,500,000 building installment purchase dated 3/14/05 due in 30 semi-annual installments consisting of fixed principal of \$83,334 plus interest at 3.44% through March 2020; collateralized by building	1,000,000
\$1,000,000 building installment purchase dated 3/11/02 due in 40 semi-annual payments consisting of fixed principal of \$25,000 plus interest at 4.60% through March 2022; collateralized by building	400,000
\$500,000 vehicle installment purchase dated 11/10/09 due in 14 semi-annual payments of \$42,037 through December 2016; interest at 4.43% with a 35% Build America Bond interest rebate on each payment for a net effective interest rate of approximately 2.88%; collateralized by fire truck	196,688
\$550,000 vehicle installment purchase dated 7/31/13 due in 14 semi-annual payments of \$41,917 through August 2020; interest at 1.75%; collateralized by fire truck	<u>512,961</u>
	<u>\$ 2,242,982</u>

Annual debt service requirements to maturity for debt are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 401,383	\$ 72,295
2016	406,115	58,199
2017	368,727	43,952
2018	329,223	34,299
2019	297,281	21,877
2020-2024	<u>440,253</u>	<u>18,541</u>
	<u>\$ 2,242,982</u>	<u>\$ 249,163</u>

C. Changes in Long-Term Liabilities

At June 30, 2014, the Village of Pinehurst had a legal debt margin of \$276,355,076.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 11. Long-Term Obligations (Continued)

C. Changes in Long Term Liabilities (Continued)

The following is a summary of changes in the Village's long-term obligations for the fiscal year ended June 30, 2014:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014	Current Portion of Balance
Governmental activities:					
Installment purchases	\$2,053,001	\$ 550,000	\$ (360,019)	\$2,242,982	\$ 401,383
Capital leases	38,571	-	(18,811)	19,760	19,760
Compensated absences	609,132	423,290	(361,309)	671,113	398,073
Net pension obligation	<u>173,403</u>	<u>23,421</u>	<u>-</u>	<u>196,824</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$2,874,107</u>	<u>\$ 996,711</u>	<u>\$ (740,139)</u>	<u>\$3,130,679</u>	<u>\$ 819,216</u>

Compensated absences typically have been liquidated in the general fund.

Note 12. Interfund Balances and Activity

Balances due to/from other funds

The Village has no balances due to/from other funds at June 30, 2014.

Transfers to/from other funds

Transfers to/from other funds at June 30, 2014, consist of the following:

From the Interest Residential Assurance Fund to the General Fund
upon the closing of the special revenue fund

\$ 7,933

Total transfers

\$ 7,933

Transfers are used to move unrestricted revenues to finance various programs that the Village must account for in other funds in accordance with budgetary authorizations, including amounts provided matching funds for various grant programs.

During the 2014 fiscal year, \$7,933 was transferred from the Interest Residential Assurance Fund to the General Fund upon the closing of the special revenue fund.

Note 13. Revenues, Expenditures and Expenses

For the fiscal year ended June 30, 2014, the Village of Pinehurst has recognized on behalf of payments for pension contributions made by the State as revenue and an expenditure of \$1,073 for the 3 volunteer and employed firefighters who perform duties for the Village's fire department. The volunteers and employees elected to be members of the Firefighters' and Rescue Squad Worker's Pension Fund, a cost sharing, multiple-employer public employee retirement system established and administered by the State of North Carolina. The plan is funded by a \$10 monthly contribution paid by each member, investment income, and a state appropriation.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 14. Net Investment in Capital Assets

	<u>Governmental</u>
Capital Assets	\$ 21,216,738
Less: Long-Term Debt	<u>(2,262,742)</u>
Net Investment in Capital Assets	\$ <u>18,953,996</u>

Note 15. Fund Balance

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance-General Fund	\$ 7,748,844
Less:	
Inventories	44,071
Prepaid Items	130,586
Stabilization by State Statute	1,568,981
Appropriated Fund Balance in 2015 budget	1,687,710
Fund Balance Policy Minimum	2,530,063
Remaining Fund Balance	1,787,433

The Village's fund balance policy requires the Village to maintain a minimum unassigned General Fund balance of 15% of actual expenditures as reported in the Village's CAFR. In addition, the when preparing the annual General Fund budget, the total appropriated fund balance should result in anticipated ending total fund balance in the range of 30%-40% of budgeted expenditures. At June 30, 2014 the General Fund's unassigned fund balance of \$4,317,496 represents 26% of General Fund actual expenditures which exceeds the policy minimum. Total fund balance was 42% of budgeted expenditures. The amount by which the fund balance exceeds policy-established minimums may be included as a revenue source when the budget is prepared for the next fiscal year.

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances	General Fund	Non-Major Funds
	\$274,410	\$0

Note 16. Summary Disclosure of Significant Contingencies

A. Employment Security Benefits

The Village has elected to pay the direct cost of employment security benefits in lieu of unemployment payroll taxes. A liability for such payments could accrue in the period following the discharge of an employee.

Village of Pinehurst, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2014

B. Federal and State Assisted Programs

The Village has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Note 17. Significant Effects of Subsequent Events

Effective July 31, 2014, the Cotswold subdivision was annexed into the Village of Pinehurst's municipal limits. The area consists of 67 residential lots with 51 single-family homes constructed. The tax total tax value of the area at the time of the annexation was \$19,889,420. The overall financial and operational impact of this annexation is immaterial to the Village as a whole.

Note 18. Joint Ventures

The Village and the members of the Village's fire department each appoint two members to the five-member local board of trustees for the Firefighters' Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firefighters' Relief Fund is funded by a portion of the fire and lightning insurance premiums that insurers remit to the State. The State passes these moneys to the local board of the Firefighters' Relief Fund. These distributions are used to assist fire fighters in various ways. The local board of the Firefighters' Relief Fund received a distribution of \$17,294 from the State Insurance Commissioner's office for the fiscal year ended June 30, 2014. The Village obtains an ongoing financial benefit from the Fund for the benefits provided to members of the Village's fire department by the board of trustees. The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2014. The Firefighters' Relief Fund does not issue separate audited financial statements. Instead, the local board of trustees files an annual financial report with the State Firefighter's Association. This report can be obtained from the Association at 323 West Jones Street, Suite 401, Raleigh, North Carolina 27603.

Note 19. Reclassification

The Village previously reported sales taxes as an own-source revenue when in fact these revenues should have been reported as shared revenues. These local option sales taxes are levied by the Moore County Board of Commissioners and a portion is allocated to the Village by state statute. These revenues have been reclassified as unrestricted intergovernmental revenues in the financial statements for the current year and for the previous nine years in the statistical section. This reclassification had no effect on net position or fund balance as previously reported.

Also, the Village previously reported proceeds from the sale of capital assets as "Miscellaneous Revenues". In the past, these amounts have been small and were immaterial to the financial statements taken as a whole. In FY 2014, the Village sold a surplus fire station property and the proceeds from the sale were material to the financial statements. Proceeds from the sale of capital assets are now properly reported as "Other Financing Sources" and have been reclassified for all prior fiscal years. This reclassification had no effect on net position or fund balance as previously reported.

Required Supplementary Information

This section contains additional information required
by generally accepted accounting principles.

Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance

Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance

Village of Pinehurst, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Funding Progress

Exhibit A-1

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/04	-	\$ 282,287	\$ 282,287	0.00%	\$ 886,065	31.86%
12/31/05	-	250,906	250,906	0.00%	913,796	27.46%
12/31/06	-	267,367	267,367	0.00%	923,508	28.95%
12/31/07	-	274,898	274,898	0.00%	1,105,732	24.86%
12/31/08	-	372,335	372,335	0.00%	1,125,699	33.08%
12/31/09	-	489,896	489,896	0.00%	1,139,799	42.98%
12/31/10	-	463,380	463,380	0.00%	1,177,170	39.36%
12/31/11	-	493,802	493,802	0.00%	1,138,078	43.39%
12/31/12	-	607,213	607,213	0.00%	1,172,606	51.78%
12/31/13	-	626,720	626,720	0.00%	1,206,717	51.94%

Village of Pinehurst, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Employer Contributions

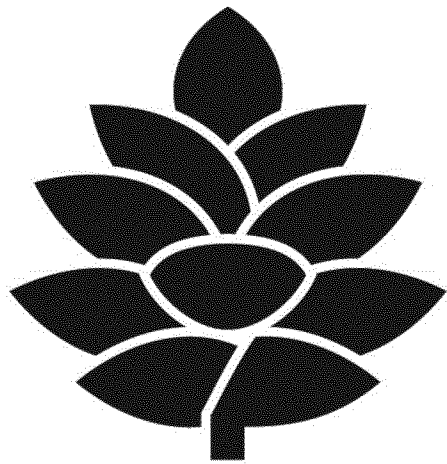
Exhibit A-2

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2005	\$ 27,928	43.26%
2006	31,684	80.46%
2007	29,104	62.04%
2008	30,750	46.32%
2009	33,386	131.00%
2010	40,792	104.34%
2011	52,094	81.70%
2012	51,176	85.30%
2013	55,948	69.88%
2014	67,978	57.52%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	17 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases*	4.25 - 7.85%
Cost-of living adjustments	None
 *Includes inflation at	 3.00%



General Fund

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

Village of Pinehurst, North Carolina

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2014

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2013

Exhibit B-1

Page 1 of 4

	2014			
	Final Budget	Actual	Variance Positive (Negative)	2013
Revenues:				
Ad valorem taxes:				
Taxes	\$ 9,677,000	\$ 9,757,312	\$ 80,312	\$ 9,542,156
Penalties and interest	5,000	14,370	9,370	15,296
Total	9,682,000	9,771,682	89,682	9,557,452
Other taxes:				
Golf cart licenses	1,700	2,230	530	1,775
Total	1,700	2,230	530	1,775
Unrestricted intergovernmental:				
Local option sales tax	2,590,000	2,599,331	9,331	2,573,483
Telecommunications sales tax	115,000	115,413	413	114,189
Utilities franchise tax	565,000	608,170	43,170	553,832
Video programming	290,000	290,050	50	295,237
Hold harmless reimbursements	580,000	592,468	12,468	565,398
Wine & beer tax	67,200	66,271	(929)	60,477
Total	4,207,200	4,271,703	64,503	4,162,616
Restricted intergovernmental:				
Powell Bill allocation	485,000	485,356	356	476,150
BAB interest rebates	3,555	3,713	158	4,799
Controlled substance tax	2,500	1,005	(1,495)	774
Other grants	45,500	2,275	(43,225)	12,548
Solid waste disposal tax	9,700	9,257	(443)	8,438
On-behalf of payments - Fire and Rescue	-	1,073	1,073	1,107
Total	546,255	502,679	(43,576)	503,816
Permits and fees:				
Building permits and inspection fees	260,000	273,142	13,142	241,011
Planning and zoning fees	50,000	41,535	(8,465)	52,307
Fire district	212,000	218,869	6,869	211,487
Rescue services	14,000	14,000	-	14,000
US Open license fee	700,000	700,000	-	-
Other permits and fees	5,250	4,907	(343)	16,442
Total	1,241,250	1,252,453	11,203	535,247
Sales and services:				
Rents, concessions and fees	428,515	470,842	42,327	424,732
Recreation fees	85,500	94,133	8,633	93,012
Total	514,015	564,975	50,960	517,744
Investment earnings:				
Investment income	20,500	10,642	(9,858)	13,342
Assessments	12,410	11,791	(619)	-

Village of Pinehurst, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2013

Exhibit B-1
Page 2 of 4

	2014			
	Final Budget	Actual	Variance Positive (Negative)	2013
Miscellaneous:				
ABC revenue	\$ 90,000	\$ 116,864	\$ 26,864	\$ 105,760
Recycling revenue	55,000	21,194	(33,806)	55,406
Donations	39,194	62,417	23,223	57,271
Other revenues	33,418	66,166	32,748	46,962
Total	217,612	266,641	49,029	265,399
Total revenues	16,442,942	16,654,796	211,854	15,557,391
Expenditures:				
General government:				
Governing body:				
Operating expenditures	236,500	189,982	46,518	206,779
Capital outlay	-	-	-	90,865
Total	236,500	189,982	46,518	297,644
Administration:				
Operating expenditures	1,085,090	1,051,309	33,781	960,955
Capital outlay	120,050	62,521	57,529	28,730
Total	1,205,140	1,113,830	91,310	989,685
Financial services:				
Operating expenditures	587,460	563,129	24,331	529,386
Capital outlay	450	-	450	6,334
Total	587,910	563,129	24,781	535,720
Human resources:				
Operating expenditures	378,530	322,489	56,041	280,438
Capital outlay	10,225	7,500	2,725	2,791
Total	388,755	329,989	58,766	283,229
Total general government	2,418,305	2,196,930	221,375	2,106,278
Public safety:				
Police:				
Operating expenditures	2,798,905	2,642,568	156,337	2,520,687
Capital outlay	39,600	25,494	14,106	98,284
Total	2,838,505	2,668,062	170,443	2,618,971
Fire:				
Operating expenditures	2,587,352	2,412,770	174,582	2,310,879
Capital outlay	586,125	561,980	24,145	55,091
Total	3,173,477	2,974,750	198,727	2,365,970
Fire and rescue on behalf of payments	-	1,073	(1,073)	1,107

Village of Pinehurst, North Carolina
General Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2013

Exhibit B-1
Page 3 of 4

	2014			
	Final Budget	Actual	Variance Positive (Negative)	2013
Inspections:				
Operating expenditures	\$ 224,300	\$ 212,122	\$ 12,178	\$ 209,143
Capital outlay	120	-	120	2,189
Total	224,420	212,122	12,298	211,332
Total public safety	6,236,402	5,856,007	380,395	5,197,380
Transportation:				
Public services administration:				
Operating expenditures	376,290	345,916	30,374	334,014
Capital outlay	565	-	565	1,503
Total	376,855	345,916	30,939	335,517
Streets and grounds:				
Operating expenditures	1,388,959	1,292,518	96,441	1,025,409
Capital outlay	379,551	363,483	16,068	134,793
Total	1,768,510	1,656,001	112,509	1,160,202
Powell Bill:				
Operating expenditures	801,800	790,235	11,565	682,866
Total transportation	2,947,165	2,792,152	155,013	2,178,585
Economic & physical development:				
Planning:				
Operating expenditures	648,710	604,498	44,212	663,194
Capital outlay	175	-	175	6,362
Total	648,885	604,498	44,387	669,556
Community Development				
Operating expenditures	446,250	308,454	137,796	213,922
Capital outlay	502,627	496,072	6,555	1,247,717
Total	948,877	804,526	144,351	1,461,639
Total economic & physical development	1,597,762	1,409,024	188,738	2,131,195
Environmental protection:				
Solid waste:				
Operating expenditures	1,448,900	1,283,498	165,402	1,156,797
Capital outlay	383,225	172,876	210,349	190,885
Total	1,832,125	1,456,374	375,751	1,347,682
Total environmental protection	1,832,125	1,456,374	375,751	1,347,682
Cultural and Recreation:				
Recreation:				
Operating expenditures	1,356,404	1,218,191	138,213	923,382
Capital outlay	369,269	353,075	16,194	348,379
Total	1,725,673	1,571,266	154,407	1,271,761

Village of Pinehurst, North Carolina

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

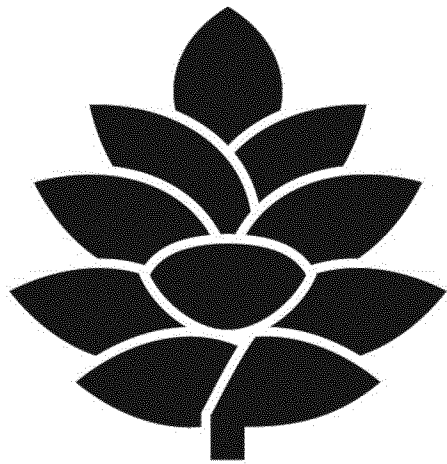
For the Fiscal Year Ended June 30, 2014

With Comparative Actual Amounts for Fiscal Year Ended June 30, 2013

Exhibit B-1

Page 4 of 4

	2014			2013
	Final Budget	Actual	Variance Positive (Negative)	
Library:				
Operating expenditures	\$ 360,000	\$ 360,000	\$ -	\$ 140,000
Harness Track:				
Operating expenditures	522,570	468,587	53,983	417,962
Capital outlay	109,150	67,239	41,911	159,821
Total	631,720	535,826	95,894	577,783
Fair Barn:				
Operating expenditures	252,830	217,068	35,762	199,991
Capital outlay	12,575	10,516	2,059	91,370
Total	265,405	227,584	37,821	291,361
Total cultural and recreation	2,982,798	2,694,676	288,122	2,280,905
Contingency:				
Operating expenditures	11,900	-	11,900	-
Debt service:				
Principal retirement	381,017	378,829	2,188	478,298
Interest and fees	87,203	83,098	4,105	91,151
Total	468,220	461,927	6,293	569,449
Total expenditures	18,494,677	16,867,090	1,627,587	15,811,474
Excess (deficiency) of revenues over (under) expenditures	(2,051,735)	(212,294)	1,839,441	(254,083)
Other Financing Sources (Uses):				
Debt issuance	550,000	550,000	-	-
Sales of capital assets	245,900	241,457	(4,443)	59,493
Capital lease obligation issuance	-	-	-	59,503
Transfers from other funds:				
Capital Project Funds	-	-	-	24,982
Special Revenue Funds	7,933	7,933	-	27,398
Total other financing sources (uses)	803,833	799,390	(4,443)	171,376
Fund balance appropriated	1,247,902	-	(1,247,902)	-
Net change in fund balances	\$ -	587,096	\$ 587,096	(82,707)
Fund balances, beginning		7,161,748		7,244,455
Fund balances, ending		\$ 7,748,844		\$ 7,161,748



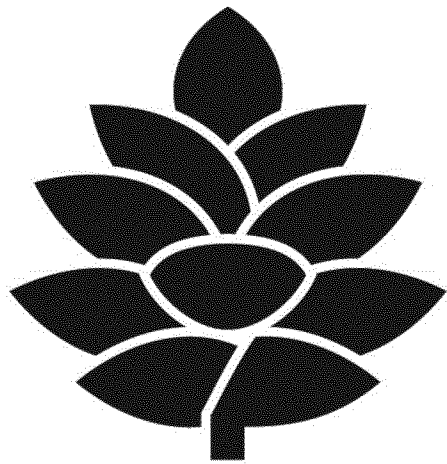
Non-Major Governmental Funds

Non-major governmental funds are those funds whose revenues, expenditures/expenses, assets or liabilities are less than 10% of corresponding totals for all governmental or enterprise funds or less than 5% of the aggregate amount for all governmental and enterprise funds for the same item.

Land Dedication Fund – This fund is used to account for the dedication of land or the payment of fees in lieu of the dedication of land from developers.

Residential Assurance Interest Fund – This fund is used to accumulate interest earnings from the Residential Assurance Agency Fund and to appropriate funds approved for aesthetic improvements in public areas.

The Jackson Hamlet Community Development Block Grant Recovery (CDBG-III) Project – This fund is used to account for the costs incurred in the design and construction of sewer facilities for the Jackson Hamlet Community adjacent to Pinehurst.



Village of Pinehurst, North Carolina
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2014

Exhibit C-1

	Special Revenue Fund Land Dedication Fund	Capital Project Fund Jackson Hamlet CDBG-III	Total Non-Major Governmental Funds
Assets			
Cash and cash equivalents	\$ 2,894	\$ -	\$ 2,894
Due from other governments	-	3,245	3,245
Total assets	<u>\$ 2,894</u>	<u>\$ 3,245</u>	<u>\$ 6,139</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ 3,245	\$ 3,245
Total liabilities	<u>-</u>	<u>3,245</u>	<u>3,245</u>
Fund balances:			
Committed:			
Special revenue funds	2,894	-	2,894
Total fund balances	<u>2,894</u>	<u>-</u>	<u>2,894</u>
Total liabilities and fund balances	<u>\$ 2,894</u>	<u>\$ 3,245</u>	<u>\$ 6,139</u>

Village of Pinehurst, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2014

Exhibit C-2
Page 1 of 2

	Special Revenue Funds		
	Land Dedication Fund	Residential Assurance - Interest Fund	Total
Revenues			
Restricted intergovernmental	\$ -	\$ -	\$ -
Investment earnings	7	65	72
Total revenues	7	65	72
Expenditures			
Operating	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	7	65	72
Other Financing Sources (Uses)			
Transfers to other funds	-	(7,933)	(7,933)
Total other financing sources (uses)	-	(7,933)	(7,933)
Net change in fund balances	7	(7,868)	(7,861)
Fund balances-beginning	2,887	7,868	10,755
Fund balances-ending	\$ 2,894	\$ -	\$ 2,894

Village of Pinehurst, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2014

Exhibit C-2
Page 2 of 2

	Capital Projects Fund		Total Nonmajor Governmental Funds
	Jackson Hamlet CDBG-III	Total	
Revenues			
Restricted intergovernmental	\$ 45,394	\$ 45,394	\$ 45,394
Investment earnings	-	-	72
Total revenues	<u>45,394</u>	<u>45,394</u>	<u>45,466</u>
Expenditures			
Operating	45,394	45,394	45,394
Total expenditures	<u>45,394</u>	<u>45,394</u>	<u>45,394</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>72</u>
Other Financing Sources (Uses)			
Transfers to other funds	-	-	(7,933)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,933)</u>
Net change in fund balances	-	-	(7,861)
Fund balances-beginning	<u>-</u>	<u>-</u>	<u>10,755</u>
Fund balances-ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,894</u>

Village of Pinehurst, North Carolina
Land Dedication Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2013

Exhibit C-3

	2014				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)	2013
	Original	Final			
Revenues					
Investment earnings	\$ 600	\$ 600	\$ 7	\$ (593)	\$ 5
Expenditures					
Operating	600	600	-	600	-
Excess of revenues over expenditures	-	-	7	7	5
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	7	<u>\$ 7</u>	5
Fund balances-beginning			2,887		2,882
Fund balances-ending			\$ 2,894		\$ 2,887

Village of Pinehurst, North Carolina
Residential Assurance Interest Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014
With Comparative Actual Amounts for Fiscal Year Ended June 30, 2013

Exhibit C-4

	2014				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)	2013
	Original	Final			
Revenues					
Investment earnings	\$ 200	\$ 200	\$ 65	\$ (135)	\$ 108
Expenditures					
Operating	200	200	-	200	-
Excess of revenues over expenditures	-	-	65	65	108
Other Financing Sources (Uses)					
Transfer to General Fund	-	(7,933)	(7,933)	-	-
Total other financing sources (uses)	-	(7,933)	(7,933)	-	-
Fund balance appropriated	-	7,933	-	(7,933)	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(7,868)	<u>\$ (7,868)</u>	108
Fund balances-beginning			7,868		7,760
Fund balances-ending			\$ -		\$ 7,868

Village of Pinehurst, North Carolina
Capital Projects Fund - Jackson Hamlet CDBG-III
Schedule of Revenues, Expenditures, and Changes
in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2014

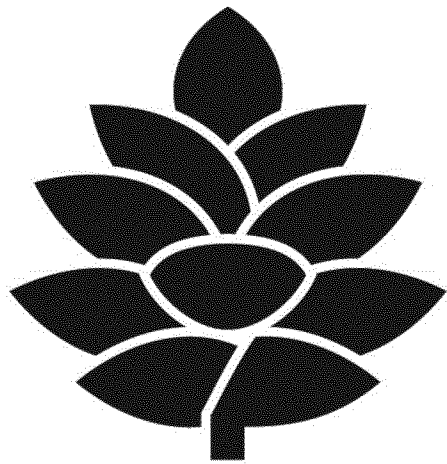
Exhibit C-5

	Project Author- ization	Prior Years	Actual Current Year	Total to Date	Variance with Final Budget- Positive (Negative)
Revenues					
Community development block grant	\$ 683,200	\$ 29,044	\$ 45,394	\$ 74,438	\$ (608,762)
Total revenues	<u>683,200</u>	<u>29,044</u>	<u>45,394</u>	<u>74,438</u>	<u>(608,762)</u>
Expenditures					
Professional services	73,200	1,125	6,893	8,018	65,182
Grants for community projects	<u>610,000</u>	<u>27,919</u>	<u>38,501</u>	<u>66,420</u>	<u>543,580</u>
Total expenditures	<u>683,200</u>	<u>29,044</u>	<u>45,394</u>	<u>74,438</u>	<u>608,762</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund balances-beginning			-		
Fund balances-ending			<u>\$ -</u>		

Fiduciary Funds

Fiduciary funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

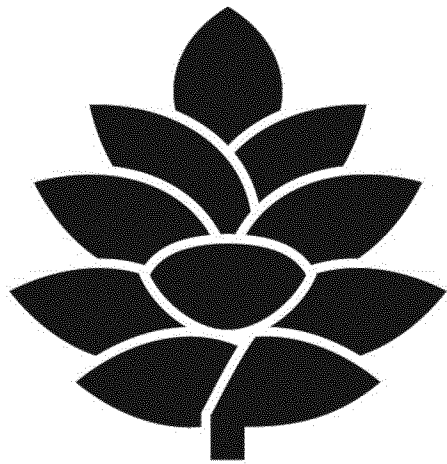
Residential Assurance Agency Fund – This agency fund is used to account for the contributions from builders to ensure proper cleanup, site drainage and landscaping, and to enforce all codes and ordinances regarding site cleanliness. The accumulated interest on these contributions is recorded in a separate Special Revenue Fund.



Village of Pinehurst, North Carolina
Residential Assurance Agency Fund
Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2014

Exhibit D-1

	<u>Balance</u> <u>7/1/2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>06/30/14</u>
Assets				
Cash and cash equivalents	<u>\$ 55,000</u>	<u>\$ 20,000</u>	<u>\$ (75,000)</u>	<u>\$ -</u>
Liabilities				
Builder deposits	<u>\$ 55,000</u>	<u>\$ 20,000</u>	<u>\$ (75,000)</u>	<u>\$ -</u>



Capital Assets Used in the Operation of Governmental Funds

Capital assets are all tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Village of Pinehurst, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
June 30, 2014

Exhibit E-1

	<u>2014</u>	<u>2013</u>
Governmental funds capital assets:		
Land	\$ 5,748,713	\$ 5,770,349
Right of ways	81,000	81,000
Buildings and improvements	18,681,204	17,599,906
Furniture, equipment, and vehicles	8,229,728	7,217,417
Infrastructure	4,503,626	4,246,225
Construction in progress	<u>56,198</u>	<u>422,571</u>
Total governmental funds capital assets	<u>\$ 37,300,469</u>	<u>\$ 35,337,468</u>
 Investment in governmental funds capital assets by source:		
General Fund	\$ 37,257,906	\$ 32,993,527
Donations	<u>42,563</u>	<u>2,343,941</u>
Total governmental funds capital assets	<u>\$ 37,300,469</u>	<u>\$ 35,337,468</u>

Village of Pinehurst, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2014

Exhibit E-2

FUNCTION AND ACTIVITY	Land	Right of Ways	Buildings	Improvements Other Than Buildings	Furniture, Equipment & Vehicles	Infrastructure	Construction In Progress	Total
General Government								
Governing Body	\$ 3,313,346	\$ -	\$ -	\$ -	\$ 60,503	\$ -	\$ -	\$ 3,373,849
Administration	-	-	4,248,469	-	98,248	-	-	4,346,717
Financial Services	-	-	-	-	135,259	-	-	135,259
Human Resources	-	-	-	-	21,300	-	-	21,300
Information Technology	-	-	-	28,388	228,607	-	-	256,995
Buildings & Grounds	-	-	423,203	386,987	218,829	29,476	-	1,058,495
Fleet Maintenance	25,170	-	95,120	-	152,068	-	-	272,358
	<u>3,338,516</u>	<u>-</u>	<u>4,766,792</u>	<u>415,375</u>	<u>914,814</u>	<u>29,476</u>	<u>-</u>	<u>9,464,973</u>
Public Safety								
Police	-	-	2,696,435	-	1,096,976	-	-	3,793,411
Fire	161,074	-	3,291,078	-	2,430,808	-	-	5,882,960
Inspections	-	-	-	-	33,801	-	-	33,801
	<u>161,074</u>	<u>-</u>	<u>5,987,513</u>	<u>-</u>	<u>3,561,585</u>	<u>-</u>	<u>-</u>	<u>9,710,172</u>
Transportation								
Public Services	32,500	-	526,154	-	63,719	-	-	622,373
Streets and Grounds	-	81,000	5,118	241,920	1,098,243	3,033,105	-	4,459,386
Powell Bill	-	-	-	45,713	329,735	23,098	-	398,546
	<u>32,500</u>	<u>81,000</u>	<u>531,272</u>	<u>287,633</u>	<u>1,491,697</u>	<u>3,056,203</u>	<u>-</u>	<u>5,480,305</u>
Environmental Protection								
Solid Waste	-	-	-	-	1,508,777	-	-	1,508,777
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,508,777</u>	<u>-</u>	<u>-</u>	<u>1,508,777</u>
Cultural and Recreation								
Recreation	760,373	-	237,664	2,071,045	176,908	770,398	-	4,016,388
Harness Track	1,456,250	-	1,201,587	210,250	451,493	125,827	-	3,445,407
Fair Barn	-	-	2,207,926	119,387	51,753	-	-	2,379,066
	<u>2,216,623</u>	<u>-</u>	<u>3,647,177</u>	<u>2,400,682</u>	<u>680,154</u>	<u>896,225</u>	<u>-</u>	<u>9,840,861</u>
Economic & Physical Development								
Planning	-	-	-	-	52,438	-	-	52,438
Community Development	-	-	-	644,760	20,263	521,722	-	1,186,745
	<u>-</u>	<u>-</u>	<u>-</u>	<u>644,760</u>	<u>72,701</u>	<u>521,722</u>	<u>-</u>	<u>1,239,183</u>
Construction in progress	-	-	-	-	-	-	56,198	56,198
	<u>\$ 5,748,713</u>	<u>\$ 81,000</u>	<u>\$ 14,932,754</u>	<u>\$ 3,748,450</u>	<u>\$ 8,229,728</u>	<u>\$ 4,503,626</u>	<u>\$ 56,198</u>	<u>\$ 37,300,469</u>

Village of Pinehurst, North Carolina
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
For the Fiscal Year Ended June 30, 2014

Exhibit E-3

FUNCTION AND ACTIVITY	Capital Assets July 1, 2013	Additions	Deletions	Adjustments	Capital Assets June 30, 2014
General Government					
Governing Body	\$ 3,359,018	\$ 26,563	\$ (38,200)	\$ 26,468	\$ 3,373,849
Administration	4,335,073	11,644	-	-	4,346,717
Financial Services	135,259	-	-	-	135,259
Human Resources	13,800	7,500	-	-	21,300
Information Technology	256,995	-	-	-	256,995
Buildings & Grounds Mtnce.	996,361	404,718	-	(342,584)	1,058,495
Fleet Maintenance	272,358	-	-	-	272,358
	<u>9,368,864</u>	<u>450,425</u>	<u>(38,200)</u>	<u>(316,116)</u>	<u>9,464,973</u>
Public Safety					
Police	3,832,117	25,494	(64,200)	-	3,793,411
Fire	5,342,980	551,930	(11,950)	-	5,882,960
Inspections	33,801	-	-	-	33,801
	<u>9,208,898</u>	<u>577,424</u>	<u>(76,150)</u>	<u>-</u>	<u>9,710,172</u>
Transportation					
Public Services	622,373	-	-	-	622,373
Streets and Grounds	2,092,656	607,565	-	1,759,165	4,459,386
Powell Bill	398,546	-	-	-	398,546
	<u>3,113,575</u>	<u>607,565</u>	<u>-</u>	<u>1,759,165</u>	<u>5,480,305</u>
Environmental Protection					
Solid Waste	1,353,778	172,876	-	(17,877)	1,508,777
	<u>1,353,778</u>	<u>172,876</u>	<u>-</u>	<u>(17,877)</u>	<u>1,508,777</u>
Cultural and Recreation					
Recreation	3,495,029	236,607	-	284,752	4,016,388
Harness Track	3,425,475	19,932	-	-	3,445,407
Fair Barn	2,293,931	10,516	-	74,619	2,379,066
	<u>9,214,435</u>	<u>267,055</u>	<u>-</u>	<u>359,371</u>	<u>9,840,861</u>
Economic & Physical Development					
Planning	52,438	-	-	-	52,438
Community Development	2,602,909	-	-	(1,416,164)	1,186,745
	<u>2,655,347</u>	<u>-</u>	<u>-</u>	<u>(1,416,164)</u>	<u>1,239,183</u>
Construction in progress	<u>422,571</u>	<u>87,974</u>	<u>(85,968)</u>	<u>(368,379)</u>	<u>56,198</u>
	<u>\$ 35,337,468</u>	<u>\$ 2,163,319</u>	<u>\$ (200,318)</u>	<u>\$ -</u>	<u>\$ 37,300,469</u>

Additional Financial Data

This section contains additional information on property taxes and interfund transfers.

Schedule of Ad Valorem Taxes Receivable

Analysis of Current Tax Levy

Schedule of Transfers

Village of Pinehurst, North Carolina
Schedule of Ad Valorem Taxes Receivable
June 30, 2014

Exhibit F-1

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2013</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2014</u>
2013-2014	\$ -	\$ 9,756,980	\$ 9,748,024	\$ 8,956
2012-2013	19,714	-	15,869	3,845
2011-2012	2,902	-	1,009	1,893
2010-2011	3,758	-	140	3,618
2009-2010	2,854	-	23	2,831
2008-2009	1,255	-	84	1,171
2007-2008	2,205	-	100	2,105
2006-2007	2,318	-	98	2,220
2005-2006	2,075	-	107	1,968
2004-2005	1,701	-	14	1,687
2003-2004	152	-	152	-
	<u>\$ 38,934</u>	<u>\$ 9,756,980</u>	<u>\$ 9,765,620</u>	<u>\$ 30,294</u>

Reconciliation with revenues:

Ad valorem taxes - General Fund

\$ 9,771,682

Reconciling items:

Interest collected and refunds

(14,370)

Refunds/reliefs

8,308

(6,062)

Total collections and credits

\$ 9,765,620

Village of Pinehurst, North Carolina
Analysis of Current Tax Levy
For the Fiscal Year Ended June 30, 2014

Exhibit F-2

	General Fund			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 3,476,772,659	\$ 0.28	\$ 9,738,705	\$ 9,108,904	\$ 629,801
Registered motor vehicles taxed at prior year's rate	15,016,938	\$ 0.28	42,047	-	42,047
Penalties	-		1,612	1,612	-
Total	<u>3,491,789,597</u>		<u>9,782,364</u>	<u>9,110,516</u>	<u>671,848</u>
Discoveries:					
Current year taxes	392,876	\$ 0.28	1,100	1,100	-
Penalties	-		3	3	-
Total	<u>392,876</u>		<u>1,103</u>	<u>1,103</u>	<u>-</u>
Abatements	<u>(9,459,746)</u>		<u>(26,487)</u>	<u>(5,615)</u>	<u>(20,872)</u>
Total property valuation	<u>\$ 3,482,722,727</u>				
Net levy			9,756,980	9,106,004	650,976
Uncollected taxes at June 30, 2014			<u>(8,956)</u>	<u>(2,609)</u>	<u>(6,347)</u>
Current year's taxes collected			<u>\$ 9,748,024</u>	<u>\$ 9,103,395</u>	<u>\$ 644,629</u>
Current levy collection percentage			99.91%	99.97%	99.03%

Village of Pinehurst, North Carolina
Schedule of Transfers
For the Fiscal Year Ended June 30, 2014

Exhibit F-3

	Transfers	
	From	To
Transfers From/To Other Funds		
General Fund		
Interest Residential Assurance Fund	\$ 7,933	\$ -
Interest Residential Assurance Fund		
General Fund	-	7,933
Total transfers	<u>\$ 7,933</u>	<u>\$ 7,933</u>

Statistical Section

This part of the Village of Pinehurst's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Categories of Statistical Information Included

Financial Trends – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

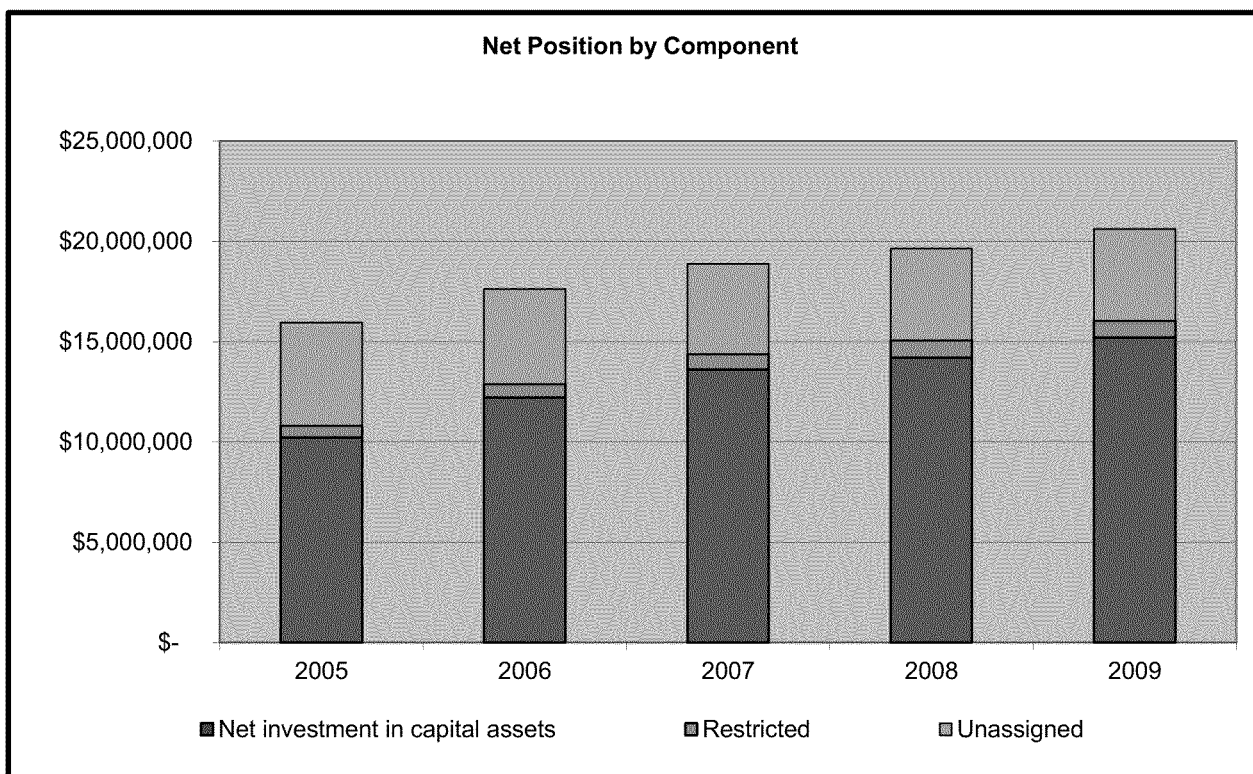
Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

Village of Pinehurst, North Carolina
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Schedule 1
Page 1 of 2

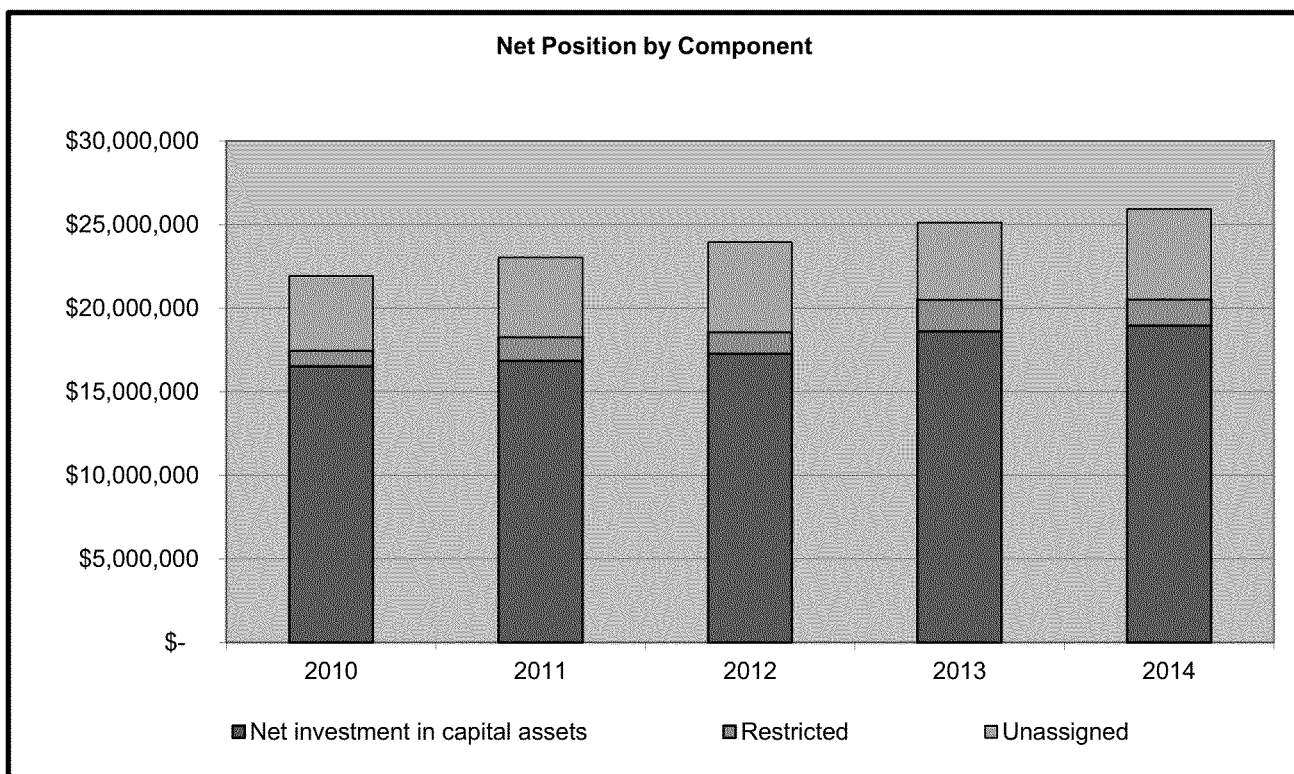
	Fiscal Year				
	2005	2006	2007	2008	2009
Governmental activities					
Net investment in capital assets	\$ 10,229,378	\$ 12,218,918	\$ 13,611,992	\$ 14,194,908	\$ 15,216,054
Restricted for:					
Stabilization by state statute	587,775	669,013	754,787	866,501	814,222
Equitable sharing	775	808	844	-	-
Municipal Service District	3,821	6,322	9,546	12,710	12,116
Unrestricted	5,140,426	4,718,630	4,509,038	4,571,240	4,582,009
Total governmental activities net position	\$ 15,962,175	\$ 17,613,691	\$ 18,886,207	\$ 19,645,359	\$ 20,624,401



Village of Pinehurst, North Carolina
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Schedule 1
Page 2 of 2

	Fiscal Year				
	2010	2011	2012	2013	2014
Governmental activities					
Net investment in capital assets	\$ 16,520,624	\$ 16,842,082	\$ 17,271,349	\$ 18,615,943	\$ 18,953,996
Restricted for:					
Stabilization by state statute	940,483	1,422,691	1,291,963	1,882,835	1,568,981
Equitable sharing	-	-	-	-	-
Municipal Service District	13,070	14,084	14,354	-	-
Unrestricted	4,457,047	4,756,832	5,372,934	4,631,746	5,417,136
Total governmental activities net position	\$ 21,931,224	\$ 23,035,689	\$ 23,950,600	\$ 25,130,524	\$ 25,940,113



Village of Pinehurst, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Schedule 2
Page 1 of 2

	Fiscal Year				
	2005	2006	2007	2008	2009
Expenses					
Governmental Activities:					
General government	\$ 1,781,099	\$ 1,734,126	\$ 2,018,433	\$ 2,410,048	\$ 2,210,111
Public safety	3,849,890	3,931,368	4,458,221	5,059,957	5,135,875
Transportation	1,517,237	1,787,727	1,988,590	1,954,325	1,741,237
Economic and physical development	782,362	938,484	1,016,135	1,119,970	1,794,712
Environmental protection	819,886	746,798	907,233	945,601	972,257
Cultural and recreation	1,054,259	1,140,561	1,248,525	1,443,256	1,620,439
Non-departmental	47,016	55,822	45,416	48,615	62,907
Interest on long-term debt	-	290,181	242,197	212,761	182,228
Total governmental activities expenses	<u>\$ 9,851,749</u>	<u>\$ 10,625,067</u>	<u>\$ 11,924,750</u>	<u>\$ 13,194,533</u>	<u>\$ 13,719,766</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 105	\$ -	\$ -	\$ -	\$ -
Public safety	1,181,662	965,086	910,283	905,229	979,498
Transportation	52,472	49,500	56,000	20,000	9,123
Economic and physical development	147,602	119,682	117,916	143,074	68,951
Cultural and recreation	710,545	422,331	408,097	399,999	454,034
Operating grants and contributions	472,094	486,762	610,570	670,345	1,281,966
Capital grants and contributions	10,794	17,518	262,397	44,592	15,987
Total governmental activities program revenue	<u>\$ 2,575,274</u>	<u>\$ 2,060,879</u>	<u>\$ 2,365,263</u>	<u>\$ 2,183,239</u>	<u>\$ 2,809,559</u>
Total governmental activities net expense	<u>\$ (7,276,475)</u>	<u>\$ (8,564,188)</u>	<u>\$ (9,559,487)</u>	<u>\$ (11,011,294)</u>	<u>\$ (10,910,207)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Ad valorem taxes	\$ 6,291,348	\$ 6,516,978	\$ 6,763,897	\$ 7,782,933	\$ 7,907,961
Franchise taxes	202,078	217,008	133,435	33,628	38,073
Golf cart licenses	-	-	-	-	-
Unrestricted intergovernmental	2,651,180	2,874,723	3,199,031	3,462,583	3,367,519
Investment earnings	108,704	238,730	321,606	284,129	127,863
Miscellaneous	180,095	267,368	414,034	174,266	447,833
Total governmental activities general revenue	<u>\$ 9,433,405</u>	<u>\$ 10,114,807</u>	<u>\$ 10,832,003</u>	<u>\$ 11,737,539</u>	<u>\$ 11,889,249</u>
Change in Governmental Activities Net Position	<u>\$ 2,156,930</u>	<u>\$ 1,550,619</u>	<u>\$ 1,272,516</u>	<u>\$ 726,245</u>	<u>\$ 979,042</u>

Village of Pinehurst, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

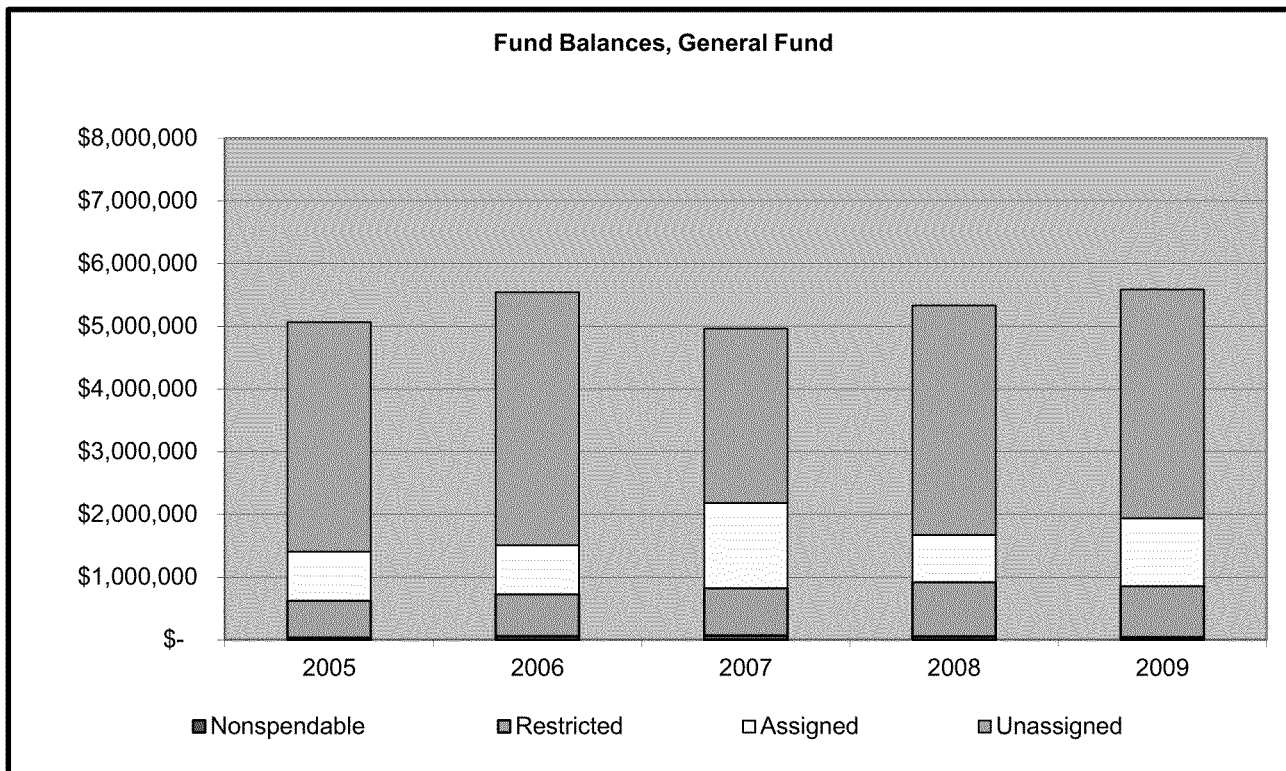
Schedule 2
Page 2 of 2

	Fiscal Year				
	2010	2011	2012	2013	2014
Expenses					
Governmental Activities:					
General government	\$ 2,103,062	\$ 2,001,438	\$ 2,144,319	\$ 1,611,659	\$ 2,168,794
Public safety	5,284,615	5,415,839	5,454,487	5,582,355	5,803,531
Transportation	1,672,394	2,460,277	2,511,804	2,475,382	2,369,495
Economic and physical development	1,209,264	1,422,329	1,250,263	1,542,829	1,566,159
Environmental protection	1,050,620	1,352,912	1,337,891	1,275,525	1,402,623
Cultural and recreation	1,854,910	1,795,985	1,919,013	2,100,673	2,746,748
Non-departmental	-	-	-	-	-
Interest on long-term debt	166,794	141,320	108,919	88,541	82,192
Total governmental activities expenses	<u>\$ 13,341,659</u>	<u>\$ 14,590,100</u>	<u>\$ 14,726,696</u>	<u>\$ 14,676,964</u>	<u>\$ 16,139,542</u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	842,700	398,609	422,878	469,345	490,364
Transportation	9,000	10,000	10,000	10,500	19,000
Economic and physical development	66,201	25,615	49,827	57,745	39,567
Cultural and recreation	468,469	497,313	510,856	509,113	1,268,417
Operating grants and contributions	513,020	957,837	827,939	533,380	546,089
Capital grants and contributions	1,099,183	-	-	207,252	42,563
Total governmental activities program revenue	<u>\$ 2,998,573</u>	<u>\$ 1,889,374</u>	<u>\$ 1,821,500</u>	<u>\$ 1,787,335</u>	<u>\$ 2,406,000</u>
Total governmental activities net expense	<u>\$ (10,343,086)</u>	<u>\$ (12,700,726)</u>	<u>\$ (12,905,196)</u>	<u>\$ (12,889,629)</u>	<u>\$ (13,733,542)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Ad valorem taxes	\$ 8,070,832	\$ 9,615,930	\$ 9,483,953	\$ 9,567,944	\$ 9,763,042
Franchise taxes	43,191	44,913	-	-	-
Golf cart licenses	-	-	1,740	1,775	2,230
Unrestricted intergovernmental	3,233,572	3,892,476	4,071,702	4,162,616	4,271,703
Investment earnings	35,001	23,665	27,125	12,947	10,424
Miscellaneous	267,313	228,207	235,587	324,271	495,732
Total governmental activities general revenue	<u>\$ 11,649,909</u>	<u>\$ 13,805,191</u>	<u>\$ 13,820,107</u>	<u>\$ 14,069,553</u>	<u>\$ 14,543,131</u>
Change in Governmental Activities Net Position	<u>\$ 1,306,823</u>	<u>\$ 1,104,465</u>	<u>\$ 914,911</u>	<u>\$ 1,179,924</u>	<u>\$ 809,589</u>

Village of Pinehurst, North Carolina
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Schedule 3
Page 1 of 2

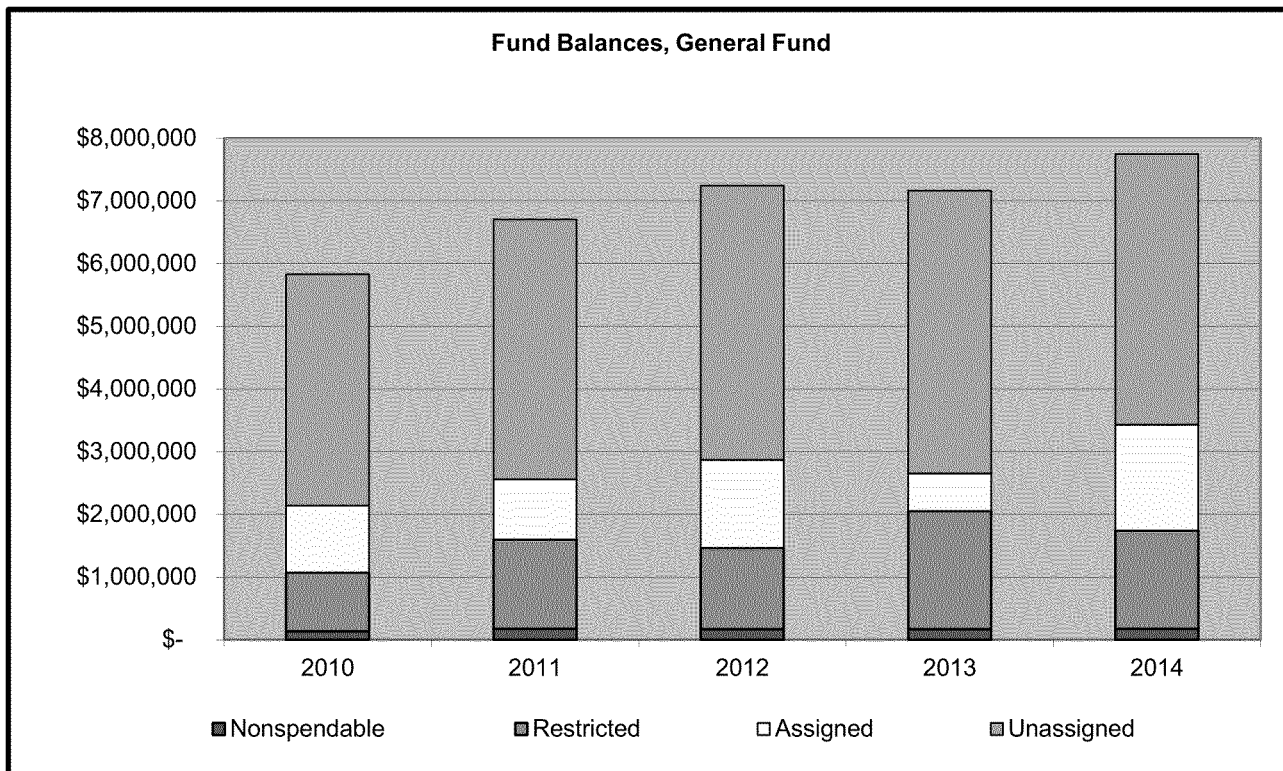
	Fiscal Year				
	2005	2006	2007	2008	2009
General Fund					
Nonspendable:					
Inventory	\$ 20,115	\$ 30,007	\$ 34,352	\$ 43,860	\$ 36,722
Prepaid items	16,061	25,063	31,925	10,483	5,300
Restricted:					
Stabilization by state statute	587,775	669,013	754,787	866,501	814,222
Equitable sharing	775	808	844	-	-
Assigned:					
Subsequent year's expenditures	781,275	786,405	1,362,144	752,672	1,086,707
Unassigned	3,661,380	4,027,992	2,778,482	3,655,444	3,642,545
Total general fund	<u>\$ 5,067,381</u>	<u>\$ 5,539,288</u>	<u>\$ 4,962,534</u>	<u>\$ 5,328,960</u>	<u>\$ 5,585,496</u>
All Other Governmental Funds					
Restricted:					
Municipal Service District	\$ 3,821	\$ 6,322	\$ 9,546	\$ 12,710	\$ 12,116
Committed:					
Capital Project fund expenditures	2,548,047	110,902	304,288	267,441	187,063
Special Revenue fund expenditures	539,153	203,684	294,099	240,847	94,465
Total all other governmental funds	<u>\$ 3,091,021</u>	<u>\$ 320,908</u>	<u>\$ 607,933</u>	<u>\$ 520,998</u>	<u>\$ 293,644</u>



Village of Pinehurst, North Carolina
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Schedule 3
Page 2 of 2

	Fiscal Year				
	2010	2011	2012	2013	2014
General Fund					
Nonspendable:					
Inventory	\$ 36,180	\$ 46,747	\$ 48,745	\$ 43,640	\$ 44,071
Prepaid items	97,922	128,567	124,714	127,308	130,586
Restricted:					
Stabilization by state statute	940,483	1,422,691	1,291,963	1,882,835	1,568,980
Equitable sharing	-	-	-	-	-
Assigned:					
Subsequent year's expenditures	1,066,859	959,020	1,405,864	601,175	1,687,710
Unassigned	3,691,852	4,145,184	4,373,169	4,506,790	4,317,497
Total general fund	<u>\$ 5,833,296</u>	<u>\$ 6,702,209</u>	<u>\$ 7,244,455</u>	<u>\$ 7,161,748</u>	<u>\$ 7,748,844</u>
All Other Governmental Funds					
Restricted:					
Municipal Service District	\$ 13,070	\$ 14,084	\$ 14,354	\$ -	\$ -
Committed:					
Capital Project fund expenditures	49,632	34,549	24,982	-	-
Special Revenue fund expenditures	10,140	10,218	10,642	10,755	2,894
Total all other governmental funds	<u>\$ 72,842</u>	<u>\$ 58,851</u>	<u>\$ 49,978</u>	<u>\$ 10,755</u>	<u>\$ 2,894</u>



Village of Pinehurst, North Carolina
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Schedule 4
Page 1 of 2

	Fiscal Year				
	2005	2006	2007	2008	2009
Revenues					
Ad valorem taxes	\$ 6,290,091	\$ 6,516,709	\$ 6,766,300	\$ 7,785,759	\$ 7,909,217
Other taxes and licenses	202,078	217,008	133,435	33,628	38,073
Unrestricted intergovernmental	2,651,180	2,874,723	3,199,031	3,462,583	3,367,519
Restricted intergovernmental	465,120	475,779	591,283	691,900	1,272,350
Permits and fees	1,387,337	1,134,268	1,079,571	1,071,151	1,059,147
Sales and services	705,049	422,331	407,677	400,419	453,201
Investment earnings	126,472	267,231	343,972	307,166	137,479
Assessments	32,565	26,427	58,527	56,236	38,699
Miscellaneous	82,185	186,980	154,389	131,172	165,488
Total revenues	11,942,077	12,121,456	12,734,185	13,940,014	14,441,173
Expenditures					
General government	1,638,071	1,480,516	1,784,308	2,165,676	1,827,508
Public safety	3,628,528	3,767,794	4,335,510	4,819,675	4,829,228
Transportation	1,598,334	1,785,797	1,895,464	1,930,191	1,727,241
Economic and physical development	971,816	1,022,141	1,073,563	1,216,009	1,891,282
Environmental protection	817,130	700,942	1,088,038	1,166,982	974,767
Cultural and recreation	1,051,090	1,118,877	1,147,154	1,360,286	1,802,697
Non-departmental	47,016	55,822	45,420	48,615	62,907
Debt service:					
Principal	648,862	757,191	776,602	796,762	808,993
Interest and other charges	221,971	280,308	251,461	221,947	191,418
Capital outlay	408,393	3,459,227	628,297	84,417	329,892
Total expenditures	11,031,211	14,428,615	13,025,817	13,810,560	14,445,933
Excess (deficiency) of revenues over (under) expenditures	910,866	(2,307,159)	(291,632)	129,454	(4,760)
Other Financing Sources (Uses)					
Transfers to other funds	(1,166,324)	(2,710,696)	(2,745,761)	(807,910)	(1,074,544)
Transfers from other funds	1,166,324	2,710,696	2,745,761	807,910	1,074,544
Sales of capital assets	15,201	8,953	1,903	19,402	33,942
Issuance of debt	2,500,000	-	-	-	-
Total other financing sources (uses)	2,515,201	8,953	1,903	19,402	33,942
Net change in fund balances	3,426,067	(2,298,206)	(289,729)	148,856	29,182
Fund balances, beginning	4,732,335	8,158,402	5,860,196	5,570,467	5,849,958
Prior period adjustment	-	-	-	130,635	-
Fund balances, beginning as restated	4,732,335	8,158,402	5,860,196	5,701,102	5,849,958
Fund balances, ending	\$ 8,158,402	\$ 5,860,196	\$ 5,570,467	\$ 5,849,958	\$ 5,879,140
Debt service as a percentage of noncapital expenditures	9.2%	10.1%	8.9%	8.0%	7.7%

Notes:

The capital outlay used to calculate debt service as a percentage of noncapital expenditures can be found in Note 3. B. of the Notes to the Financial Statements.

Village of Pinehurst, North Carolina
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Schedule 4
Page 2 of 2

	Fiscal Year				
	2010	2011	2012	2013	2014
Revenues					
Ad valorem taxes	\$ 8,070,137	\$ 9,609,611	\$ 9,486,491	\$ 9,561,126	\$ 9,771,682
Other taxes and licenses	43,191	42,976	1,740	1,775	2,230
Unrestricted intergovernmental	3,233,572	3,894,413	4,071,702	4,162,616	4,271,703
Restricted intergovernmental	510,604	957,549	826,718	532,860	548,073
Permits and fees	914,383	446,838	480,999	535,247	1,252,453
Sales and services	468,903	497,714	501,690	517,744	564,975
Investment earnings	37,416	23,951	28,345	13,468	10,714
Assessments	15,619	34,648	25,460	12,412	11,791
Miscellaneous	170,051	167,838	221,513	265,399	266,641
Total revenues	13,463,876	15,675,538	15,644,658	15,602,647	16,700,262
Expenditures					
General government	1,863,768	1,840,989	1,933,779	2,106,278	2,196,930
Public safety	5,365,546	5,049,620	5,053,316	5,197,380	5,856,007
Transportation	1,580,763	2,382,430	2,558,524	2,178,585	2,792,152
Economic and physical development	1,271,268	1,472,447	1,455,559	2,160,239	1,454,418
Environmental protection	1,041,943	1,268,744	1,468,031	1,350,737	1,456,374
Cultural and recreation	1,706,863	1,781,382	1,809,654	2,280,905	2,694,676
Non-departmental	-	-	-	-	-
Debt service:					
Principal	836,473	891,764	748,878	478,298	378,829
Interest and other charges	173,226	150,635	116,592	91,151	83,098
Capital outlay	130,215	15,083	910	-	-
Total expenditures	13,970,065	14,853,094	15,145,243	15,843,573	16,912,484
Excess (deficiency) of revenues over (under) expenditures	(506,189)	822,444	499,415	(240,926)	(212,222)
Other Financing Sources (Uses)					
Transfers to other funds	(1,760,662)	(34,648)	(34,117)	(52,380)	(7,933)
Transfers from other funds	1,760,662	34,648	34,117	52,380	7,933
Sales of capital assets	33,187	32,478	33,958	59,493	241,457
Issuance of debt	500,000	-	-	59,503	550,000
Total other financing sources (uses)	533,187	32,478	33,958	118,996	791,457
Net change in fund balances	26,998	854,922	533,373	(121,930)	579,235
Fund balances, beginning	5,879,140	5,906,138	6,761,060	7,294,433	7,172,503
Prior period adjustment	-	-	-	-	-
Fund balances, beginning as restated	5,879,140	5,906,138	6,761,060	7,294,433	7,172,503
Fund balances, ending	\$ 5,906,138	\$ 6,761,060	\$ 7,294,433	\$ 7,172,503	\$ 7,751,738
Debt service as a percentage of noncapital expenditures	7.9%	7.4%	6.2%	4.3%	3.1%

Notes:

The capital outlay used to calculate debt service as a percentage of noncapital expenditures can be found in Note 3. B. of the Notes to the Financial Statements.

Village of Pinehurst, North Carolina
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Schedule 5

Fiscal Year	Tax year	Residential Property	Commercial Property	Industrial Property	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2005	2004	-	-	-	-	\$2,035,393,463	0.31	\$2,172,244,891
2006	2005	\$1,859,700,153	\$419,269,280	\$361,490	\$173,368,490	2,105,962,433	0.31	2,339,958,259
2007	2006	1,870,045,393	469,947,953	16,350,433	171,491,723	2,184,852,056	0.31	2,482,786,427
2008	2007	2,719,108,835	310,265,291	16,387,599	268,117,125	2,777,644,600	0.28	2,777,644,600
2009	2008	2,761,647,092	318,070,765	17,315,268	269,719,030	2,827,314,095	0.28	2,763,747,893
2010	2009	2,807,721,340	332,150,630	17,024,619	271,564,035	2,885,332,554	0.28	2,873,837,205
2011	2010	3,312,056,948	339,862,923	16,599,447	309,316,950	3,359,202,368	0.28	3,325,942,939
2012	2011	3,333,807,236	348,341,880	17,750,788	309,216,950	3,390,682,954	0.28	3,377,174,257
2013	2012	3,368,430,240	346,142,700	17,669,146	312,873,330	3,419,368,756	0.28	3,398,974,907
2014	2013	3,433,539,072	346,239,540	17,443,205	314,499,090	3,482,722,727	0.28	3,448,240,324

Sources:

Moore County Tax Department

Notes:

Assessed valuations are established by the Moore County Board of Commissioners at 100% of estimated market value. A revaluation of real property is required by the North Carolina General Statutes at least every eight years. Property was last revalued in FY 2008.

Estimated actual taxable value is calculated using information provided in Moore County's Comprehensive Annual Financial Report (CAFR).

Prior to FY2006, a breakdown between residential, commercial, industrial and tax-exempt property is unavailable.

Village of Pinehurst, North Carolina
Direct and Overlapping Property Tax Rates
Last Ten Years
(Rates are Per \$100 of Assessed Value)

Schedule 6

Fiscal Year	Tax Year	Direct Rates	Overlapping Rates	
		Total Direct Rate	Village of Pinehurst Municipal Service District	Moore County (1)
2005	2004	0.31	0.12	0.515
2006	2005	0.31	0.09	0.495
2007	2006	0.31	0.09	0.495
2008	2007	0.28	0.08	0.475
2009	2008	0.28	0.06	0.504
2010	2009	0.28	0.06	0.485
2011	2010	0.28	0.05	0.485
2012	2011	0.28	0.05	0.485
2013	2012	0.28	0.05	0.485
2014	2013	0.28	-	0.485

Sources:

(1) Moore County Tax Department

Notes:

Overlapping rates are those of local and county governments that apply to property owners within the Village of Pinehurst. Not all overlapping rates apply to all property owners; for example, although the county property tax rates apply to all Village of Pinehurst property owners, the Municipal Service District rates apply only to 25 property owners whose property is located within that district's geographic boundaries.

In fiscal year 2013 the Municipal Service District fund was closed and all operations were absorbed into the General Fund. Starting in fiscal year 2014, the cost of operations is funded by the Direct Tax.

Village of Pinehurst, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago

Schedule 7

Taxpayer	2014		2005	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Pinehurst LLC	\$ 159,291,425	4.57%	\$ 118,565,300	5.83%
Pinehurst Surgical Clinic	23,614,600	0.68%	7,616,410	0.37%
Country Club of North Carolina	22,019,470	0.63%	17,847,520	0.88%
Pinehurst Medical	20,244,470	0.58%	10,487,499	0.52%
Pinewild Project Limited PTNS	14,042,077	0.40%	-	0.00%
Progress Energy Carolinas	12,502,793	0.36%	11,646,416	0.57%
East Lake Development, LLC	6,847,520	0.20%	-	0.00%
MTMM Associates (Carolina Eye Assoc.)	5,644,060	0.16%	6,617,107	0.33%
SCOP (Surgery Center of Pinehurst)	5,148,450	0.15%	-	0.00%
Pinehurst Nursing	4,286,825	0.12%	3,401,170	0.17%
Infinity B&C LLC	4,127,550	0.12%	-	0.00%
Carolina Telephone and Telegraph	4,002,740	0.11%	4,430,287	0.22%
Branch Banking and Trust Co.	-	0.00%	4,377,622	0.22%
Pleasant Living Health Care (Quail Haven)	-	0.00%	8,174,043	0.40%
Total	<u>\$ 281,771,980</u>	<u>8.09%</u>	<u>\$ 193,163,374</u>	<u>9.49%</u>

Sources:

Moore County Tax Department

Notes:

FY2014 and FY2005 data are for tax years 2013 and 2004 respectively.

Pinehurst, LLC includes: Resorts of Pinehurst Inc., Pinehurst, Inc., Pinehurst LLC and Resorts of Pinehurst, Inc.

Village of Pinehurst, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 8

Fiscal Year	Tax year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy (1)
2005	2004	\$6,316,490	\$6,274,550	99.34%	\$26,979	\$6,301,529	99.76%
2006	2005	6,533,030	6,500,443	99.50%	15,506	6,515,949	99.74%
2007	2006	6,771,970	6,748,375	99.65%	10,687	6,759,062	99.81%
2008	2007	7,793,503	7,769,586	99.69%	10,906	7,780,492	99.83%
2009	2008	7,913,875	7,889,733	99.69%	11,486	7,901,219	99.84%
2010	2009	8,077,329	8,050,348	99.67%	12,022	8,062,370	99.81%
2011	2010	9,606,203	9,588,105	99.81%	10,601	9,598,706	99.92%
2012	2011	9,477,624	9,463,405	99.85%	12,326	9,475,731	99.98%
2013	2012	9,558,275	9,538,561	99.79%	15,869	9,554,430	99.96%
2014	2013	9,756,980	9,748,024	99.91%	-	9,748,024	99.91%

Sources:

Moore County Tax Department

Notes:

(1) Taxes Levied for the Fiscal Year have been adjusted for Collections in Subsequent Years.

Village of Pinehurst, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule 9

<u>Fiscal Year</u>	<u>Calendar Year</u>	<u>Governmental Activities Installment Financing (1)</u>	<u>Percentage of Personal Income (2)</u>	<u>Per Capita (2)</u>
2005	2004	\$7,627,030	1.58%	\$727
2006	2005	6,869,839	1.35%	642
2007	2006	6,093,236	1.12%	553
2008	2007	5,296,474	0.93%	468
2009	2008	4,487,481	0.73%	386
2010	2009	4,151,008	0.60%	313
2011	2010	3,259,244	0.75%	240
2012	2011	2,510,366	0.48%	170
2013	2012	2,091,572	0.34%	140
2014	2013	2,262,742	0.35%	149

Notes:

(1) Details regarding outstanding debt can be found in the notes to the financial statements.

(2) See Schedule 12 for personal income and population data. These ratios are calculated using personal income and population for the calendar year.

Village of Pinehurst, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2014

Schedule 10

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (2)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Moore County (1)			
Debt repaid with property taxes:			
Moore County General Obligation Debt	\$ 64,805,000	28.36%	\$ 18,375,780
Other debt:			
Moore County LOB	24,085,000	28.36%	6,829,422
Capital Lease	351,829	28.36%	99,763
Moore County Installment Loans	100,940	28.36%	<u>28,622</u>
Subtotal, overlapping debt			25,333,586
Village of Pinehurst direct debt			<u>2,262,742</u>
Total direct and overlapping debt			<u>\$ 27,596,328</u>

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village. This process recognizes that, when considering the Village's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--therefore responsible for repaying the debt--of each overlapping governments.

(1) Source: Moore County's Comprehensive Annual Financial Report (CAFR)

(2) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the Village of Pinehurst's boundaries and dividing it by each unit's total taxable assessed value. Taxable assessed property values as of June 30, 2013 were used to determine the overlapping debt percentage.

Village of Pinehurst, North Carolina
Legal Debt Margin Information
Last Ten Fiscal Years

Schedule 11

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Legal Debt Margin as a Percent of Debt Limit</u>
2005	\$162,831,477	\$7,627,030	\$155,204,447	95.32%
2006	168,476,995	6,869,839	161,607,156	95.92%
2007	174,788,164	6,093,236	168,694,928	96.51%
2008	222,211,568	5,296,474	216,915,094	97.62%
2009	226,185,128	4,487,481	221,697,647	98.02%
2010	230,826,604	4,151,008	226,675,596	98.20%
2011	268,736,189	3,259,244	265,476,945	98.79%
2012	271,245,476	2,510,366	268,744,270	99.08%
2013	273,549,500	2,091,572	271,457,928	99.24%
2014	278,617,818	2,262,742	276,355,076	99.19%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed valuation	\$ 3,482,722,727	
	x 8.00%	
Debt limit - 8.0% of assessed value		\$ 278,617,818
Gross debt:		
Capital leases	19,760	
Installment purchase agreements	2,242,982	
Total gross debt	2,262,742	
Total amount of debt applicable to debt limit (net debt)		<u>2,262,742</u>
LEGAL DEBT MARGIN		<u><u>\$ 276,355,076</u></u>

Village of Pinehurst, North Carolina
Demographic and Economic Statistics
Last Ten Calendar Years

Schedule 12

<u>Fiscal Year</u>	<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Median Age (2)</u>	<u>Unemployment Rate (3)</u>
2005	2004	10,498	\$ 483,590,811	\$ 46,065	60.4	5.6%
2006	2005	10,694	509,319,363	47,627	60.4	5.1%
2007	2006	11,026	542,145,667	49,170	60.4	4.8%
2008	2007	11,316	572,262,434	50,571	60.4	4.5%
2009	2008	11,632	610,890,250	52,518	60.4	6.2%
2010	2009	13,277	694,911,723	52,340	60.4	10.3%
2011	2010	13,601	434,198,324	31,924	58.4	9.5%
2012	2011	14,783	526,777,422	35,634	58.4	8.9%
2013	2012	14,979	608,671,665	40,635	60.6	8.6%
2014	2013	15,150	650,586,450	42,943	60.9	6.3%

Sources:

- (1) Office of State Budget and Management.
- (2) U.S. Census Bureau.
- (3) North Carolina Employment Security Commission.
- (4) A change in municipal boundary effective March 31, 2010 increased the certified population in fiscal year 2010 by 1,482.

Notes:

Per Capita Income is adjusted annually after the Decennial Census calendar year by the annual average inflation rate.

Unemployment rate information is a calendar year adjusted annual average in Southern Pines-Pinehurst area.

Village of Pinehurst, North Carolina
Principal Employers
Current Year and Nine Years Ago

Schedule 13

Employer	2014		2005	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
First Health of the Carolinas (1)	3,401	71.05%	2,370	56.44%
Pinehurst, LLC (2)	1,260	26.32%	1,253	29.84%
Total		97.37%		86.28%

Sources:

- (1) Human Resources Department at First Health of the Carolinas.
- (2) Human Resources Department at Pinehurst, LLC f/n/a Resorts of Pinehurst Inc.

Notes:

2014 employment is based on calendar year 2013.
2005 employment is estimated.

GASB 44 requires comparative data for the current calendar year and nine years prior. 2010 adjusted Census Data was used for 2005 and 2014 to estimate the percentage of total employment.

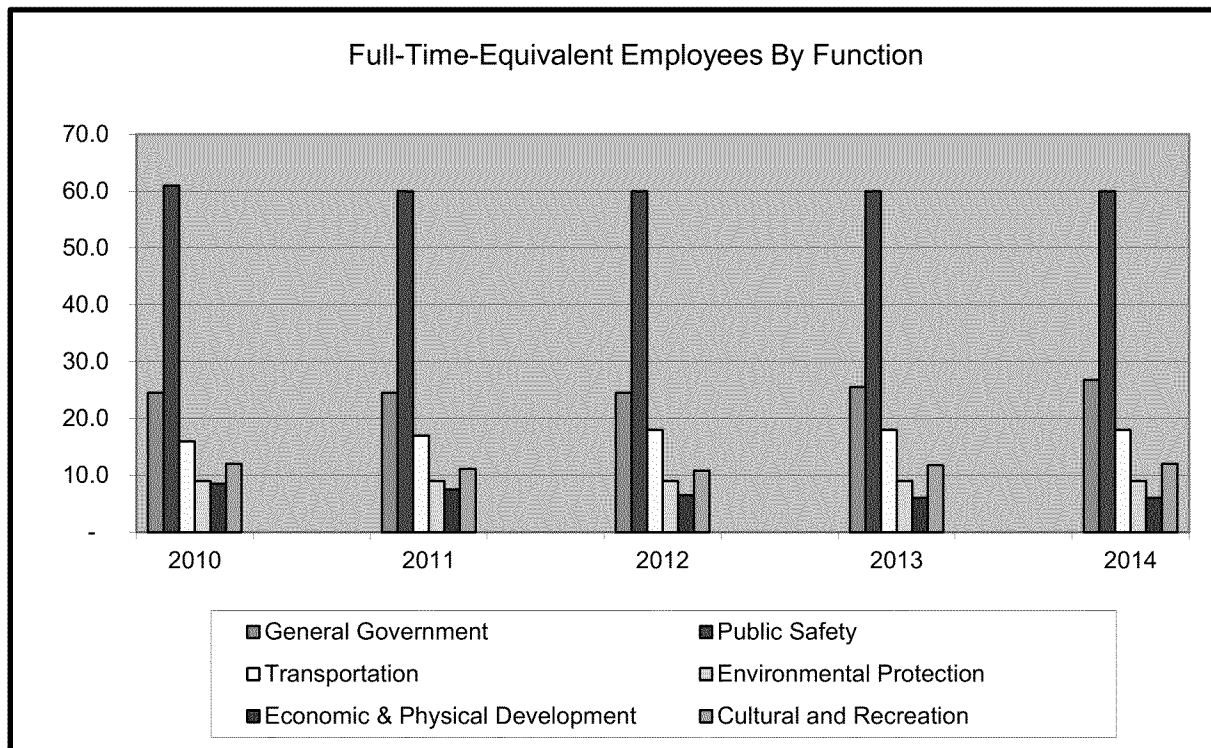
Village of Pinehurst, North Carolina
Full-time-Equivalent Employees by Function
Last Ten Fiscal Years

Schedule 14

<u>Function</u>	Full-time-Equivalent Employees as of June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	16.75	18.5	22.2	23.5	25.0	24.5	24.5	24.5	25.5	26.8
Public Safety	61.0	61.3	62.2	63.2	63.2	61.0	60.0	60.0	60.0	60.0
Transportation	15.0	15.5	17.0	16.0	18.0	16.0	17.0	18.0	18.0	18.0
Environmental Protection	10.0	9.0	9.0	8.0	9.0	9.0	9.0	9.0	9.0	9.0
Economic & Physical Development	8.5	9.5	9.0	9.0	9.0	8.5	7.5	6.5	6.0	6.0
Cultural and Recreation	7.0	7.0	10.2	10.2	11.2	12.0	11.1	10.8	11.8	12.0
Total	118.3	120.8	129.6	129.9	135.4	131.0	129.1	128.8	130.3	131.8

Notes:

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.



Village of Pinehurst, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years

Schedule 15
Page 1 of 2

<u>Function</u>	<u>Fiscal Year</u>				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government					
Financial Services					
Purchase orders issued	323	262	207	225	260
Vendor checks issued	2,673	2,529	2,427	2,448	2,333
Vendor EFTs issued	-	-	-	-	-
Human Resources					
Workers' compensation lost time (days)	322	6	60	12	446
Employee turnover rate	9.0%	9.0%	9.4%	7.8%	7.9%
Fleet Maintenance					
Tires changed	300	372	235	311	216
10-point service performed	350	200	291	233	208
Public Safety					
Fire Protection					
Public fire & life safety classes	95	219	204	167	159
Incident calls	842	922	827	843	855
Structure fires	21	26	56	63	44
Inspections	766	824	787	732	620
Child passenger seat inspections	833	579	583	396	173
Police Protection					
Physical arrests	206	202	262	585	444
Citations issued	1,560	1,285	3,806	3,891	3,993
Response to calls/officer initiated activity	11,500	9,801	11,866	13,513	13,640
Traffic accidents	447	432	483	500	474
Inspections					
Building inspections conducted	11,286	10,588	9,194	7,683	5,409
Certificates of occupancy issued	254	271	227	169	181
Transportation					
Street resurfacing (miles)	5.0	5.0	6.3	5.6	4.8
Environmental Protection					
Refuse collected (tons annually)	4,578	4,287	4,392	4,094	3,948
Homes receiving service	6,345	6,485	6,651	6,782	6,862
Recyclables collected (tons annually)	305	369	568	943	966
Economic & Physical Development					
Building permits issued	318	378	424	359	278
Zoning compliance investigations	475	480	477	690	624
Cultural & Recreation					
Recreation					
Program participants	398	468	679	830	939
Athletics participants	1,507	1,503	1,556	1,982	2,323
Harness Track					
Standardbred stalls leased	280	285	249	220	281
Facilities reserved (days)	62	45	32	30	20
Fair Barn					
Events	67	87	89	84	80
Rental days	125	131	117	95	98

Sources:

Various Village departments

Notes:

NA indicates "not available"

Village of Pinehurst, North Carolina
Operating Indicators by Function
Last Ten Fiscal Years

Schedule 15
Page 2 of 2

Function	Fiscal Year				
	2010	2011	2012	2013	2014
General Government					
Financial Services					
Purchase orders issued	280	295	269	299	338
Vendor checks issued	2,471	2,444	2,365	1,840	1,641
Vendor EFTs issued	-	-	401	620	998
Human Resources					
Workers' compensation lost time (days)	32	425	33	74	144
Employee turnover rate	9.2%	8.5%	10.7%	11.4%	7.9%
Fleet Maintenance					
Tires changed	116	188	200	205	204
10-point service performed	194	288	228	220	200
Public Safety					
Fire Protection					
Public fire & life safety classes	170	176	191	254	307
Incident calls	884	1,031	865	982	993
Structure fires	55	58	35	43	28
Inspections (1)	423	784	1,174	950	1,898
Child passenger seat inspections	222	228	120	182	170
Police Protection					
Physical arrests	445	233	165	184	239
Citations issued	2,970	3,053	1,908	1,208	2,082
Response to calls/officer initiated activity	14,495	14,362	13,364	10,901	13,041
Traffic accidents	418	476	414	447	422
Inspections					
Building inspections conducted (1)	4,281	4,370	3,832	4,608	7,540
Certificates of occupancy issued	156	197	48	68	79
Transportation					
Street resurfacing (miles)	3.2	6.4	4.5	3.6	5.0
Environmental Protection					
Refuse collected (tons annually)	3,849	4,124	3,808	3,856	3,988
Homes receiving service	7,686	7,736	7,812	7,877	7,955
Recyclables collected (tons annually)	1,473	1,734	1,807	1,913	2,025
Economic & Physical Development					
Building permits issued	259	239	287	275	313
Zoning compliance investigations	475	501	577	596	522
Cultural & Recreation					
Recreation					
Program participants	1,065	1,739	1,748	1,591	1,807
Athletics participants	2,287	2,296	1,934	1,838	1,442
Harness Track					
Standardbred stalls leased	251	276	259	223	240
Facilities reserved (days)	30	32	32	103	125
Fair Barn					
Events	88	113	113	102	122
Rental days	96	120	113	112	199

Sources:

Various Village departments

Notes:

(1) Fiscal Years 2005 and 2014 include inspections conducted for the USGA at the US Open Championship venue

Village of Pinehurst, North Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years

Schedule 16
Page 1 of 2

Function	Fiscal Year				
	2005	2006	2007	2008	2009
Public Safety					
Fire Protection					
Stations	2	2	2	2	2
Fire trucks	6	6	7	7	5
Police Protection					
Stations	1	1	1	1	1
Patrol units	15	16	17	20	20
Transportation					
Miles of streets	104.65	104.65	104.65	104.65	104.65
Maintenance vehicles	18	18	18	20	22
Sidewalks (linear feet)	13,574	13,575	13,575	13,576	153,577
Environmental Protection					
Refuse collection trucks	15	17	19	21	20
Economic & Physical Development					
Storm water drainage areas	3	4	6	7	10
Cultural & Recreation					
Number of parks	4	4	4	4	4
Park acreage	297	297	297	297	297
Greenway trails (miles)	3.0	3.5	4.0	5.0	5.8
Playgrounds	2	3	3	3	3
Baseball/softball diamonds	2	2	2	2	2
Soccer fields	1	2	2	2	2

Sources:

Various Village departments

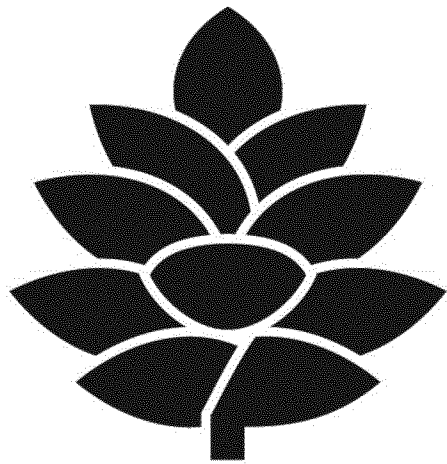
Village of Pinehurst, North Carolina
Capital Asset Statistics by Function
Last Ten Fiscal Years

Schedule 16
Page 2 of 2

Function	Fiscal Year				
	2010	2011	2012	2013	2014
Public Safety					
Fire Protection					
Stations	2	2	2	2	2
Fire trucks	6	6	6	6	7
Police Protection					
Stations	1	1	1	1	1
Patrol units	20	21	22	23	24
Transportation					
Miles of streets	105.57	105.57	105.57	105.90	105.66
Maintenance vehicles	22	23	25	24	25
Sidewalks (linear feet)	13,577	13,578	13,578	13,578	13,578
Environmental Protection					
Refuse collection trucks	17	17	15	15	15
Economic & Physical Development					
Storm water drainage areas	16	29	38	48	57
Cultural & Recreation					
Number of parks	4	4	4	4	5
Park acreage	297	297	297	297	297
Greenway trails (miles)	5.8	6.3	6.3	6.8	6.8
Playgrounds	3	3	3	3	3
Baseball/softball diamonds	2	2	2	2	2
Soccer fields	2	2	2	2	2

Sources:

Various Village departments





DIXON HUGHES GOODMAN^{LLP}
Certified Public Accountants and Advisors

**Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

Independent Auditors' Report

To the Honorable Mayor and Members of
The Village Council
Village of Pinehurst, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Pinehurst, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprises the Village of Pinehurst's basic financial statements, and have issued our report thereon dated September 24, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Pinehurst's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Pinehurst's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Pinehurst's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Pinehurst's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

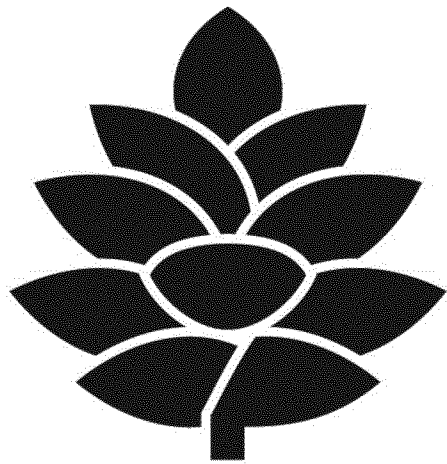
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Pinehurst's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Pinehurst's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

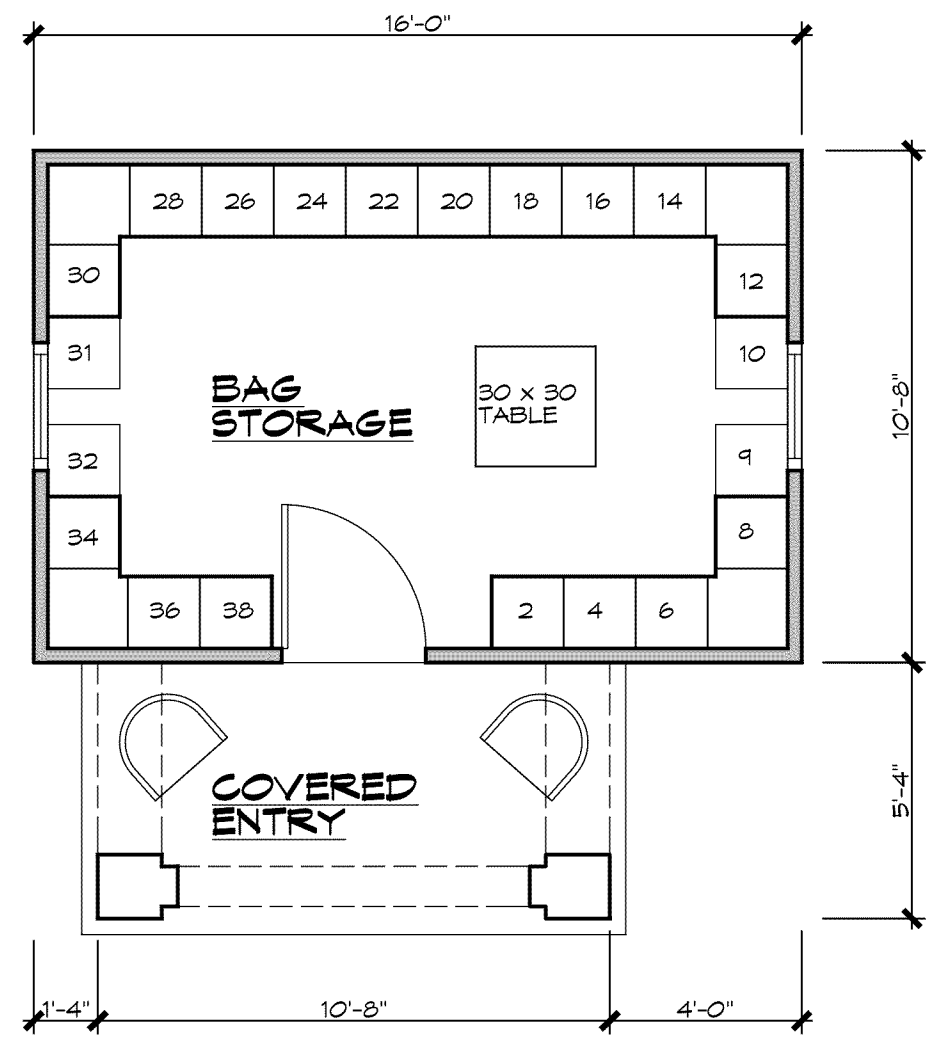
Dixon Hughes Goodman LLP

September 24, 2014

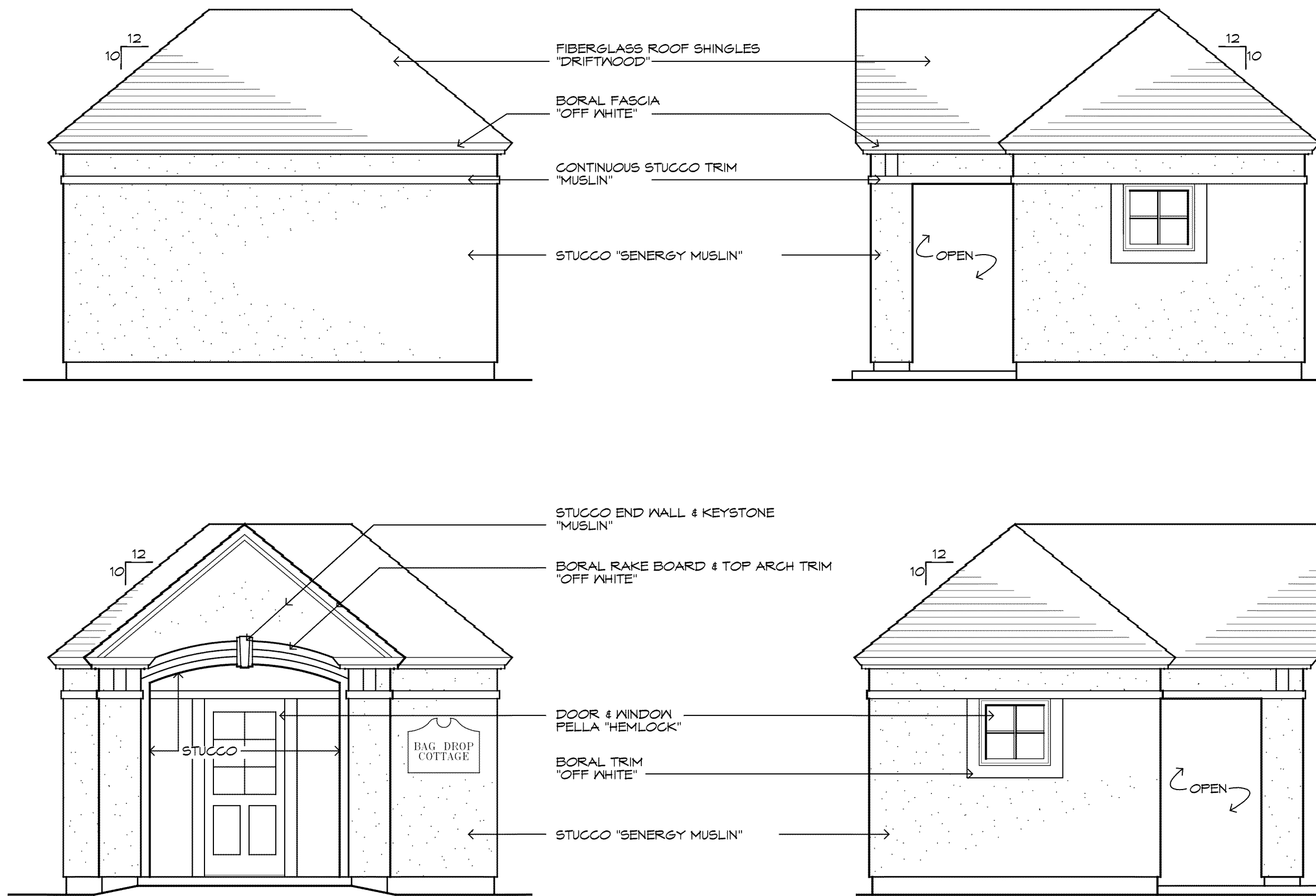
Village of Pinehurst, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2014

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Local Expenditures
Federal Awards					
<u>U.S. Department of Housing & Urban Development</u>					
Passed through N.C. Department of Commerce					
Jackson Hamlet Sewer CDBG-III	14.228	07-D-2356	\$ 45,394	\$ -	\$ -
<u>U.S. Department of Transportation</u>					
Passed through N.C. Department of Transportation					
Federal-Aid Highway Program-Bicycle Planning Grant	20.205	4172	2,275	-	975
Total Federal Awards			47,669	-	975
State Awards					
<u>N.C. Department of Transportation</u>					
Powell Bill			-	485,356	-
Total State Awards			-	485,356	-
Total Federal and State Awards			\$ 47,669	\$ 485,356	\$ 975

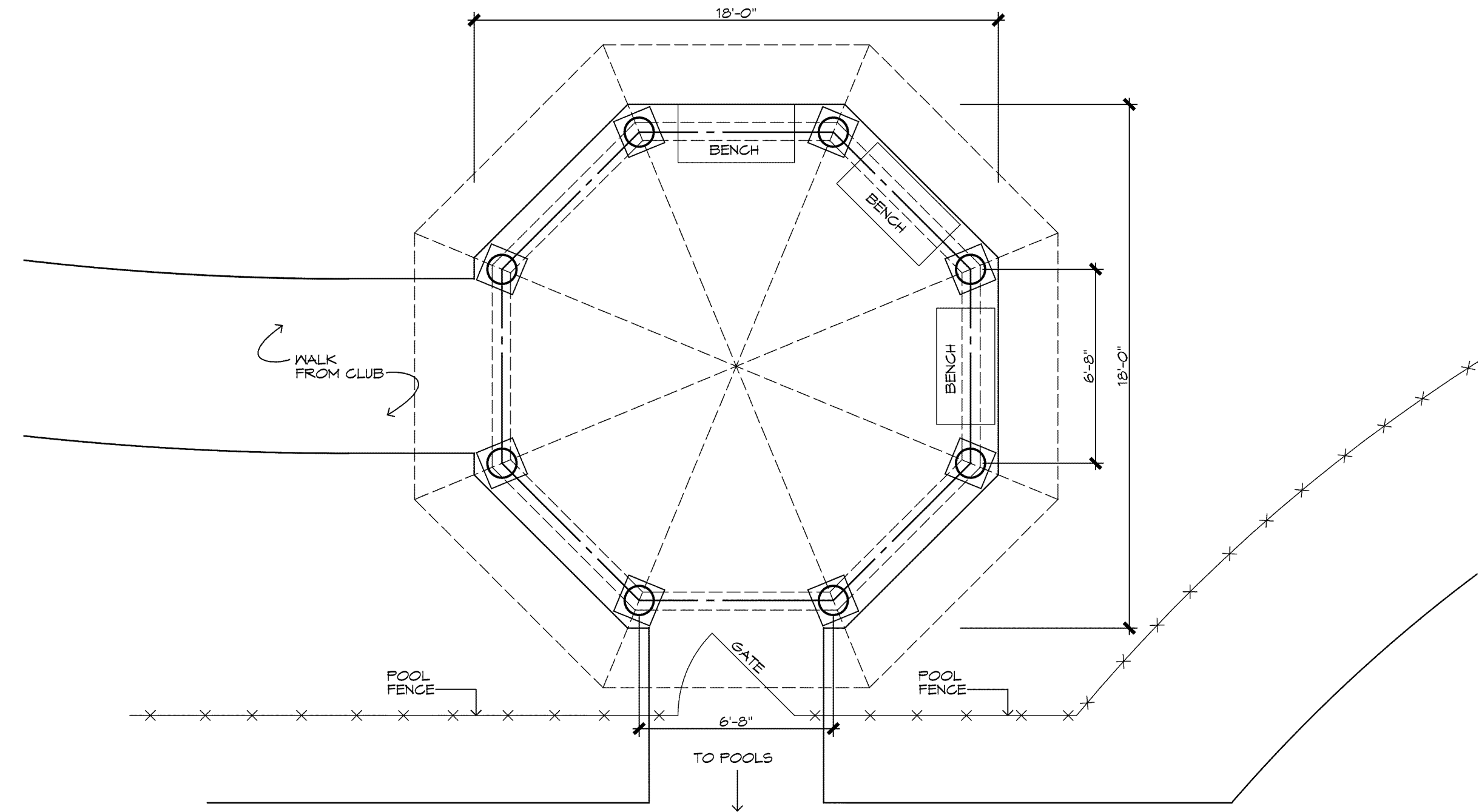




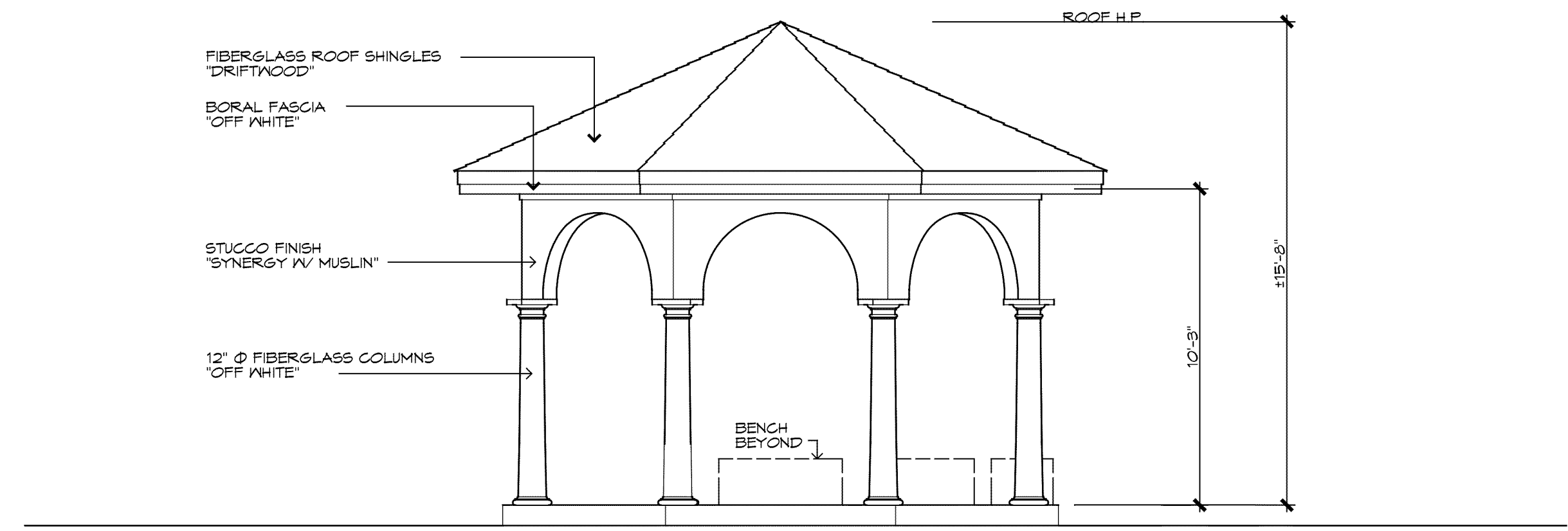
1 BAG DROP COTTAGE
AAS SCALE: 1/4" = 1'-0"



2 BAG DROP COTTAGE ELEVATIONS
AAS SCALE: 1/4" = 1'-0"



3 ENTRY PAVILION FROM MEMBERS' CLUB
AAS PLAN SCALE: 1/4" = 1'-0"



4 ENTRY PAVILION FROM MEMBERS' CLUB
AAS ELEVATION SCALE: 1/4" = 1'-0"

PLANT SCHEDULE

Quantity	Abbrev	Botanical Name	Common Name	Size	Spacing	Notes
Trees						
16	COFL	Cornus florida 'Cherokee Princess'	Cherokee Princess Dogwood	2" cal/8' ht.		Port of required planting
14	MAUG	Magnolia grandiflora 'Little Gem'	Little Gem Magnolia	12-14' ht.	15' O.C.	Full to ground
43	PIPL	Pinus palustris	Longleaf Pine	3" cal.		Port of required planting
14	QUILA	Quercus laurifolia	Laurel Oak	3" cal./12-14' ht.		Port of required planting
13	THGG	Thuja x 'Green Giant'	Green Giant Arborvitae	12' ht.	12' O.C.	Full to ground
1	ACPA	A cer palmatum 'Atropurpureum'	Red leaf Japanese Maple	12-14' ht.		Specimen
3	CEME	Cercis canadensis 'Merlot'	Merlot Redbud	10' ht.		
5	IGMI	Lagerstroemia x 'Muskogee' (single stem)	Muskogee Crepe Myrtle (single stem)	65 gcl.	16' O.C.	Single stem
6	IGM2	Lagerstroemia x 'Muskogee' (multi-stem)	Muskogee Crepe Myrtle (multi-stem)	12-14' ht.		Multi-stem
6	ILAM	Ilex opaca 'Don Fenton'	Don Fenton American Holly	2" cal.		
Palms						
21	RHHX	Rhaphidophyllum hystrix	Needle Palm	2-3' ht.		
4	TRFI	Trochitocarpus fortunei	Windmill Palm	8-10' ht.		
Shrubs & Ferns						
30	ABSG	Abelia grandiflora 'Kaleidoscope'	Kaleidoscope Abelia	2 gcl.	24" O.C.	*Planted w/ Variegated Forsythia (@ 6' O.C.)
27	AZAL	Azalea x 'Robles'	Autumn Lilac Encore Azalea	3 gcl.	3' O.C.	
16	FAJA	Fatsia japonica	Japanese Fatsia	3 gcl.	3' O.C.	
7	FLVA	x 'Forsythedori Ibel' 'Aurea Variegata'	Variegated Forsythia	2 gcl.	6' O.C.	*Planted 1 per fence post w/ Super Gold Dwarf Abelia (@24' O.C.)
15	HICS	Hibiscus coccineus 'A. bud'	White Star Swamp Hibiscus	Quart	18" O.C.	
68	HUCW	Heuchera 'Carmel Waiemelon'	Carmel Waiemelon Heuchera	Quart	12" O.C.	
17	HVLI	Hydrangea paniculata 'Limelight'	Limelight Hydrangea	5 gcl.	4' O.C.	
177	ILBN	Ilex vomitoria 'Nana'	Dwarf Yaupon Holly	2 gcl.	3' O.C.	
32	ILCB	Ilex cornuta 'Burfordii'	Dwarf Burford Holly	36" ht./7 gcl.	4' O.C.	Port of required planting
128	ILNS	Ilex x 'Nelle R. Stevens'	Nelle R. Stevens Holly	24" ht./5 gcl.	3' O.C.	Full to ground
22	ILN2	Ilex x 'Nelle R. Stevens'	Nelle R. Stevens Holly	10' ht.	8' O.C.	Full to ground
3	ILN2	Ilex x 'Nelle R. Stevens'	Nelle R. Stevens Holly	5' ht.	5' O.C.	Full to ground
28	ISCB	Iris pallida 'Variegata'	Variegated Bearded Iris	1 gcl.	18" O.C.	
20	MESC	Mahonia elaeagnifolia 'Soft Crest'	Soft Crest Oregon Grape	3 gcl.	3' O.C.	
10	MAJBA	Musa basjoo	Hardy Banana	7 gcl.	4' O.C.	
85	NEFI	Nepeta x 'Lasseni Walker's Low'	Walker's Low Catmint	1 gcl.	18" O.C.	
75	SPGE	Spiraea japonica 'Golden Elf'	Golden Elf Spiraea	2 gcl.	24" O.C.	
44	VISB	Viburnum thrus 'Spring Bouquet'	Spring Bouquet Viburnum	7 gcl.	4' O.C.	
26	AZGG	Azalea indica 'G.G. Gerding'	G.G. Gerding Southern Indica Azalea	24" ht./5 gcl.	3' O.C.	
11	ILN3	Ilex x 'Nelle R. Stevens'	Nelle R. Stevens Holly	24" ht/5 gcl.	3' O.C.	
Grasses / Groundcovers						
25	MIML	Miscanthus sinensis 'Morning Light'	Variegated Maiden Grass	2 gcl.	24" O.C.	
58	MISA	Miscanthus sinensis 'Malepartus'	Malepartus Miscanthus	2 gcl.	24" O.C.	Tall/Sleender Variety
246	LIWV	Liriope muscarifolia 'Variegata'	Variegated Liriope	Quart	12" O.C.	
93	LIUB	Ophiopogon planiscapus 'Ebony Knight'	Ebony Knight Mondo Grass	4" pot	12" O.C.	
99	CAKF	Codonopogon x acutifolia 'Karl Foerster'	Fedder Reed Grass	2 gcl.	24" O.C.	
78	ARDX	Aitundon donax	Giant Reed	2 gcl.	24" O.C.	
Perennial Mix Plants						
108	HEM1	Hemerocallis 'Hyperion'	Hyperion Daylily	2 gcl.	24" O.C.	
99	HEM2	Hemerocallis 'Ginga Bonbons'	Ginga Bonbons Daylily	2 gcl.	24" O.C.	
103	HEM3	Hemerocallis 'Notterliu'	Notterliu Daylily	2 gcl.	24" O.C.	
75	HEM4	Hemerocallis 'Primel Scream'	Primel Scream Daylily	2 gcl.	24" O.C.	
Annuals						
532 SF	SC #1	Seasonal Flowers	Seasonal Flowers	Quart	12" O.C.	Contract grown for June installation
42	CA-RR	Canna 'Russian Red'	Russian Red Canna	2 gcl.	24" O.C.	
17	COIL	Coleocasia esculenta 'Illustre'	Illustre Elephant Ear	5 gcl.	3' O.C.	Large tuber plants
92	LA1Y	Lantana 'Lucky Yellow'	Lucky Yellow Lantana	Quart	12" O.C.	
389	ZIPIY	Zinnia 'Profusion Yellow'	Profusion Yellow Zinnia	Quart	12" O.C.	
Turf						
	LA WN					To match existing

Village of Pinehurst
Construction Plan Approval

All Construction Methods and Materials shall be in accordance with the Village of Pinehurst, Moore County Public Utilities, and NCDDOT Standards and specifications. The Village of Pinehurst shall be responsible for the more stringent shall govern unless a written waiver is issued by the Village Engineer. Utility installations and other Public Facilities, including streets, sidewalks, and handicap ramps, have been approved by the Village of Pinehurst and shall be so installed unless a change is authorized by the Village of Pinehurst prior to the final acceptance and/or issuance of a Certificate of Occupancy by the Village.

Plan Approval Number: _____

Engineering: _____

Fire Department: _____

Planning: _____

Moore Co. Public Utilities: _____

INFRASTRUCTURE INSPECTION NOTICE TO CONTRACTOR

This is to advise you that the Village of Pinehurst is now requiring a **minimum** of Forty-eight (48) hours of notice when requesting an Engineering Inspection. Inspection requests may be made by calling the Engineering Department at 285-1900. *Items requiring an Engineering Inspection include, but are not limited to:*

1. Subgrade inspection/proof rolling (streets, sidewalks, firelanes, etc.)
2. Placement and inspection of base course materials including proof-rolling. Density tests from an approved geotechnical engineering firm may be required.
3. Placement and compaction of pavement materials including concrete and asphalt surface courses. Includes stringline/grade control, paving & rolling operations, material inspections.
4. Installation of water and sewer mains and services including pressure testing, etc. necessary to meet the Village's Utility ordinances. NOTE: The Contractor shall also contact Moore County Public Utilities Department Engineering Division at 947-6315 to schedule utility inspections as required by MCPUD.
5. Installation of formwork and placement of concrete (sidewalks, curb & gutter, etc.) within the public right of way.
6. Installation of storm drainage systems (pipes, trenches, catch basins, manholes, outlet protection, etc.)

Failure to schedule the required inspections shall be grounds for rejection of all work not inspected and issuance of a stop-work order until the project is in compliance.

Pinehurst Resort and Country Club

Members Club Pool

Pinehurst, North Carolina

Enlarged Planting Plan 3

DATE: October 30, 2014

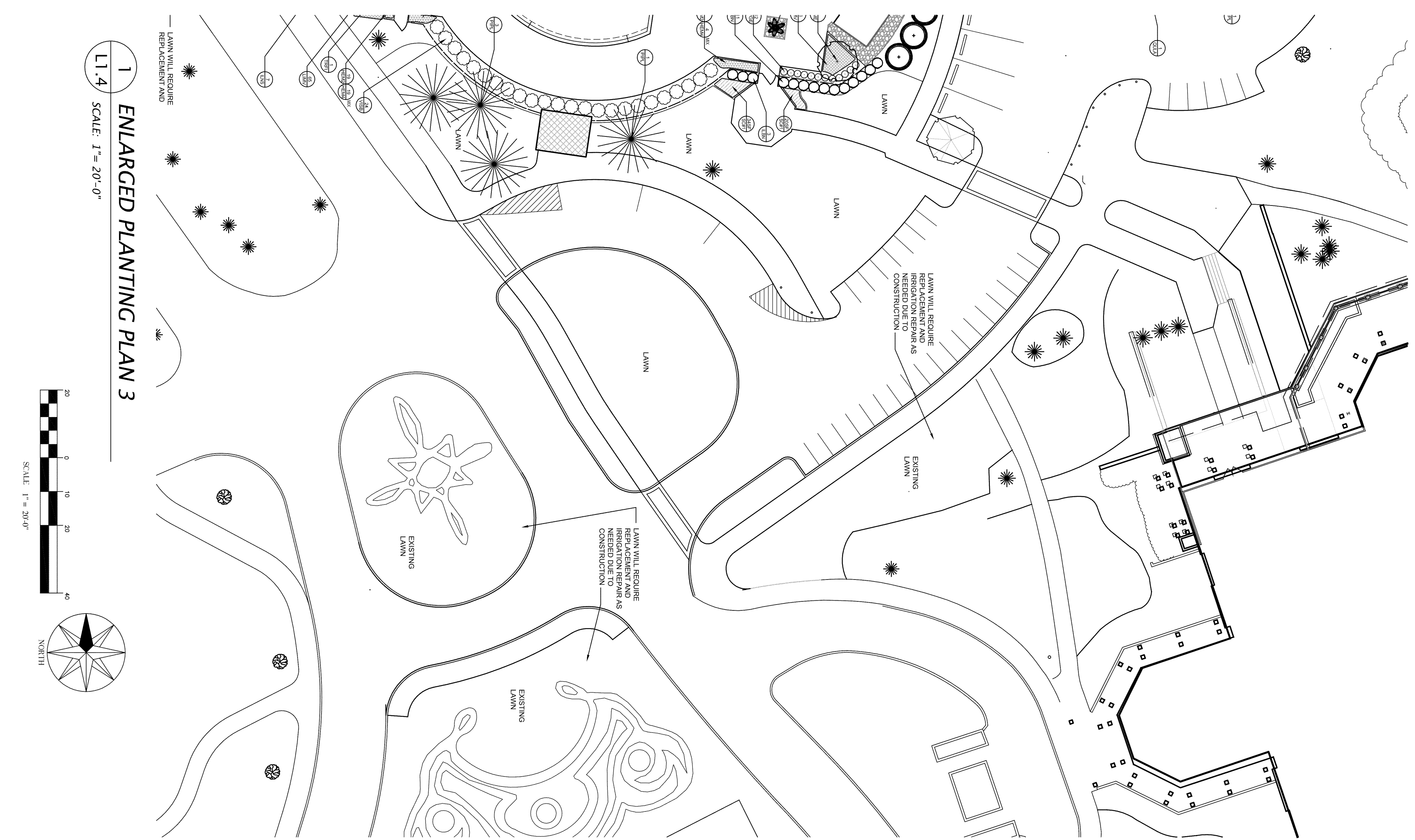
DESIGNED: KSH

DRAWN: PMHJ

CHECKED: -

NO.

L1.4



LKC

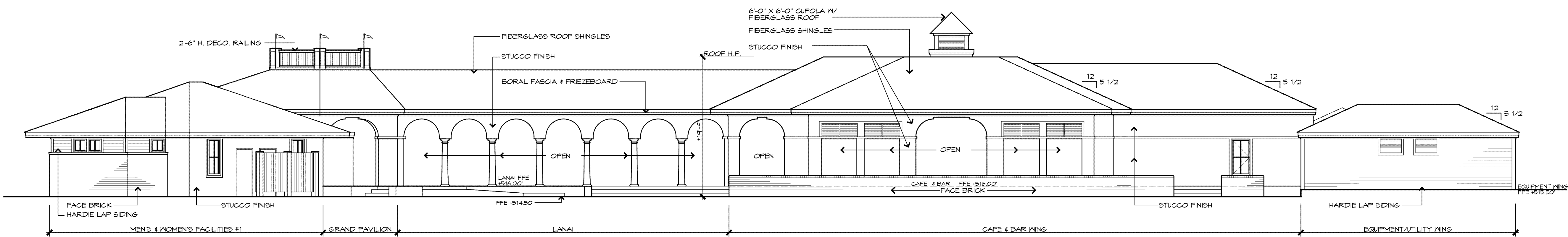
Engineering
Landscape Architecture
Planning

LKC Engineering, pllc
140 Aqua Shed Court
Aberdeen, NC 28315
O: 910.420.1437
F: 910.637.0096
lkceengineering.com
License No. P-1095

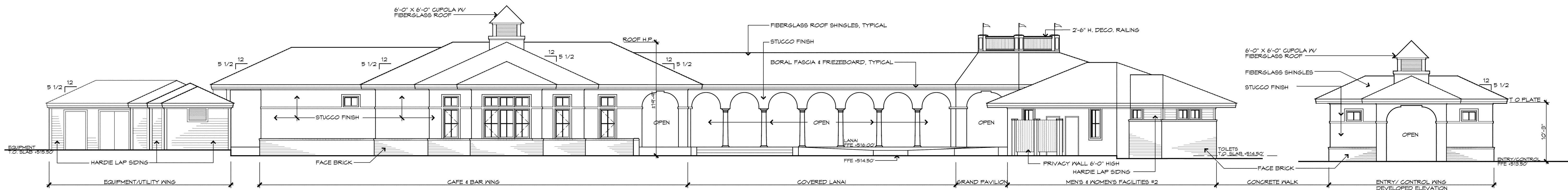
PROFESSIONAL
SEAL
17651
ENGINEER
BILL LESTER

Pinehurst, North Carolina

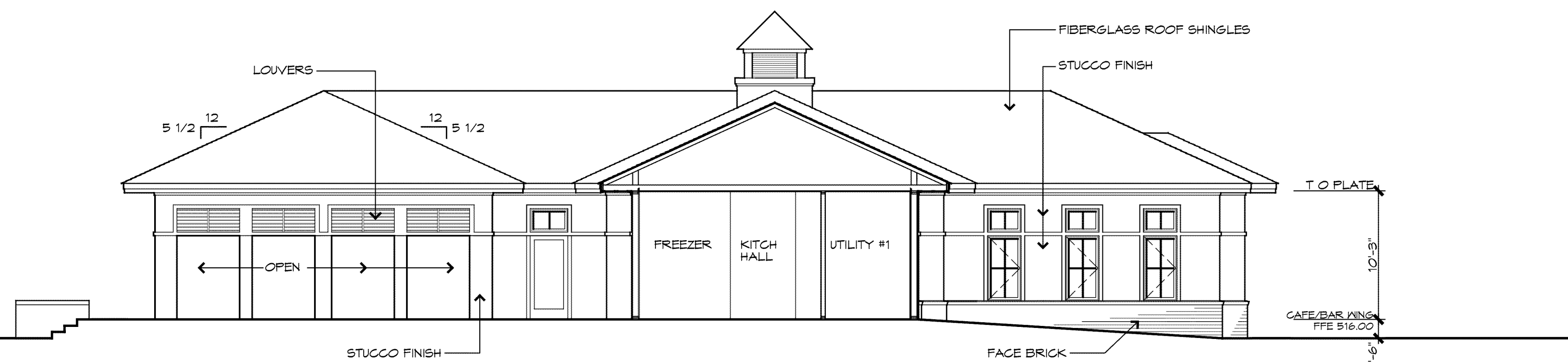
© 2014 ALL RIGHTS RESERVED. NO PART OF THIS DOCUMENT MAY BE REPRODUCED IN ANY FORM OR BY ANY MEANS, WITHOUT PERMISSION IN WRITING FROM STAGGAARD & CHAO ARCHITECTS, P.L.L.C.



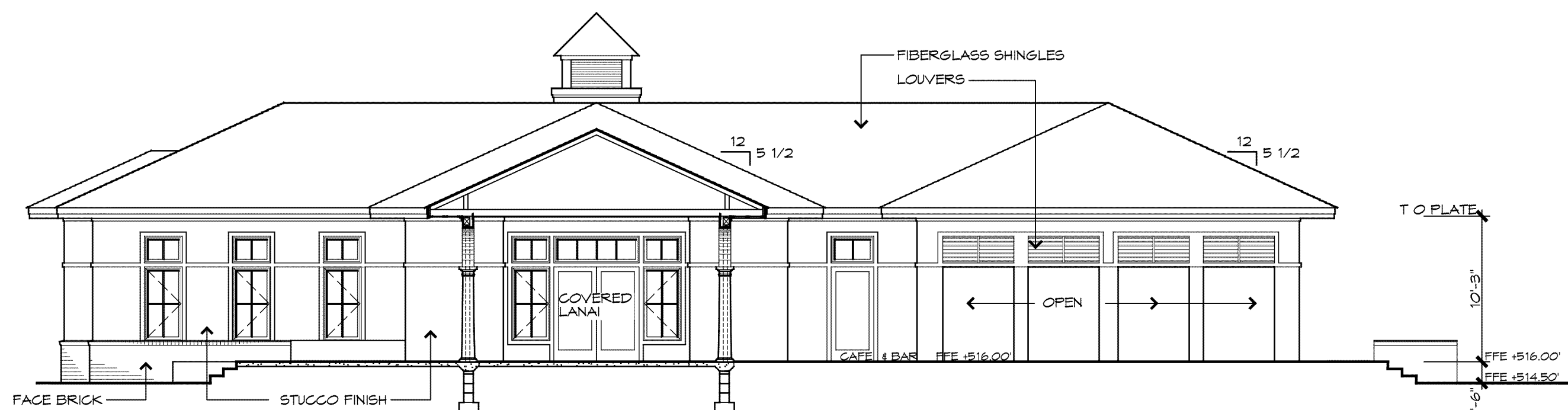
1 SOUTH ELEVATION:
VIEW FROM ADULT POOL
AA2 SCALE: 1/8" = 1'-0"



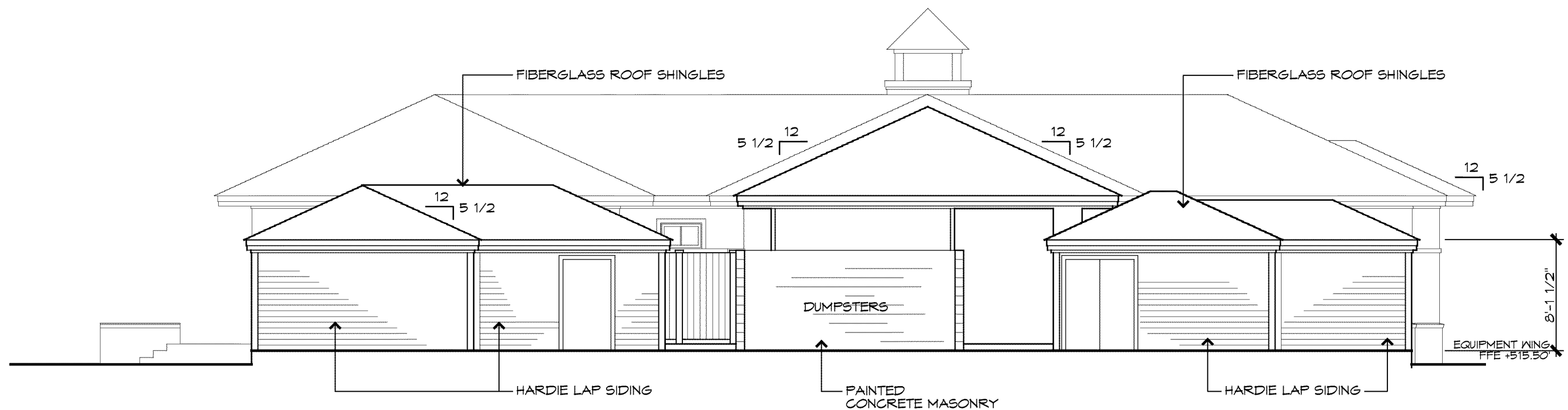
2 NORTH ELEVATION:
VIEW FROM FAMILY POOL
AA2 SCALE: 1/8" = 1'-0"



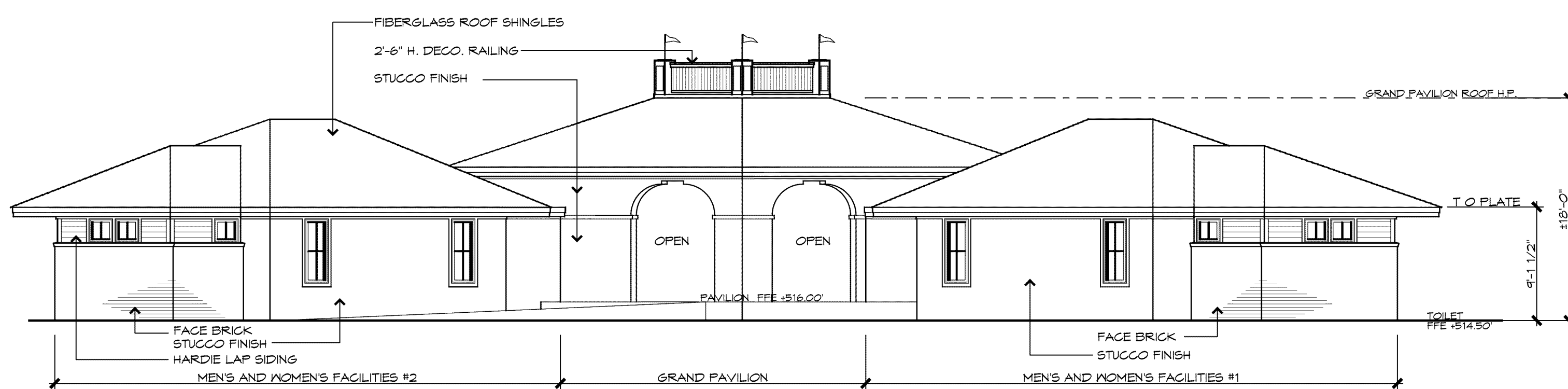
3 EAST ELEVATION @ BAR & CAFE
AA2 SCALE: 1/8" = 1'-0"



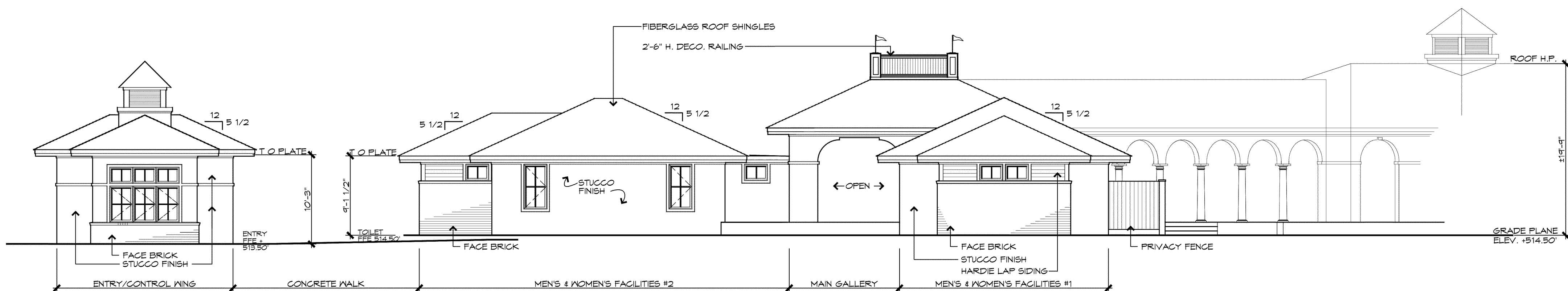
4 WEST ELEVATION @ BAR & CAFE
AA2 SCALE: 1/8" = 1'-0"



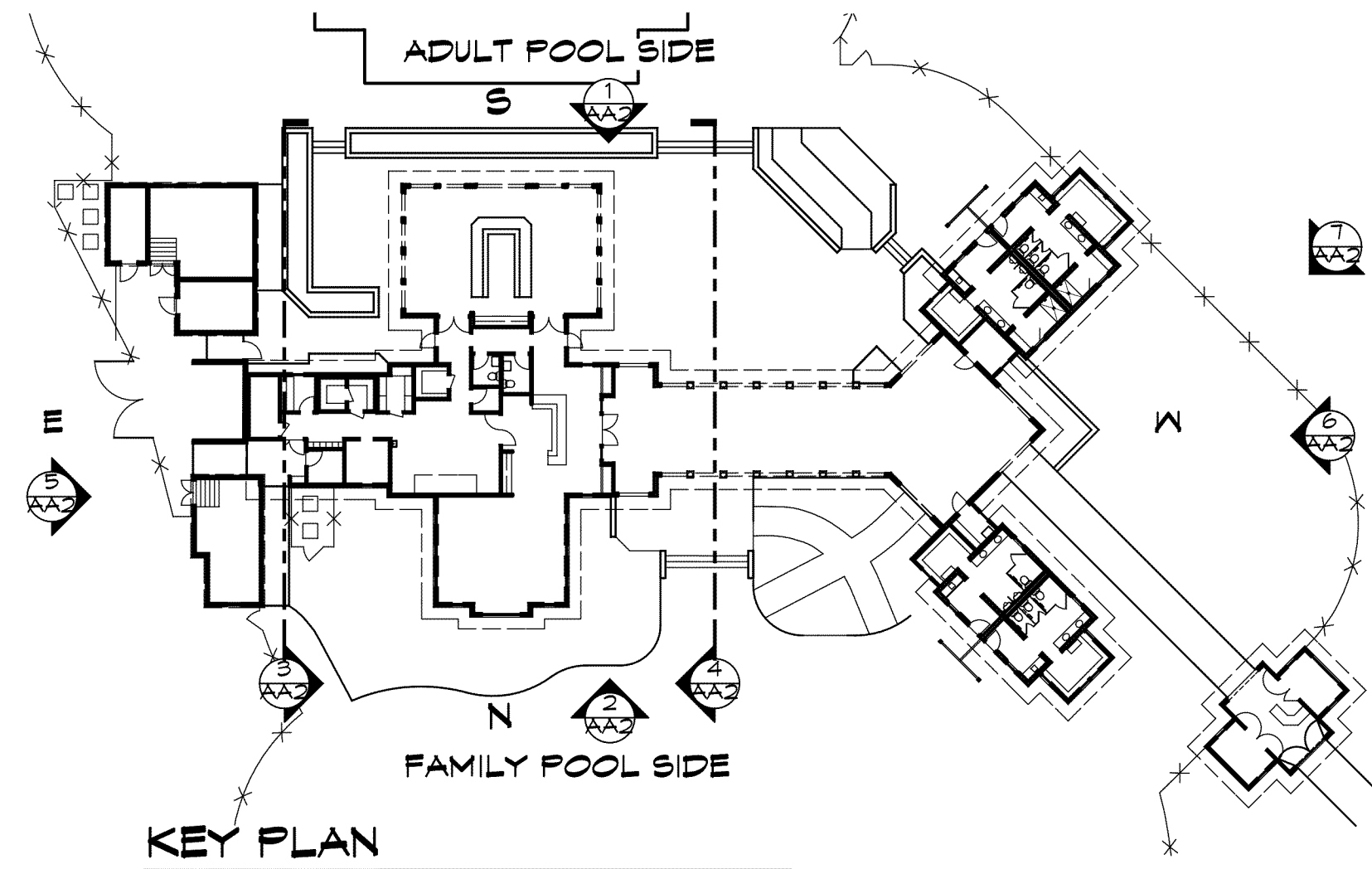
5 EAST ELEVATION @ POOL
EQUIPMENT WING
AA2 SCALE: 1/8" = 1'-0"



6 WEST ELEVATION: VIEW TOWARDS GRAND PAVILION
AA2 SCALE: 1/8" = 1'-0"



7 SOUTHWEST ELEVATION
AA2 SCALE: 1/8" = 1'-0"



**Staggard
& Chao
Architects**

P.L.L.C.

105 CHEROKEE ROAD
PO BOX 4840
PINEHURST NC 28374
910 295 4800
FAX: 910 295 4868

DATE

ALAN STAGGAARD AIA
CERT. NO. 6411

DATE

TERESITA CHAO AIA
CERT. NO. 6344

REVISIONS

DATE

HPC SUBMISSION

08-30-2014

BUILDING ELEVATIONS

DATE 04.30.2014

SCALE 1/8" = 1'-0"

BY RM

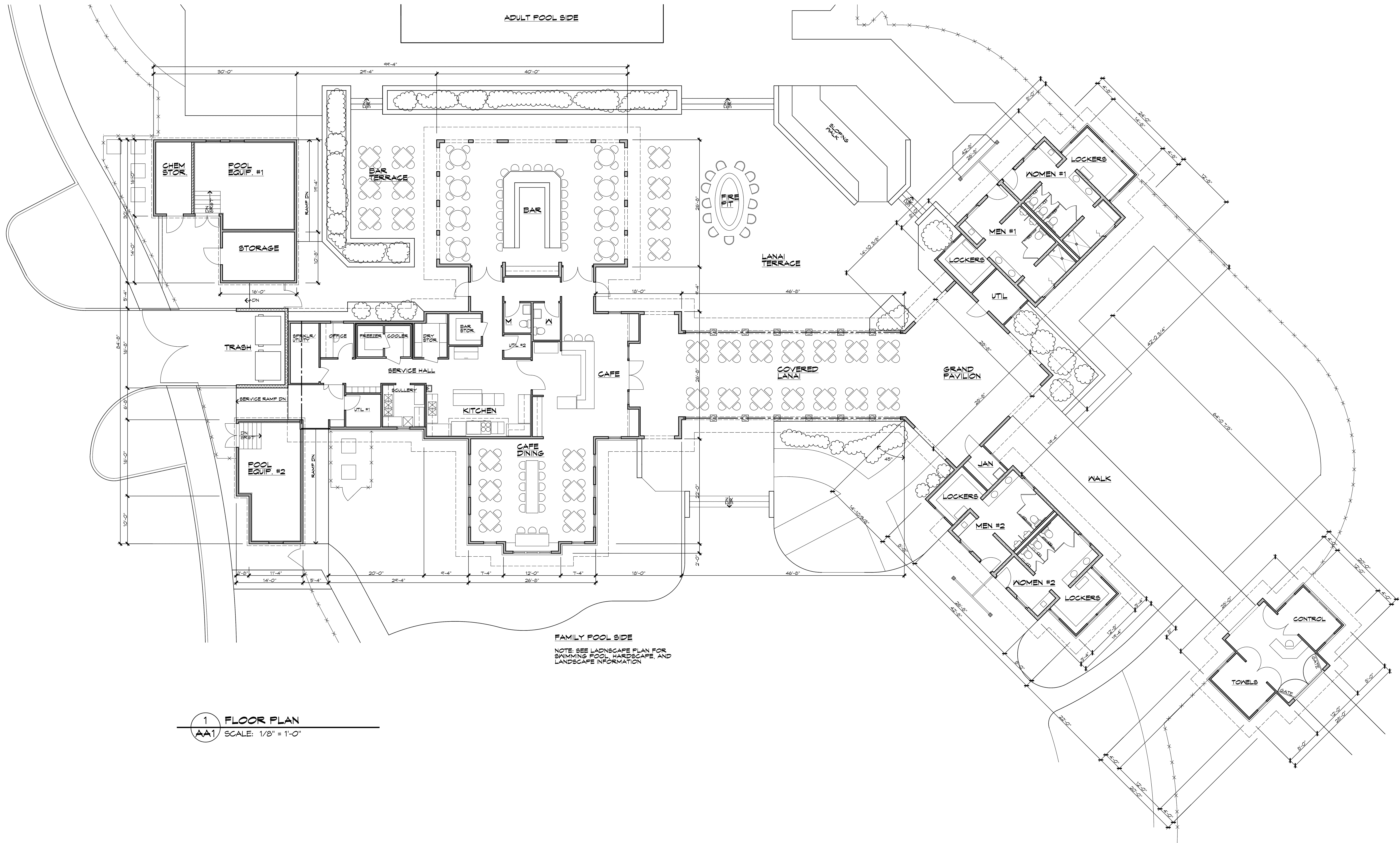
JOB 2014-7

AA2

PINEHURST COUNTRY CLUB
MEMBERS' POOL COMPLEX
1 CAROLINA VISTA
PINEHURST, NC
LRK #25800

©2014. ALL RIGHTS RESERVED. NO PART OF THIS DOCUMENT MAY BE REPRODUCED IN ANY FORM OR BY ANY MEANS, WITHOUT PERMISSION IN WRITING FROM STAGGAARD & CHAO ARCHITECTS, P.L.L.C.

© 2014 ALL RIGHTS RESERVED. NO PART OF THIS DOCUMENT MAY BE REPRODUCED IN ANY FORM OR BY ANY MEANS, WITHOUT PERMISSION IN WRITING FROM STAGGARD & CHAO ARCHITECTS, P.L.L.C.



1 FLOOR PLAN
AA1 SCALE: 1/8" = 1'-0"

**Staggard
& Chao
Architects**

P.L.L.C.

105 CHEROKEE ROAD
PO BOX 4840
PINEHURST NC 28374
910 295 4800
FAX 910 295 4868

DATE

ALAN STAGGARD AIR
CERT. NO. 6411

DATE

TERESITA CHAO AIR
CERT. NO. 6344

REVISIONS	DATE
HPC SUBMISSION	08-30-2014

PINEHURST COUNTRY CLUB
MEMBERS' POOL COMPLEX
1 CAROLINA VISTA
PINEHURST, NC

LRK #25800

©2014. ALL RIGHTS RESERVED. NO PART OF THIS DOCUMENT MAY BE REPRODUCED IN ANY FORM OR BY ANY MEANS, WITHOUT PERMISSION IN WRITING FROM STAGGARD & CHAO ARCHITECTS, P.L.L.C.

FLOOR PLAN

DATE	04.30.2014
SCALE	1/8" = 1'-0"
BY	RM
JOB	2014-7

AA1



Pool Cabana

ORDINANCE #14-39:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2015, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (LIVE AFTER 5 CONCERT SERIES)

THAT WHEREAS, Village staff has presented a proposal for the Village Council for the Village to assume responsibility for the Pinehurst Live After 5 Concert Series; and

WHEREAS, the Village Council would like to support these downtown cultural events as authorized under G.S. 106A-209(5a);

WHEREAS, the revenues and expenditures related to these events were not included in the FY 2014-2015 Budget when originally adopted; and

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the regular meeting assembled this 18th day of November 2014, as follows:

SECTION 1. To amend the FY 2015 General Fund budget with regard to revenues and expenditures, the revenue and expenditure accounts are to be changed as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-80-610-5465	Downtown Events	\$ 15,000	
10-80-130-3416	Shows/Events Revenues		\$ 7,000
10-00-190-3905	Fund Balance Appropriated		8,000

SECTION 2. Copies of this budget amendment shall be furnished to the Clerk to the Village Council, Village Manager, and Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 18th day of November 2014.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Lauren M. Craig, Village Clerk

Michael J. Newman, Village Attorney

RESOLUTION 14-62:

A RESOLUTION HONORING THE SERVICE OF MS. CAROLE BOXELL TO THE VILLAGE CENTER ENHANCEMENT COMMITTEE FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its appreciation to Ms. Carole Boxell for the years of dedicated service to the citizens of Pinehurst as a member of the Village Center Enhancement Committee for the Village of Pinehurst; and

WHEREAS, Ms. Boxell was appointed as a member of the Village Center Enhancement Committee on June 12, 2012 and served continuously and faithfully from that time; and

WHEREAS, Ms. Boxell was involved in many decisions affecting the character, appearance and ambience of the community; and

WHEREAS, Ms. Boxell provided valuable input to the Village Center Enhancement Committee representing downtown business owners; and

WHEREAS, Ms. Boxell assisted the Committee in the formulation and implementation of the Village Center Enhancement Strategy, which resulted specifically in increased marketing and promotion, streetscape improvements, enhanced landscaping, provision of public restrooms, relocation of the Welcome Center, and other important Village Center initiatives.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability and determination given as a member of the Village Center Enhancement Committee and as a volunteer for the Village of Pinehurst.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Ms. Boxell as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Lauren M. Craig, Village Clerk

Approved as to Form:

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-63:

A RESOLUTION HONORING THE SERVICE OF MR. KEVIN DRUM TO THE VILLAGE CENTER ENHANCEMENT COMMITTEE FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its appreciation to Mr. Kevin Drum for the year of dedicated service to the citizens of Pinehurst as a member of the Village Center Enhancement Committee for the Village of Pinehurst; and

WHEREAS, Mr. Drum was appointed as a member of the Village Center Enhancement Committee on November 12, 2013 and served continuously and faithfully from that time; and

WHEREAS, Mr. Drum was involved in many decisions affecting the character, appearance and ambience of the community; and

WHEREAS, Mr. Drum provided valuable input to the Village Center Enhancement Committee representing downtown business owners; and

WHEREAS, Mr. Drum assisted the Committee in the execution of the “Put the Customer First” parking initiative to increase downtown parking availability for customers and provided unique insight and expertise in Committee strategies and implementation plans.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability and determination given as a member of the Village Center Enhancement Committee and as a volunteer for the Village of Pinehurst.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Mr. Drum as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Lauren M. Craig, Village Clerk

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-64:

A RESOLUTION HONORING THE SERVICE OF MS. KERRY ANDREWS TO THE VILLAGE CENTER ENHANCEMENT COMMITTEE FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its appreciation to Ms. Kerry Andrews for the year of dedicated service to the citizens of Pinehurst as a member of the Village Center Enhancement Committee for the Village of Pinehurst; and

WHEREAS, Ms. Andrews was appointed as a member of the Village Center Enhancement Committee on October 22, 2013 and served continuously and faithfully from that time; and

WHEREAS, Ms. Andrews was involved in many decisions affecting the character, appearance and ambience of the community; and

WHEREAS, Ms. Andrews provided valuable input to the Village Center Enhancement Committee representing Pinehurst, LLC; and

WHEREAS, Ms. Andrews provided input and expertise on Committee strategies and implementation plans and offered unique marketing and promotion insights.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability and determination given as a member of the Village Center Enhancement Committee and as a volunteer for the Village of Pinehurst.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Ms. Andrews as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Lauren M. Craig, Village Clerk

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-65:

A RESOLUTION HONORING THE SERVICE OF MS. CAROLINE MILLER TO THE VILLAGE CENTER ENHANCEMENT COMMITTEE FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its appreciation to Ms. Caroline Miller for the years of dedicated service to the citizens of Pinehurst as a member of the Village Center Enhancement Committee for the Village of Pinehurst; and

WHEREAS, Ms. Miller was appointed as a member of the Village Center Enhancement Committee on June 12, 2012 and served continuously and faithfully from that time; and

WHEREAS, Ms. Miller was involved in many decisions affecting the character, appearance and ambience of the community; and

WHEREAS, Ms. Miller provided valuable input to the Village Center Enhancement Committee representing downtown business owners; and

WHEREAS, Ms. Miller assisted the Committee in the formulation and implementation of the Village Center Enhancement Strategy, which resulted specifically in increased marketing and promotion, streetscape improvements, enhanced landscaping, provision of public restrooms, relocation of the Welcome Center, and other important Village Center initiatives.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability and determination given as a member of the Village Center Enhancement Committee and as a volunteer for the Village of Pinehurst.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Ms. Miller as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

(Municipal Seal)

VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Lauren M. Craig, Village Clerk

Approved as to Form:

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-66:

A RESOLUTION HONORING THE SERVICE OF MR. JIM SAUNDERS TO THE VILLAGE CENTER ENHANCEMENT COMMITTEE FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its appreciation to Mr. Jim Saunders for the years of dedicated service to the citizens of Pinehurst as a member of the Village Center Enhancement Committee for the Village of Pinehurst; and

WHEREAS, Mr. Saunders was appointed as a member of the Village Center Enhancement Committee on March 12, 2013 and served continuously and faithfully from that time; and

WHEREAS, Mr. Saunders was involved in many decisions affecting the character, appearance and ambience of the community; and

WHEREAS, Mr. Saunders provided valuable input to the Village Center Enhancement Committee representing downtown property owners; and

WHEREAS, Mr. Saunders provided unique insight and expertise in Committee strategies and implementation plans and assisted the Committee in the execution of several initiatives.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability and determination given as a member of the Village Center Enhancement Committee and as a volunteer for the Village of Pinehurst.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Mr. Saunders as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

(Municipal Seal)

VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Lauren M. Craig, Village Clerk

Approved as to Form:

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-61:

**A RESOLUTION HONORING THE SERVICE OF MR. BYRD GWINN TO THE
VILLAGE OF PINEHURST PLANNING AND ZONING BOARD
AND BOARD OF ADJUSTMENT**

THAT WHEREAS, the Village Council of Pinehurst, North Carolina, wishes to acknowledge and express its appreciation to Mr. Byrd Gwinn for his dedicated service to the citizens of Pinehurst as a member of the Board of Adjustment and the Planning and Zoning Board; and

WHEREAS, Mr. Gwinn was appointed to the Planning and Zoning Board on October 31, 2008 and served continuously and faithfully from that time; and

WHEREAS, Mr. Gwinn was instrumental in the efficient operation of the Planning and Zoning Board always conducting the Village's business in a courteous, professional manner; and

WHEREAS, Mr. Gwinn was involved in numerous reviews of significant development in Pinehurst and its extraterritorial jurisdiction in which he always ensured that the Planning and Zoning Board fully examined all of the aspects of the proposed development and provided the best possible recommendation to the Village Council concerning each development or land use request; and

WHEREAS, Mr. Gwinn was a staunch advocate for the preservation of the ambience and history of the core village and often served as the conscience of the Planning and Zoning Board on such matters.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014 as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability, and determination given as a member of the Board of Adjustment and the Planning and Zoning Board.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Mr. Gwinn as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

(Municipal Seal)

VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: _____
Nancy Foy Fiorillo, Mayor

Attest:

Approved as to Form:

Lauren M. Craig, Village Clerk

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-67:

A RESOLUTION HONORING THE SERVICE OF MR. PATRICK BARRY TO THE VILLAGE CENTER ENHANCEMENT COMMITTEE FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of Pinehurst, North Carolina wishes to acknowledge and express its appreciation to Mr. Patrick Barry for the years of dedicated service to the citizens of Pinehurst as a member and Chairman of the Village Center Enhancement Committee for the Village of Pinehurst; and

WHEREAS, Mr. Barry was appointed as a member of the Village Center Enhancement Committee on May 11, 2010 and served continuously and faithfully from that time; and

WHEREAS, Mr. Barry was involved in many decisions affecting the character, appearance and ambience of the community; and

WHEREAS, Mr. Barry served on the Village Center Enhancement Committee since its inception and was instrumental in facilitating the N.C. Downtown Development Association's study in 2011; and

WHEREAS, Mr. Barry served as the Village Center Enhancement Committee's Chairman, leading the Committee in the implementation of the Village Center Enhancement Strategy, which resulted in increased marketing and promotion, streetscape improvements, enhanced landscaping, provision of public restrooms, relocation of the Welcome Center, and other important Village Center initiatives.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the Village Council hereby expresses on behalf of the citizens of Pinehurst, deep appreciation and gratitude for the gifts of time, ability and determination given as a member and Chairman of the Village Center Enhancement Committee and as a volunteer for the Village of Pinehurst.

SECTION 2. That the Village Manager is hereby directed to have a copy of this Resolution presented to Mr. Barry as a token of our gratitude.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Lauren M. Craig, Village Clerk

Approved as to Form:

Michael J. Newman, Village Attorney

DRAFT

RESOLUTION 14-69:

A RESOLUTION AMENDING THE VOLUNTEER PROGRAM POLICY FOR THE VILLAGE OF PINEHURST

THAT WHEREAS, the Village Council of the Village of Pinehurst adopted the “Volunteer Program” policy by motion at the work session on March 22, 2005 to create guidelines for the volunteers who give of their time and talents to serve on standing and ad hoc committees and boards; and

WHEREAS, the Village Clerk has amended the “Volunteer Program” policy to enhance the Village of Pinehurst’s efforts to recruit, develop, and recognize volunteers.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 18th day of November, 2014, as follows:

SECTION 1. That the aforementioned “Volunteer Program” policy and the same hereby is amended as shown in Exhibit A.

SECTION 2. That this resolution shall be and the same is hereby effective from and after the date of its adoption.

THIS RESOLUTION passed and adopted this 18th day of November, 2014.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Lauren M. Craig, Village Clerk

Michael J. Newman, Village Attorney



VILLAGE OF PINEHURST
STANDARD PROCEDURE

SUBJECT:	Volunteer Program	Effective Date:	3/2005
Department:	Administration	Policy No.:	ADM-122
Prepared by:	Lauren Craig	Revised:	11/18/2014
Approved by:	Village Council and Andrew Wilkison, Village Manager	# of Pages:	3

PURPOSE: The purpose of this policy is to:

1. Create a recruitment process for citizens who are interested in volunteering their time and talents on committees and/or boards to further the work of the Village of Pinehurst.
2. Develop a training and onboarding plan to equip Village of Pinehurst volunteers with the skills they need to effectively perform their duties.
3. Establish a rewards and recognition program to thank volunteers for their contributions and commitment to the Village of Pinehurst

POLICY: It is the policy of the Village of Pinehurst to recruit, develop, and recognize volunteers who give of their time and talents to serve on committees and boards. These committees and boards may work on specific short and long term projects, planning, zoning, and appearance issues which can affect the quality of life in the Village today and in the future.

ELIGIBILITY: Citizens of the Village of Pinehurst and the extra territorial jurisdiction (ETJ) are encouraged to volunteer to serve their community through the Village of Pinehurst committees and boards. One year of full-time residency is required before being appointed on a board or committee but can be waived by the Village Council if deemed necessary.

PROCEDURE:

Recruitment Process and Appointment

All citizens and ETJ residents interested in volunteering for the Village are required to complete a volunteer application, which can be obtained at Village Hall or online.

The Village Clerk shall maintain the volunteer contact list, including term expirations, to prepare for upcoming vacancies on standing boards and commissions.

The Village Manager, staff liaison, and Village Clerk will continuously recruit volunteers using technology (Village website, social media, and e-blasts), announcements in the Village newsletter, and other public venues to inform citizens of upcoming volunteer opportunities.

Once volunteer applications are received, the Clerk will notify the Village Manager and applicable board/committee Chairpersons. Upon the recommendation of the Chairperson, the applicant will be interviewed to determine the fit for the vacancy available. For Council-appointed boards/commissions, the applicant must be interviewed specifically by the Village Council. Council will then consider the applicant for appointment at a Village Council meeting and the applicant is informed of the decision following the meeting. At any point in the recruitment process, if the applicant is no longer being considered for appointment, the Village Clerk will send a notification to the applicant and will keep the applicant's information on file.

Training and Onboarding Volunteers

Within 30 days of a new volunteer appointment to a committee or board, the Chairperson and staff liaison are responsible for orienting the new volunteer on their duties and responsibilities and ensuring the completion of all items included on the onboarding checklist. Once completed in full, the onboarding checklist is filed and maintained in the Village Clerk's office.

The Village Clerk is responsible for organizing a "Volunteer State of the Village" meeting, an annual training for all volunteers. The purpose of this training is to reinforce the mission, vision, and values of the Village of Pinehurst, communicate Council's strategic direction, educate volunteers on policies, and to provide an opportunity for feedback.

Each committee or board Chairperson and staff liaison are encouraged to identify and schedule other training opportunities for their volunteers, specific to their scope of work and responsibilities.

Rewards and Recognition Program

Volunteers for the Village of Pinehurst have been identified as a strategic advantage and a valuable resource for the community. By continuing old traditions and creating new recognition opportunities, the Village will reward and recognize volunteers for their contributions and commitment on an annual basis.

Approved by:

Andrew M. Wilkison, Village Manager

Date

Village Council, Resolution

Date

DRAFT



Financial Condition Assessment

Village of Pinehurst
FY 2013-2014





Communicating Financial Condition

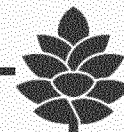
- Developed by UNC School of Government to communicate financial condition to elected officials
- Compares Village to peer group over time
- Distinguishes between General Fund (modified accrual) and Government-Wide (full accrual and includes utilities for peers)
- Compares the Village's FY 2014 results to our peer's FY 2013 results (latest data available)





Benchmark Group

- Pinehurst – pop. 15,150
 - Moore County
- Southern Pines - pop. 12,587
 - Moore County
- Hendersonville – pop. 13,294
 - Henderson County
- Carrboro – pop. 19,582
 - Orange County
- Cornelius – pop. 26,650
 - Mecklenburg County





Financial Condition Assessment

- Resource Flow

- Total Margin
- Financial Performance
- Self-Sufficiency
- Resource Obligation

- Resource Stock

- Liquidity
- Solvency
- Leverage
- Capital



Financial Condition Assessment Resource Flow

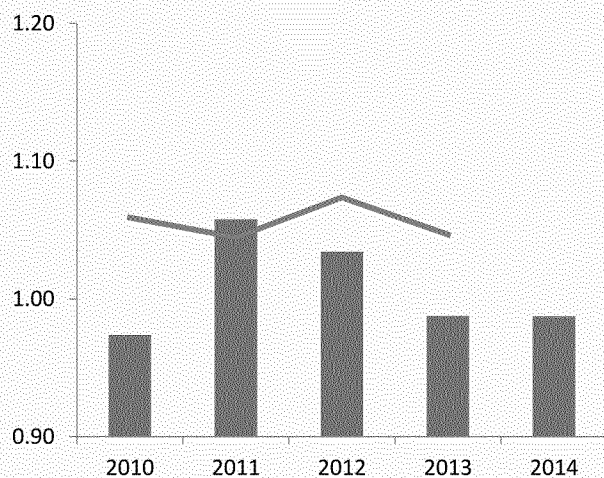




Total Margin Ratio

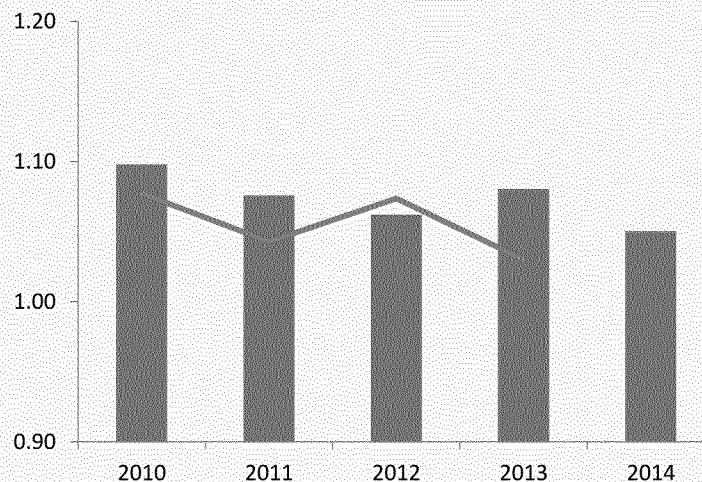
Ratio of operating revenues to expenditures

General Fund



Pinehurst = 0.99, Benchmark = 1.05

Government-wide



Pinehurst = 1.05, Benchmark = 1.03

Pinehurst 
Benchmark Group 

A ratio higher than one, indicates the Village has lived within its means, while not building up excess reserves.

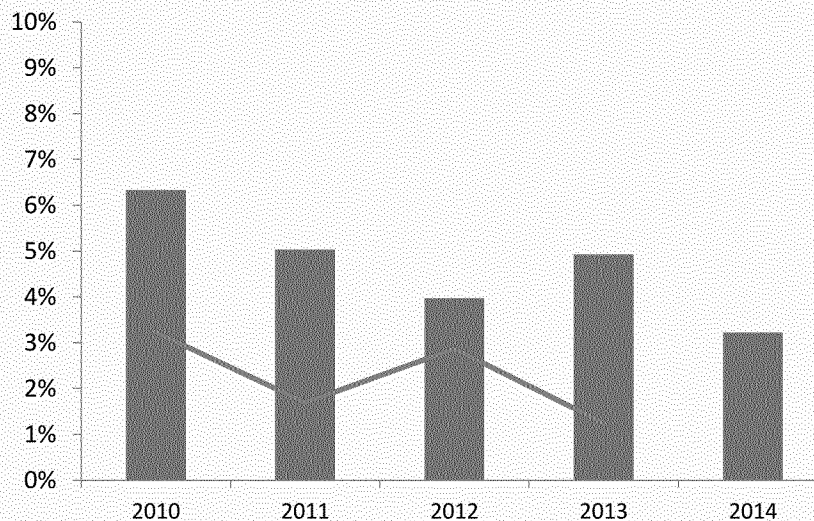




Percent Change in Net Assets

Change in net assets compared to beginning net assets

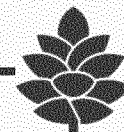
Government-wide



Pinehurst = 3.2%, Benchmark = 1.3%

Pinehurst 
Benchmark Group 

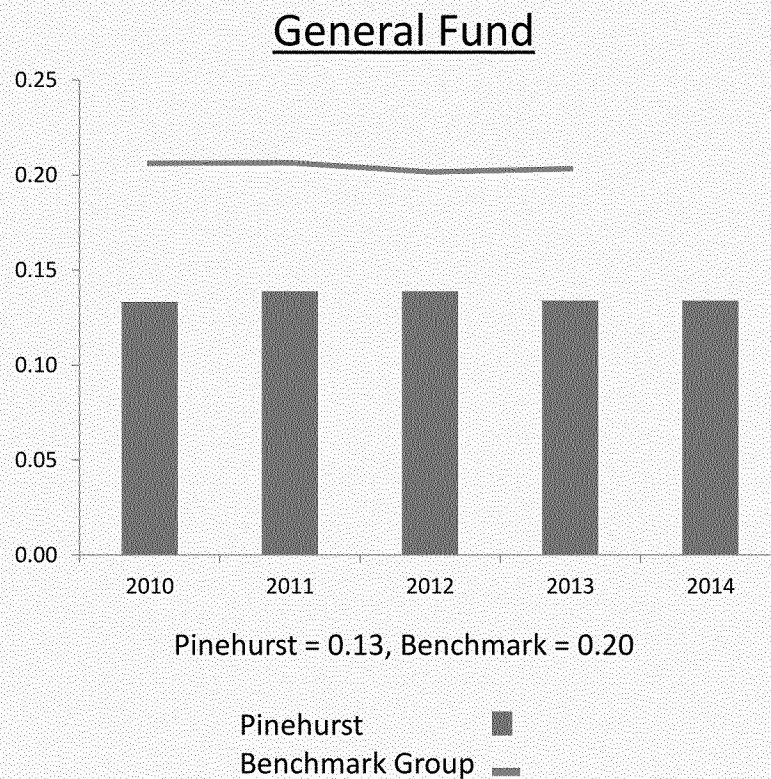
**The growth rate in the Village's net assets is lower today than before the recession
but is higher than its peer group.**





Intergovernmental Ratio

Ratio of intergovernmental to total revenues



The Village is consistently less reliant on other governments for revenues than its peer group.

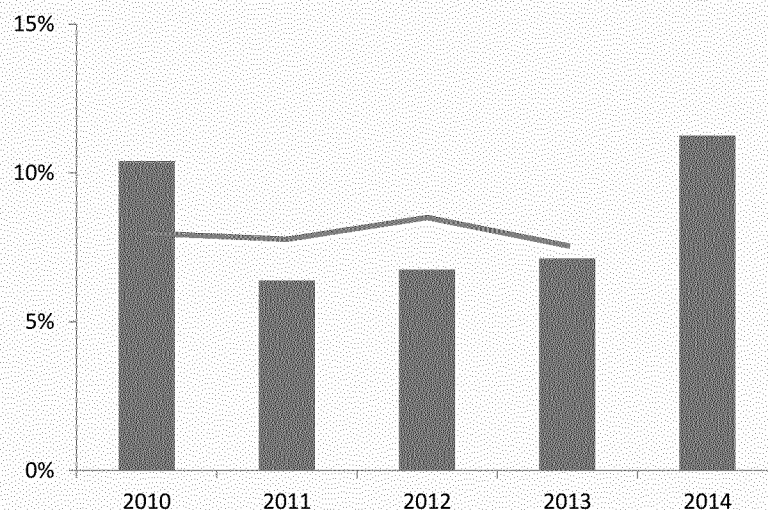




Charges to Expense Ratio

Charges for services compared to total expenses

Government-wide



Pinehurst = 11%, Benchmark = 8%

Pinehurst 
Benchmark Group 

**The Village's charges for services cover a similar portion of expenses as its peers.
The reduction in FY 2011 was due to the loss of fire district taxes related to the
Pinewild annexation. The increase in 2014 is due to the U.S. Opens.**

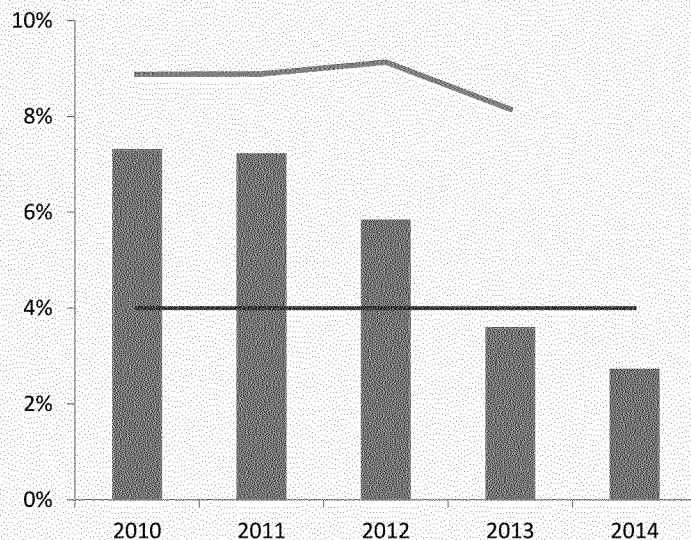




Debt Service Ratio

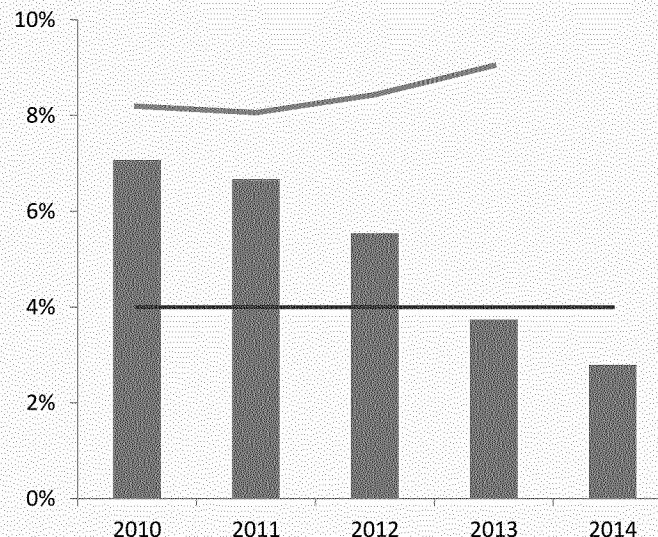
Debt service compared to total expenses

General Fund



Pinehurst = 3%, Benchmark = 8%,
BSC Target = 4%

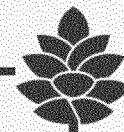
Government-wide



Pinehurst = 3%, Benchmark = 9%,
BSC Target = 4%

Pinehurst 
Benchmark Group 
BSC Target 

The Village is less reliant on debt, indicating a better ability to meet current and future debt service obligations.



Financial Condition Assessment Resource Stock

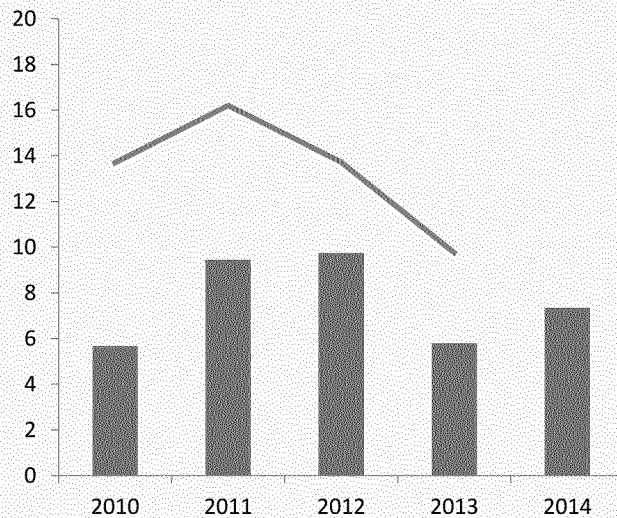




Quick Ratio

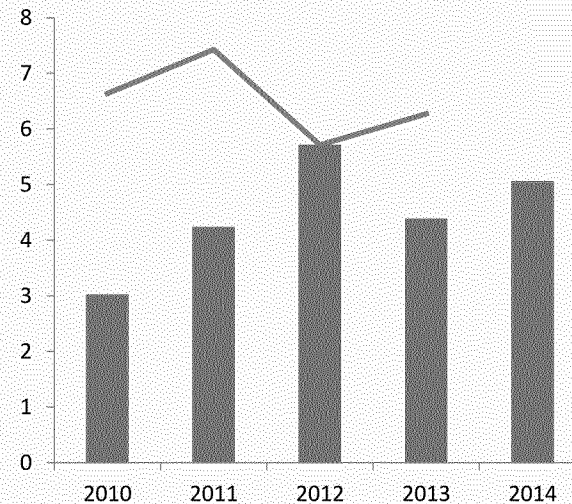
Cash and investments compared to current liabilities

General Fund



Pinehurst = 7.4, Benchmark = 9.8

Government-wide



Pinehurst = 5.1, Benchmark = 6.3

Pinehurst 
Benchmark Group 

Cash and investment levels while adequate to cover current obligations are slightly lower than our peer group overall.

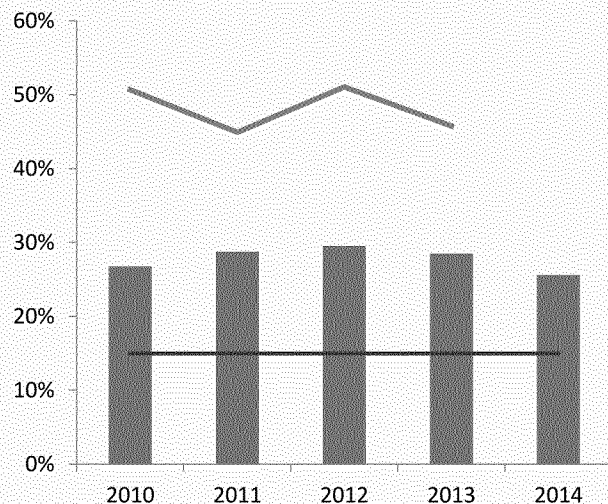




Fund Balance and Net Assets Ratios

Fund balance as a % of expenditures

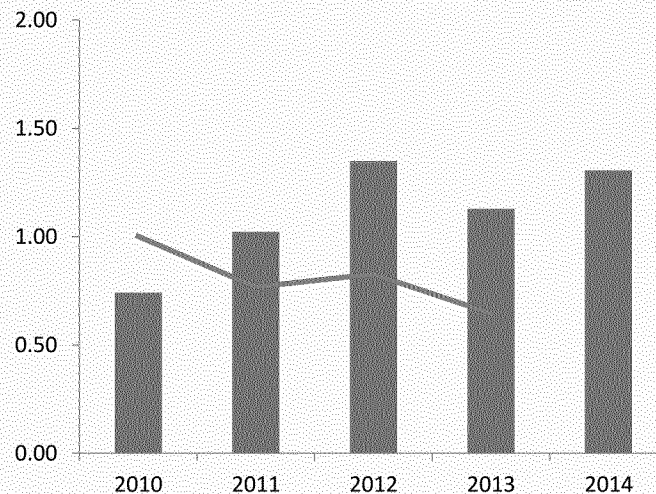
General Fund



Pinehurst = 26%, Benchmark = 46%
BSC Minimum = 15%

Ratio of net position to
total liabilities

Government-wide



Pinehurst = 1.31, Benchmark = 0.65

Pinehurst 
Benchmark Group 
BSC Target 

**The Village's unassigned fund balance is lower than its peer group.
However, it is well above the Village's adopted fund balance policy minimum.**

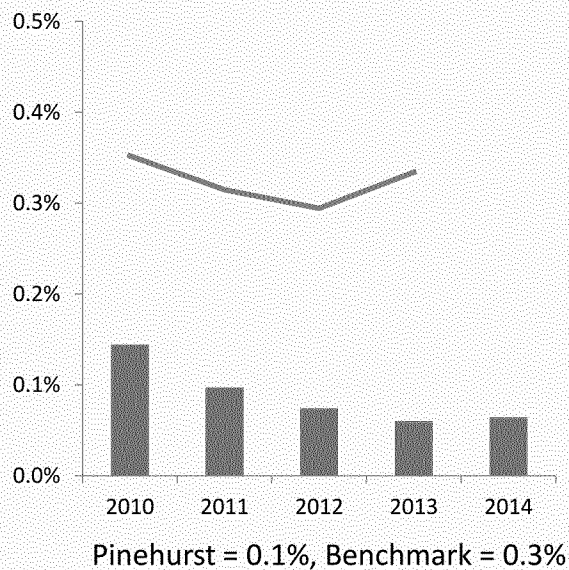




Debt Ratios

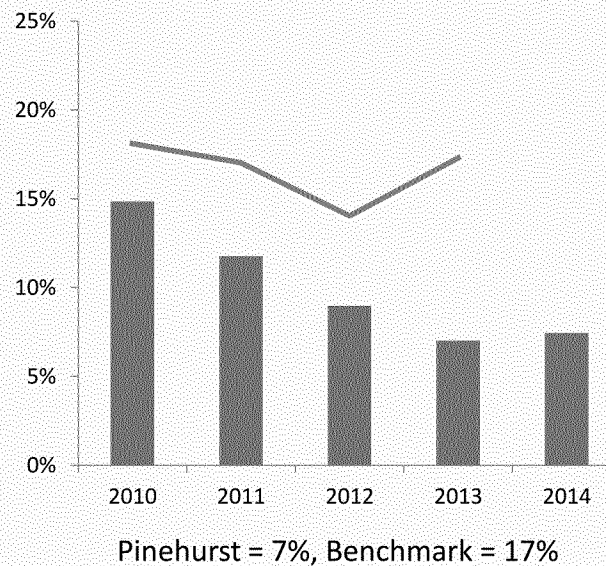
Debt as a % of assessed value

General Fund



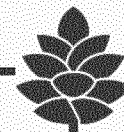
Long Term Debt as a % of total assets

Government-wide



Pinehurst 
Benchmark Group 

The Village's outstanding debt is lower than its peers and is declining which improves our ability to meet current and future financial obligations.

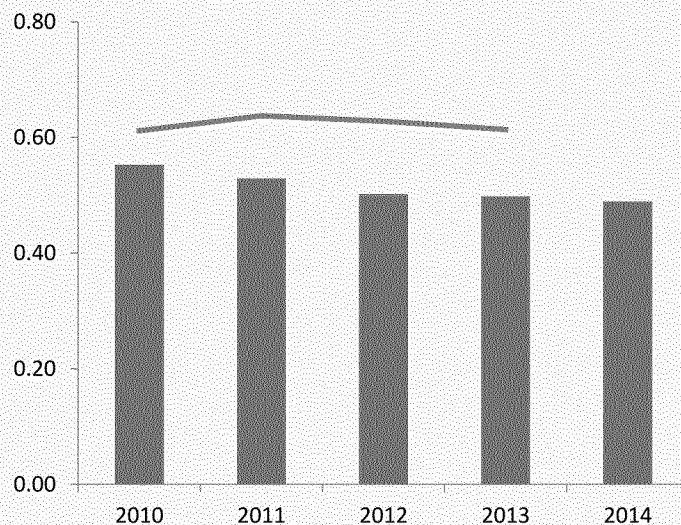




Capital Asset Condition Ratio

Accumulated depreciation divided by capital assets

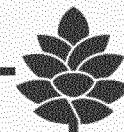
Government-wide



Pinehurst = 0.49, Benchmark = 0.61

Pinehurst 
Benchmark Group 

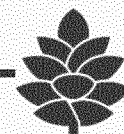
The capital assets of the Village are slightly more depreciated than our peers; this indicates a lower level of capital reinvestment.





Summary

- When compared to our peer group:
 - The Village has lived within its means and has improved its financial condition compared to our peers
 - We are less reliant on other governments for revenues
 - Our charges for services cover a larger portion of expenses
 - We are less reliant on debt and have a better ability to meet current and future debt service obligations
 - The Village maintains smaller cash reserves and fund balances
 - We are investing in capital assets at a level slightly below our peers

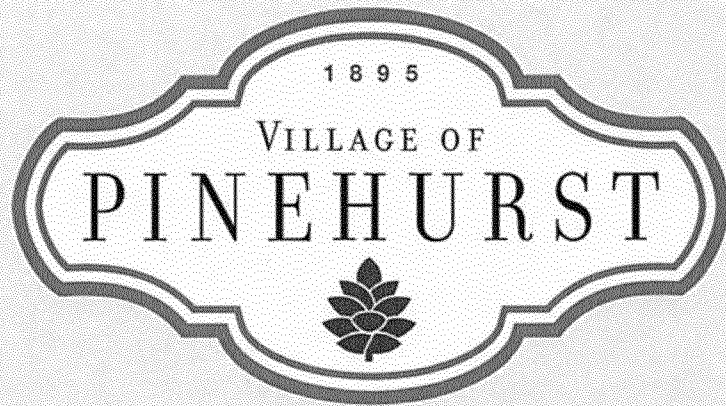




Things to Consider

- The only significant deviations from our peer group are:
 - The Village maintains somewhat smaller cash reserves
 - The Village maintains smaller fund balance reserves
 - Fund balance is at the upper limit of Council's adopted policy
 - Have maintained a low tax rate
- Recommendation is to:
 - Seek to maintain fund balance within policy established levels
 - Focus on timely replacement of capital assets





Final Report of the Deer Management Taskforce

November 18, 2014





Table of Contents

Executive Summary

Sections

Public Health Issues Related to Deer	Section A
Car/Deer Accidents	Section B
Landscaping	Section C
Insurance and Liability	Section D
Deer Management and Potential Culling	Section E

Exhibits

Resolution 2014-45	Exhibit 1
List of Deer Management Taskforce Members	Exhibit 2
Deer Management Taskforce Speakers	Exhibit 3
Deer Management Survey	Exhibit 4
Lists of Deer Resistant Plants in the Sandhills	Exhibit 5
Presentation by Rupert Medford - Deer in North Carolina	Exhibit 6
Presentation by Rupert Medford – Deer Restoration and Management in North Carolina	Exhibit 7
Report from Rupert Medford regarding deer population in Pinehurst	Exhibit 8
Deer Management Taskforce Reference List	Exhibit 9



Executive Summary

The Deer Management Task Force of The Village of Pinehurst, North Carolina was formed by Resolution 2014-45, in response to consistent public concern about the increase in deer/human conflicts in the Village of Pinehurst. The Resolution may be found in Exhibit 1. The Task Force met weekly from September 3 through November 12, 2014, and consisted of nine members of the Pinehurst community, including the police chief, with support from two Village staff members. The list of members and staff will be found in Exhibit 2. The Task Force heard presentations from nine individuals either in person or by conference telephone call. A list of these individuals and the organizations they represent will be found in Exhibit 3.

The Task Force has attempted to understand and find solutions for a number of problems caused by the conflicts within deer and human contact. These problems are now common throughout the United States, and can be organized into four areas: deer tick related diseases; deer colliding with motor vehicles; insurance and legal liability resulting from deer roaming on public and private property; and destruction of vegetation and landscaping on public and private property.

There is no doubt that the deer population has increased in the United States and the state of North Carolina during recent decades. At one point in the not too distant past, deer herds had dramatically lessened, which led to a restocking program in central North Carolina from 1950-1980. This program was quite successful due to a lack of natural predators in our area and a volume of sportsman hunting which did not keep up with the growth of the herd. However, the increase in the deer herds across the United States and in North Carolina has led to investigations by a number of municipalities in response to citizen complaints and fear of disease, accidents, vegetation replacement cost, and liability issues. Members of the Task Force read reports from several of these municipalities including Princeton, New Jersey; Bloomington, Indiana; Buffalo, New York; Columbus, Ohio; and the Texas Parks and Wildlife Department. Information was also gathered from Emerald Isle, Bald Head Island, and Duke Forest in North Carolina. Reference material from the Humane Society of the U. S (HSUS) presenting birth control techniques was also reviewed.

While reading the above mentioned reports was quite useful to the Pinehurst Task Force in framing the interviews and discussion with experts, it became clear that one the areas of differentiation when considering all aspects of deer management is that Pinehurst is a small, mostly developed, residential community without large lots and large private or public park lands (eg. Bald Head Island, Duke Forest, Rock Creek Park in Washington, DC.) This means that recommendations of Village government to control the deer herd will require a great deal of public education and cooperation from private landowners in order to successfully manage the deer population. Comments from residents and observations by a representative of the North Carolina Wildlife Commission confirm that Pinehurst has a pocket of deer in the area which includes Linden Road, Clarendon Gardens, Pinewild, Burning Tree Road. This area may need special attention.



In order to assist the work of the Pinehurst Deer Management Task Force, a seven question survey was developed by members of the Task Force and Village staff. The survey and results will be found in Exhibit 4. To gain as broad a response as possible, the survey was posted on the Village website for 18 days, publicized in The Pilot newspaper and on the Village's social media, and made available in hard copy at Village Hall. The response to the survey was quite robust compared to other surveys conducted by the Village: 1,215 citizens participated in the deer survey compared to approximately 550 for the Village's annual community survey. In brief, 91% indicated they noticed deer in their neighborhoods; 58% did not feel that deer tick borne diseases are a problem in Pinehurst; 52% felt that deer are not a problem on our roadways; 62% felt deer are detrimental to residential landscaping; and 77% supported a recommendation to the Village Council which would include a public education component, common sense steps to take when encountering deer, and the selective culling of the deer herd in the Village of Pinehurst. The comments section of the survey was responded to by 704 persons. A staff review of all comments indicated that 323 comments related to the culling idea: 202 favored selective culling and 121 did not. The independent investigation of the Task Force confirmed the survey results.

Findings and Recommendations

1. The recently adopted prohibition on feeding of wildlife, except wild birds, can be effective in drawing deer away from neighborhoods if enforced. One result should be less damage to landscaping.

2. **Public Health Concerns Related to Deer** (see Section A). Deer, and other animals, are known hosts for ticks and they serve as vectors for the illnesses that they can carry. Deer can play an important role in the life-cycle of ticks as they can carry many more ticks than other animals due to their body size and they are a preferred host of certain tick species. It is also understood that many other animals carry ticks.

Tick-borne illnesses are not found at an epidemic level in Moore County and its surrounding region, however, certain tick-borne illnesses are found on a more common basis than others. Lyme Disease that is contracted in the surrounding region of North Carolina is extremely rare, but Ehrlichiosis and Spotted Fever Group (SFGRs) have been diagnosed more readily in patients within our region. Both Ehrlichiosis and SFGRs are serious illnesses that should be treated promptly to avoid serious complications in patients that contract them.

Reducing the amount of deer within the Village would reduce the number of hosts available for ticks, however it is uncertain whether this would have any impact on the prevalence of tick-borne illnesses in our community. Tick-borne illnesses should not be considered an impetus for reducing the deer herd in the Village of Pinehurst.

The most important thing that residents of the Village of Pinehurst can do as it relates to tick-borne illnesses is to become informed on:



- the conditions for picking up ticks
- how to avoid/reduce the potential tick bites
- the potential illnesses that can be contracted from tick bites
- what people should do if bitten by a tick

3. **Car/Deer accidents** (see Section B). The volume is modest but not insignificant, mostly clustered during fall and winter months. However during the time frame of the Task Force, approximately five accidents have occurred including on Hwy 211 at Pinewild, Hwy 5 at Shaw Road, Memorial Drive, and Diamondhead Drive. Cost per accident can be several hundred to several thousand dollars. Not all deer/car accidents are recorded as such by the Highway Patrol, police departments, and insurance companies. They may just be classified as accidents (not caused by deer) or not reported if the vehicle owner believes the cost of repair will be within the deductible of the insurance policy. Pinehurst Police are now attempting to record accidents when deer are the cause.

Recommendation: place “deer crossing” signs in selected areas on the north and south of Linden Road to warn motorists that deer are in that area. Consider public reminders of accident potential during the year by use of the Village website and press releases.

4. **Landscaping** (see section C). A thorough discussion was held about deer resistant plants and flowers. See Exhibit 5. Commercial products such as Liquid Fence are highly recommended by landscapers, although these products require frequent use and can be expensive to purchase. A program to supply Liquid Fence in at least one large Pinehurst grocery store at reasonable cost is contained in the full report on Landscaping.

Recommendation: the list of deer resistant plants should be posted on the Village website, publicized as widely as possible to residents, landscapers, home builders, garden clubs, etc.

5. **Insurance and liability** (see Section D). The Village of Pinehurst is insured by the North Carolina League of Municipalities. The Liability portion of the policy contains a "Duty to Defend" clause and would respond to any action or law suit arising from the Village's actions with respect to the deer. Such actions include culling or any other NC Wildlife approved attempt to control or manage the deer population. The League encourages the utilization of insured individuals or organizations for deer management. Also, they should provide the Village with an appropriate certificate of insurance. The deer herd is owned by the State of North Carolina for the use and enjoyment of the citizens. Therefore, the Village of Pinehurst has no responsibility, nor liability, for deer movements/actions. Any actions undertaken by the Village to control the deer would mean assuming a liability which currently does not exist.

Loss control services from the North Carolina League stated that as the deer population increases, so does the probability of automobile accidents, tick related illnesses and property damage. Therefore, even though they have not mandated some preventative action by the Village, they suggest it would be prudent to act. In effect, while there is no legal responsibility



for Village action, reasonable care of the village residents and their property should be undertaken.

Recommendation: a loss control inspection by the NC League of Municipalities, which focuses on any deer management being considered, should occur before any action is taken. Such an inspection/risk analysis is a service provided by the League to participating members.

6. Deer Herd Management (see section E). The North Carolina Wildlife Commission made two presentations to the Task Force. Copies of the presentations will be found in Exhibits 6 and 7. The Commission biologist toured many of the Pinehurst neighborhoods, and discussed with the Task Force many approaches to deer management all of which are directed to promote the health of the deer herd, protect private and public lands whenever possible, and prevent human/deer conflicts such as vehicle accidents and landscaping damage. Unfortunately, the biologist has pointed out that sterilization, and removal techniques are extremely expensive and not usually successful, while also very stressful on deer being handled for those purposes. This is too bad, because the ability to sterilize or remove deer as management tools is appealing. He has estimated the deer density in the Linden Road area to be at least 15-29 deer per square mile which is at the level where culling of the herd is recommended for biological (ie deer health) as well as social (ie human interaction) objectives. The biologist has estimated that approximately 300 deer inhabit the Village at this time and he has made a preliminary estimate that approximately 100 deer could be appropriately taken from the herd over time to prevent over population. The actual number taken per year would be much less than that if a program is instituted under the guidance of the North Carolina Wildlife Resources Commission. He also points out that deer reproduce rapidly, with mature females averaging 1.7 off spring annually. Therefore, in general, one female will produce ten deer over five years in areas such as ours where there are no natural predators or hunting and culling techniques employed. The Wildlife Commission estimates that the deer population in North Carolina grew from 700,000 to 1,300,000 between 1984 and 2006. In Moore County, 2902 deer were taken in 2013.

Recommendation: A selective culling program is recommended to the Pinehurst Village Council. Such a program should be highly controlled and managed by our Police Department, using a small group of highly trained archery and/or firearms professionals, and after a thorough evaluation of the information contained in Section E and Exhibit 8 of this Report. A culling program must be approved by and managed in conjunction with the North Carolina Wildlife Resources Commission.

Section A



SECTION A

Public Health Issues Related to Deer

1. Introduction to Tick-Borne Illnesses

The main public health concern posed by deer to the residents of the Village of Pinehurst relate to deer as hosts for ticks and as vectors for the illnesses they carry. There are 5 tick-borne illnesses that are of potential concern to local residents: (ranked in order of prevalence in our area from greatest to least) Ehrlichiosis, Rocky Mountain Spotted Fever, STARI, Red Meat Allergy and Lyme Disease.

1a. Ehrlichiosis

- Ehrlichiosis is a general name for several bacterial diseases affecting both people and animals. Two kinds of ehrlichiosis — one caused by *Ehrlichia chaffensis* bacteria and the other, less commonly, by *Ehrlichia ewingii* bacteria — are transmitted to humans through bites of infected **Lone Star ticks** (*Amblyomma americanum*). These ticks are found in the southeastern and south-central United States, including North Carolina.
- Typical symptoms of ehrlichiosis include fever, headache, fatigue and muscle aches. Other signs and symptoms may include nausea, vomiting, diarrhea, cough, joint pains, confusion, and occasionally a rash, particularly in children. Usually, these symptoms occur within one or two weeks following a tick bite. The disease is initially diagnosed based on clinical signs and symptoms and medical history and can later be confirmed for surveillance purposes by using specialized laboratory tests. Ehrlichiosis can be treated with antibiotics such as doxycycline.
- Ehrlichiosis can be a severe or even fatal illness, especially if untreated, and as many as half of all patients require hospitalization.
- Between 2008 and 2012, there were between 3 and 6 confirmed and probable cases of Ehrlichiosis in Moore County. In the same timeframe, there were 387 confirmed and probably cases of Ehrlichiosis in the state of North Carolina.
- However, in 2012 alone, there were between 3 and 6 cases of Ehrlichiosis in Moore County and 112 cases in the state.

1b. Rocky Mountain Spotted Fever (RMSF) and Other Spotted Fevers (SFGR)

- Rocky Mountain spotted fever (RMSF) is a potentially fatal human illness caused by the bacteria *Rickettsia rickettsii*, which is transmitted to humans by the bite of an infected tick. In the United States, ticks that carry RMSF include the **American dog tick** (*Dermacentor variabilis*), the brown dog tick, and the Rocky Mountain wood tick. In North Carolina, RMSF has been found in American dog ticks, which are common across the state. The lone star tick is also being investigated as a possible carrier of RMSF.
- A second spotted fever-like illness has been found in North Carolina. This illness is caused by the bacteria *Rickettsia parkeri*, which can be transmitted by the Gulf Coast



tick. This tick is often confused with the American dog tick since the two look very similar to the naked eye. Illness caused by *Rickettsia parkeri* is less severe than RMSF and rarely fatal.

- Laboratory tests are not yet available to distinguish between the two rickettsias. Diseases caused by this group of bacteria are referred to as Spotted Fever Group, or Spotted Fever Rickettsiosis (SFGR). SFGR is the most common tick-borne illness reported in North Carolina.
- Typical symptoms of RMSF/SFGR include fever, headache, abdominal pain, vomiting, and muscle pain. A rash may also develop but is often absent in the first few days; some patients never develop a rash. A scab may also develop at the site of the tick bite. Antibiotics are most effective if started before the fifth day of symptoms. The initial diagnosis of SFGR is made based on clinical signs, symptoms and medical history, and can later be confirmed by using specialized laboratory tests. Since RMSF/SFGR can be difficult to diagnose in the early stages, patients with suspected SFGR should be treated immediately in accordance with CDC published guidelines. Without prompt and appropriate treatment, the disease can be fatal.
- Between 2008 and 2012, there were between 26 and 43 confirmed and probable cases of SFGR in Moore County. In that same year, there were 2,044 confirmed and probable cases of SFGR in the state of North Carolina.
- In 2012 alone, there were between 5 and 9 cases of SFGR in Moore County and 78 in the state.
- North Carolina ranks the highest in number of confirmed RMSF cases in the United States.

1c. Southern Tick-Associated Rash Illness (STARI)

- A rash similar to the rash seen in Lyme disease has been found in people following bites of the lone star tick (*Amblyomma americanum*). The rash may be accompanied by fatigue, fever, headache, muscle and joint pain. This condition has been named southern tick-associated rash illness (STARI). The cause of STARI is unknown. The rash of STARI is a red, expanding "bull's eye" lesion that develops around the site of a **lone star tick** bite. However, unlike Lyme disease, STARI has not been linked to any arthritic, neurological or chronic symptoms. In the cases of STARI studied to date, the rash and accompanying symptoms have resolved promptly following treatment with oral antibiotics.

1d. Red Meat Allergy

- **Lone star tick** bites are likely the cause of thousands of cases of severe red meat allergies that are plaguing patients in Southeastern United States including Tennessee, North Carolina and Virginia and spreading up the Eastern Seaboard along with the deer population. The allergy can cause hives and swelling, as well as broader symptoms of anaphylaxis including vomiting, diarrhea, trouble breathing, and a drop in blood



pressure. Persons with the allergy can go into a delayed anaphylactic shock four-six hours after eating red meat.

1e. Lyme Disease

- Lyme disease is caused by the bacterium *Borrelia burgdorferi*. It is transmitted to humans by the bite of an infected **blacklegged tick** (*Ixodes scapularis*). Cases have been documented in North Carolina.
- Typical symptoms include fever, headache, fatigue, and a characteristic "bull's eye" shaped skin rash called erythema migrans. If left untreated, infection can spread to joints, heart and the nervous system. Lyme disease is diagnosed based on symptoms and the possibility of exposure to infected ticks. Laboratory testing can be helpful. Most cases of Lyme disease can be treated successfully with a few weeks of antibiotics.
- Between 2008 and 2012 there were no cases of Lyme Disease in Moore County and there were 438 cases in the state.
- Lyme Disease contracted in Moore County, and the surrounding areas, is very rare. There has been only one confirmed case of an individual contracting Lyme Disease in Moore County.

SOURCE: Presentation by Dr. Paul Jawanda – Infectious Disease Physician – FirstHealth of the Carolinas

1f. Difficulties with Tick-Borne Illness Prevalence Data

While on the surface, the numbers of cases of various tick-borne illnesses in Moore County and the surrounding areas may not seem numerous, there are known difficulties in collecting and reporting on these illnesses.

In order to diagnose an individual with a tick-borne illness, the patient must undergo specific laboratory testing at prescribed intervals. Typically, if a patient presents to a physician with symptoms that could be signs of a tick-borne illness, the physician will prescribe a course of strong antibiotics for the patient prior to the lab results providing an official diagnosis. Some patients, after undergoing antibiotics and feeling relief from their symptoms, will forego the prescribed laboratory testing to confirm a diagnosis of tick-borne illness. Hence, a fair number of cases of tick-borne illnesses go unreported.

2. Ticks Common to Moore County and the Surrounding Area

There are a variety of species of ticks that reside in North Carolina, however some species tend to be more prevalent than others.

2a. The Lone Star Tick (*Amblyomma americanum*) is the most prevalent tick found in our area. Lone Star Ticks are typically easier to identify as the adult female of the species bears a bright spot in the center of its back. In addition, the shape of the Lone Star Tick's body is very rounded. The Lone Star Tick is an aggressive biter and is commonly found on humans. The Lone Star Tick is a known carrier of Ehrlichiosis, STARI and Red Meat Allergy.



2b. Another tick found in our area, although less common than the Lone Star Tick, is the American Dog Tick (*Dermacentor variabilis*). The American Dog Tick is identified by its tear-drop shaped body. The American Dog Tick is a known carrier of RMSF.

2c. Another tick found in our region is the Blacklegged or Deer Tick (*Ixodes scapularis*), but it is much less prevalent than the Lone Star or American Dog Tick. The Blacklegged Tick also has a tear-drop shaped body. The Blacklegged Tick is a known carrier of Lyme Disease.

3. Animals as Hosts for Ticks

Ticks require a blood meal from a host in order to carry out their complete life-cycles. Different species of ticks prefer different host animals. Deer are a common host for ticks, as they can host many (hundreds or more) ticks on their bodies. Rodents can also be a common host for ticks, as well as other mammals, birds, reptiles and amphibians, such as: dogs, cats, raccoons, foxes, rabbits and squirrels.

4. Recommendations for Reducing Tick Bites on Humans

In general, tick-borne illness may be prevented by:

- Avoiding tick habitat (dense woods and brushy areas),
- Using insect repellents containing DEET
- Treating outdoors clothes with Permethrin
- Wearing long pants and socks
- Performing tick checks after any time spent in the woods, thick brush or tall grasses
- Promptly removing ticks after outdoor activity

People should monitor their health closely after any tick bite, and should see a doctor if they experience a rash, fever, headache, joint or muscle pains, or swollen lymph nodes within 30 days of a tick bite. If possible, it may also be helpful to preserve the removed tick in rubbing alcohol for future identification purposes, should an illness develop after a tick bite.

SOURCE: Presentation by Dr. Paul Jawanda – Infectious Disease Physician – FirstHealth of the Carolinas

5. Conclusion

Deer, and other animals, are known hosts for ticks and they serve as vectors for the illnesses that they can carry. Deer can play an important role in the life-cycle of ticks as they can carry many more ticks than other animals due to their body size and they are a preferred host of certain tick species.



Tick-borne illnesses are not found at an epidemic level in Moore County and its surrounding region, however, certain tick-borne illnesses are found on a more common basis than others. Lyme Disease that is contracted in the surrounding region of North Carolina is extremely rare, but Ehrlichiosis and SFGRs have been diagnosed and/or treated on a more regular basis in patients within our region despite small numbers of official confirmed cases. Both Ehrlichiosis and SFGRs are serious illnesses that should be treated promptly to avoid serious complications in patients that contract them.

Reducing the amount of deer within the Village would reduce the number of hosts available for ticks, however it is uncertain whether this would have any impact on the prevalence of tick-borne illnesses in our community. Tick-borne illnesses should not be considered an impetus for reducing the deer herd in the Village of Pinehurst.

The most important thing that residents of the Village of Pinehurst can do as it relates to tick-borne illnesses is to become informed on how to prevent tick bites and what can be done should a tick bite occur.

In general, tick-borne illness may be prevented by:

- Avoiding tick habitat (dense woods and brushy areas),
- Using insect repellents containing DEET
- Treating outdoors clothes with Permethrin
- Wearing long pants and socks
- Performing tick checks after any time spent in the woods, thick brush or tall grasses
- Promptly removing ticks after outdoor activity
- If bitten by a tick, people should monitor their health closely after any tick bite, and they should see a doctor if they experience a rash, fever, headache, joint or muscle pains, or swollen lymph nodes within 30 days of a tick bite.
- After discovering a tick bite, if possible, it may be helpful to preserve the removed tick in rubbing alcohol for future identification purposes, should an illness develop after a tick bite.

Additional resources for ticks and tick-borne illnesses:

www.tickencounter.org/tick_identification

<http://epi.publichealth.nc.gov/cd/diseases/ticks.html>

www.cdc.gov/ticks/

www.ces.ncsu.edu/depts/ent/notes/urban/ticks.htm

Section B



SECTION B

Car/Deer Accidents

Deer-related accidents in Pinehurst in 2014:

Date	Street/Highway	Intersection
2/23/2014	US 15-501	N from Spring Lake Drive
2/23/2014	Diamond Head Drive	W from Ivy Way
3/1/2014	NC 5	Linden Road
3/20/2014	NC 2W	Palmetto Road
6/6/2014	Linden Road	W from Pinewild entrance
9/2/2014	NC 211	E from Page Road
9/9/2014	NC 211	W from Main Street
9/24/2014	Linden Road	W from Saville Row
10/25/2014	NC 5	N from NC 2W
11/5/2014	NC 211 W	W from Gun Club Road
11/5/2014	NC 211 W	W from Gun Club Road
11/12/2014	Diamondhead Drive	
11/12/2014	Linden Road	
11/12/2014	Morganton Road	
11/12/2014	NC 5	NC 2

Section C



SECTION C

Landscaping

The Pinehurst Deer Task Force has concluded that one of the ways to minimize landscape damage is to plant deer resistant vegetation. An extensive list of suggested deer resistant vegetation can be found on the internet as well as consulting with the Moore County Department of Agriculture, American Meadows (www.americanmeadows.com), NC Cooperative Extension Consumer Horticulture website (www.ncstate-plants.net) and many local nurseries including Green Haven Plant Farm on Hwy 22. We are grateful to Bart and Martha O'Connor for providing the attached list of some common plants that have proven to be deer resistant. In addition, it is known that deer avoid herb gardens because of the scents emitted. The abovementioned organizations can also provide a homeowner with a list of plants that deer are particularly fond of so that these materials can be easily avoided. We would encourage each individual property owner to do their own research with their particular needs in mind.

In conjunction with the proper plant materials, there are some other products on the market that, when used properly, have been met with success.

1. A safe and humane deterrent worth trying is the Scarecrow Sprinkler. It is equipped WITH A MOTION SENSOR THAT ENGAGES THE SPRINKLER. It operates off an ordinary garden hose and has offered many residents as resolution to deer damaging their landscaping. They are available online and at Home Depot, Lowes Home Improvement, Walmart and Burney's Hardware. Also available is the Ultrasonic Solar Animal Repeller by Bell & Howell. It can be ordered at www.animaloff.com
2. Two products that have proven to be successful if applied properly and regularly are Liquid Fence and Doe Gone. Both of these are available online and at several local businesses including Lowes Foods on Hwy 211.

The Village could participate in educating the public:

1. By continually updating its website to make these suggested materials easily available.
2. By providing this information through the Village Hall and the Beautification Committee.
3. By working with local builders and real estate companies.
4. By encouraging home owner associations to include this information in their welcome packets.
5. By reaching out to the many local garden clubs for assistance in promoting more agreeable landscapes.
6. By practicing what it preaches and stop planting problem pants, i.e. pansies.

A hungry deer is going to eat whatever is available. It is the duty of each individual to educate themselves, utilize good common sense, and institute appropriate efforts to live in harmony with our environment.

Section D



SECTION D

Insurance and Liability

Consultation with Ron Tilton, Loss Control & Safety Engineer for the N C League of Municipalities, our insurer, reviewed the potential for bodily injury and property damage arising from an increasing number of deer in the Village of Pinehurst. The primary focus was on accidents involving motor vehicle collisions with deer. Currently, the Village is experiencing slightly more than one reported accident per month. Mr. Tilton concluded that if the size of the herd is increasing, then it is expected that the number of accidents with cars and deer will also increase. He stated that "...while it may not be mandatory that the Village take some preventative actions, it would be the prudent thing to do".

Mr. Tilton said he is available to perform a loss control inspection of Village roads and property to identify areas of potential loss; aid in the development of a plan of loss avoidance; implementation of an action plan; and, establish a review format to evaluate the effectiveness of the safety plan. Again, his focus would be concentrated on the deer related issues.

The Village legal counsel, Michael Newman, informed us that the Village does not own the deer herd, rather it is the property of the State of North Carolina for the use and enjoyment of the citizens of the state. Therefore, the Village of Pinehurst has no responsibility, nor liability, for deer movements/actions through and on Village roads or property. Any actions undertaken by the Village with respect to the deer would mean the Village would assume a liability which they do not have.

Ryan Ezzell, the underwriter for the Municipal League assures us that the policy has a Duty to Defend clause and would respond to any loss or suit arising from the Villages actions with respect to the deer. Such actions would include culling or any attempt to control or manage the deer population. We were appraised of other municipalities, insured by the League, which have embarked upon various forms of deer management programs. The insurer requests that the Village inform them if there is any type of culling. A premium charge would be levied if such actions occur. Should the Village employ an insured contractor or individuals to reduce the deer herd and the Village is provided with a valid certificate of insurance, naming the Village as an additional named insured, then the premium charge would be minimal. If the Village chose to utilize local uninsured hunters to perform culling on Village property, then the charge would be higher. The League would have to be contacted directly to determine exact charges.

Mr. Ezzell did inform us that Sovereign Immunity is waived in North Carolina when a public entity chooses to purchase insurance.

A response from a large insurer of private passenger automobiles did confirm that auto-deer collisions in Moore County do impact premiums. While the insurer declined to reveal specifics



due to their Proprietary Information Policy, they did assert that recent rate increase requests were due, in part, to the increasing number of car/deer strikes on local county and Village roads.

As a final note, one resource, an independent claims consultant, reported on the increasing number of subrogation specialists, i.e., public adjusters, who re-open or work on existing claims. Often times they are working with or for law firms. Their goal is to maximize payments for the injured party arising from a loss. While our attorney assures us that any such action could be quickly dismissed under NC law, nevertheless, any such legal action has an economic impact. Any actions which avoid losses benefits all concerned.

Section E



SECTION E

Deer Management and Potential Culling

Rupert Medford with the North Carolina Wildlife Resources Commission has determined that the Village of Pinehurst has a deer density larger than its carrying capacity will support. Mr. Medford believes that there are 300 + deer in the Village of Pinehurst living in small pockets of woods and undeveloped areas in close proximity to residential areas. He has recommended reducing the herd by one third in order to keep the population healthy and reduce contact with the residents of Pinehurst. There are several options that can be employed to remove deer from the Village – Trap and relocate, Urban Archery Programs, and Sharpshooters are a few the Task Force have investigated.

Urban Archery programs are currently being used in 44 cities/towns/villages in the State of North Carolina as a tool to effectively manage deer populations. Concord, Chapel Hill, Pittsboro, Jefferson and Nags Head are just a few locations that have an Urban Archery program in place. Hunters use recurve bows, compound bows and crossbows from elevated stand locations in small wood lots without disturbing homes nearby. These hunters must possess a valid North Carolina hunting license, have written permission from the landowner on his person, and follow the rules and regulations set forth by the North Carolina Wildlife Resources Commission for hunting whitetail deer. Each city/town/village decides if hunting is allowed on public property and restrictions, if any for hunting on private land within the city/town/village limits. This does not obligate private land owners to allow hunting on their property. An Urban Archery Program would be the cheapest program to implement because there is a good base of bow hunters in Moore County that would be willing to participate. The Village of Pinehurst could charge hunters a fee for a permit to hunt. The Village could also make hunters take a proficiency test to show that he/she possesses the skills necessary to hunt with a bow.

Pros of Implementing an Urban Archery Program

- 1 – Very inexpensive
- 2 – Bows are very quiet
- 3 – Bows are short range tools – 40 to 60 yards
- 4 – Venison can be processed and donated to the Food Bank

Cons of Implementing an Urban Archery Program

- 1 – Public perception of hunting in the Village



2 – Bows are not as effective as firearms

Sharpshooting is the use of experienced marksmen with specific equipment (center fire rifles, night vision equipment, bait stations) used to quickly and effectively remove deer from specific areas. Sharpshooting is an intensive form of management used where other methods are ineffective or cannot be used safely. Sharpshooting is a relatively expensive undertaking, costing close to \$1000 a day or \$800 per deer removed depending on the contractor. The scope of work, seasonal or time restrictions, and disposal or processing of culled deer also adds to the costs. If the Village of Pinehurst were to employ a contractor such as Outdoor Wildlife Management or White Buffalo to carry out a culling program a permit would have to be obtained from the North Carolina Wildlife Resources Commission. The contractor would have to work very closely with North Carolina Wildlife Resource Commission to make sure that goals that have been set are met and the Pinehurst Police Department to ensure that the safety of the Village residents was a priority. Sharpshooters are much more effective than Bow Hunters, but the expense of removing 100 deer in the Village could cost \$50,000.00 to \$80,000.00.

Pros of Implementing a Sharpshooting Program

- 1 – Sharpshooters are more effective than bow hunters working day or night
- 2 – Private contractors carry their own insurance
- 3 – Sharpshooters can drop animals where they stand with proper shot placement
- 4 – Venison can be processed and donated to a food bank

Cons of Implementing a Sharpshooting Program

- 1 – Very expensive - \$1000 per day/night or \$800 per deer taken
- 2 – Public perception of discharging firearms in the Village
- 3 – Bullets travel much further than arrows

Deer Sterilization and Contraception Methods and Techniques

Any deer can be trapped by one of three methods: nets, clover traps (baited nets) or by tranquilizer. Once captured, the doe undergoes a procedure so it cannot reproduce. This method is quite costly, averaging \$800-\$1000 per deer. It is also time consuming. Some deer have been known to die during the procedure because of stress or shock. Male deer can also be trapped and euthanized. Male deer are more difficult to trap successfully because of their antlers. According to the NC Wildlife Resources Commission, application of anesthetics would



require the Village of Pinehurst to obtain a permit and all deer would have to be marked (tagged or collared) to identify them in future years for future treatment.

The method of trapping does and sterilizing them has been tested in many communities. One example is Cornell University. They undertook a five year sterilization effort. The work was done by a combination of volunteers and Cornell University staff between 2009 and 2013. Despite their efforts, the deer population remained unchanged. You will find that more sterilization projects have been done under the supervision/affiliation of a university. Few towns tend to take on the project alone because they are so expensive and time consuming.

Edible contraceptives (such as those placed in a salt lick) are not feasible. Besides being eaten by other animals, the contraceptives have proven to be costly and ineffective over the years. Chemicals are also being added into our environment. Because this would involve drugs ending up in the food chain, the FDA would likely have to give approval (Rupert Medford, NC Wildlife Resources Commission). As in the trap/sterilize method, a permit would be required from the NCWRC. Currently, this is not an approved method by the Wildlife Commission because of the unknown hazards to other animals and our environment.

Immunocontraception is done by capturing the deer and administering contraception through inoculation. An example of this method is Princeton, NJ. In 2003, 20 does were inoculated. 17 survived the process. 58 more were inoculated in 2004, 53 survived. This method is working in areas where housing density will not permit sport hunting or culling. Though time consuming and expensive, preventing the birth of 1.26 fawns/year has reduced the deer herd numbers in that area.

*Princeton Township Committee Applications for Designation as a Special Deer Management Area Attachment 1 page 2

Trap and Relocation Techniques

Deer can be trapped and relocated out of our area. Deer would be baited for a few weeks leading up to the implementation of the project. Acclimated to both the cage and the food source, deer are less likely to perceive the closing of the trap as an event. Less stress to the deer could prevent death by shock or stress. Deer would then be sedated and moved. This is an option, but expensive, for localized management of "pockets of deer". Rupert Medford, of the North Carolina Wildlife Resources Commission, quoted a price of approximately \$2000/deer for relocation. Also, a relocation or contraception program would require Pinehurst to create two full time and two seasonal staff positions for deer management. A permit is also required from the NCWRC for this method to be used.



*Pinehurst Deer Management Task Force Meeting 10/1/14

Recommendations for the Village of Pinehurst:

There are still many unknowns regarding contraception and sterilization and neither work well in an open population. An open population is one where ingress and egress is unrestricted. Deer have a one-mile home range. Cost and time requirements are also substantial in all of these methods. The Village should attempt to keep up to date on new developments and costs related to contraception and sterilization in case effectiveness is improved and costs reduced.

Exhibit 1

RESOLUTION #14-45:

A RESOLUTION ESTABLISHING A DEER MANAGEMENT TASK FORCE FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA.

THAT, WHEREAS, many community members are concerned about the number of deer in the Village of Pinehurst; and

WHEREAS, some residents are concerned about deer-vehicle collisions, tick-borne illnesses, damage to yard plantings and vegetable gardens and general safety; and

WHEREAS, residential environments have created excellent deer habitat and many citizens, through the planting of ornamental and/or vegetable gardens, provide an abundance of food and shelter; and

WHEREAS, many Pinehurst residents have contacted elected officials of the Village of Pinehurst, requesting measures to control the deer population in and around the residential areas of the Village; and

WHEREAS, a prudent approach to deer-human coexistence involves a partnership between the citizens, local government and the North Carolina Wildlife Resources Commission; and

WHEREAS, understanding the nature of the deer issue and exploring approaches is in the interest of the citizens of the Village of Pinehurst;

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

SECTION 1. The Deer Management Task Force shall be established under the Chairmanship of Council Member John Strickland with administrative and research support provided by village staff as assigned by the Village Manager. The Task Force shall explore ways to address deer-human conflicts and to solicit community feedback on different possible approaches. Public Education shall be part of the Task Force's charge.

SECTION 2. The Task Force shall be composed of up to ten members including the chairman, as appointed by the Village Council.

SECTION 3. Members shall include a variety of community representatives, interests and expertise. Members shall be open-minded and capable of working alongside members with differing opinions.

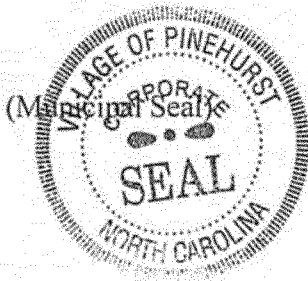
SECTION 4. The Task Force shall meet as often as needed to prepare and deliver a report to the Village Council by November 18, 2014. The Task Force shall avail itself of expertise through the North Carolina Wildlife Resources Commission and/or other public or

private agencies with specific knowledge of deer management and other wildlife issues. The Task Force shall also inquire of other municipalities and communities that have employed various deer management practices and measures to determine effectiveness and community acceptance.

SECTION 5. The Task Force shall prepare a report for delivery to the Village Council which will provide available options for management of the local deer population. The Task Force may include as one of its options a "do nothing" option.

SECTION 6. The Task Force shall sunset on December 31, 2014.

THIS RESOLUTION passed and adopted this 22nd day of July, 2014.



Attest:

Lauren M. Craig
Lauren M. Craig, Village Clerk

VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: Nancy Roy Florillo
Nancy Roy Florillo, Mayor

Approved as to Form:

Michael J. Newman
Michael J. Newman, Village Attorney

Exhibit 2



Deer Management Taskforce Members

Bob Farren
Earl Phipps
John Strickland
John Eastman
Mallory Hickey
Melissa Swarbrick
Michael Black
Rob Papp
Sandra Williams

Staff Contacts:

Andy Wilkison
Melissa Holt

Exhibit 3

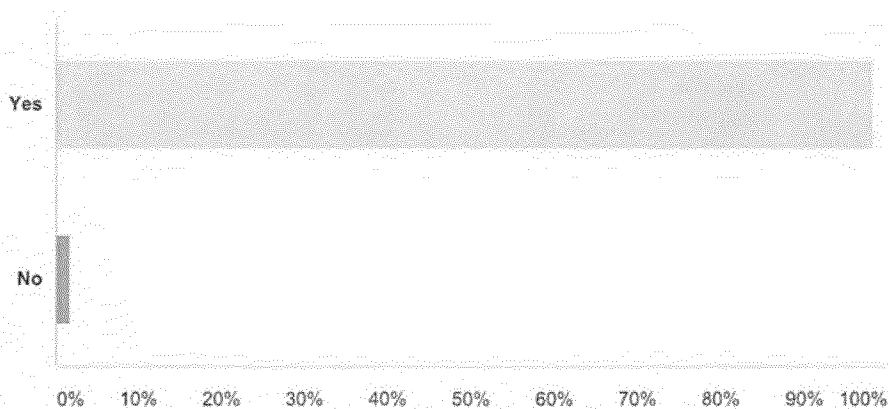
Deer Taskforce Speakers

Meeting Date	Name	Company
9/3/2014	Rupert Medford	North Carolina Wildlife Resources Commission
9/10/2014	Jim Young	Pinewild Wildlife Committee
9/24/2014	Bart & Martha O'Connor	Pinehurst residents
9/24/2014	Kevin Brewer	Village of Pinehurst staff
10/1/2014	Rupert Medford	North Carolina Wildlife Resources Commission
10/8/2014	Dr. Paul Jawanda	FirstHealth of the Carolinas
10/15/2014	Joe Lasher	Backyard Bow Pro
10/22/2014	Robbie Withington	USDA
10/22/2014	Steve Adelman	Citizen Arms
10/29/2014	Tyler Stowe	Outdoor Wildlife Management

Exhibit 4

Q1 Are you a resident of Pinehurst?

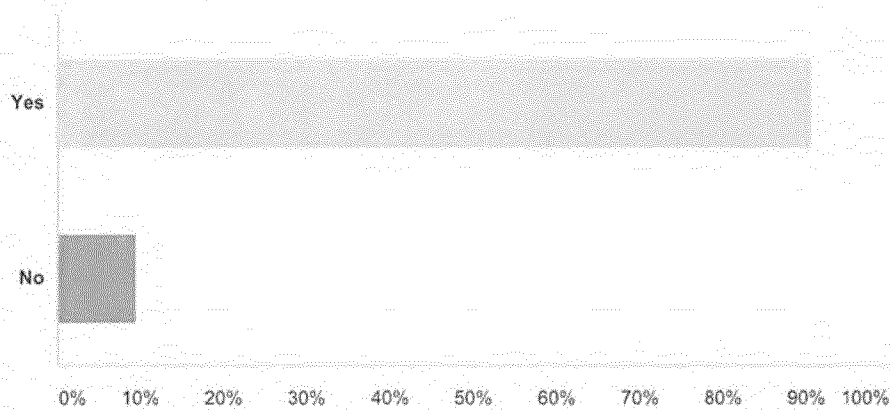
Answered: 1,215 Skipped: 0



Answer Choices	Responses	
Yes	98.27%	1,194
No	1.73%	21
Total		1,215

Q2 Do you notice deer in your neighborhood?

Answered: 1,215 Skipped: 0



Answer Choices

Yes

No

Total

Responses

90.62%

9.38%

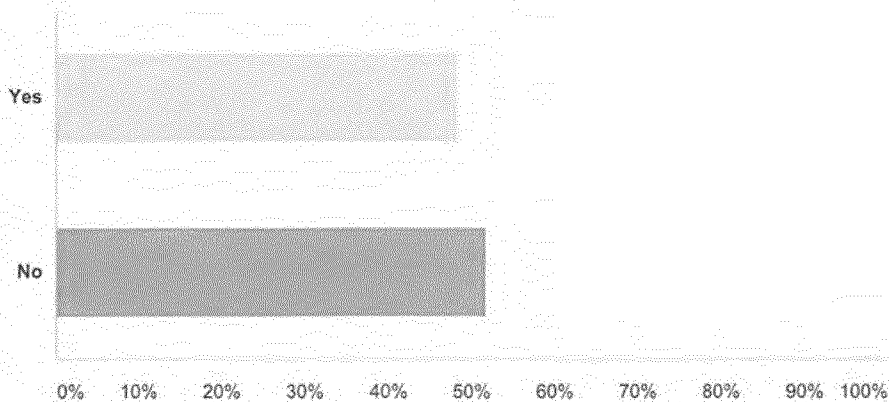
1,101

114

1,215

Q3 Do you feel there is a problem with deer affecting travel on roadways in and around the Village of Pinehurst?

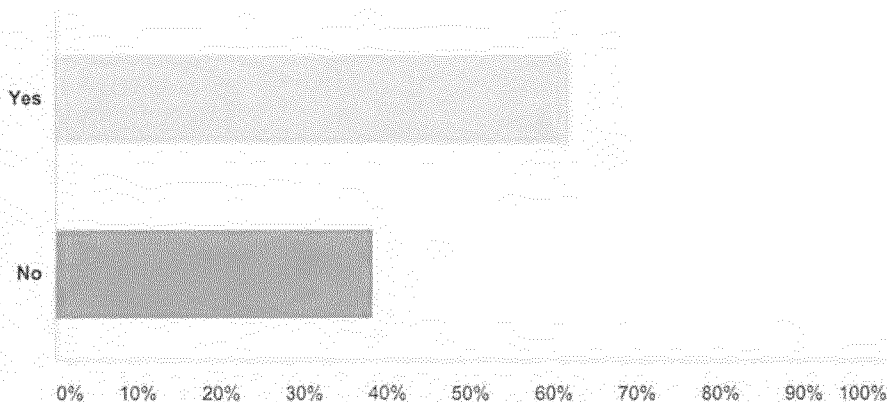
Answered: 1,215 Skipped: 0



Answer Choices	Responses	
Yes	48.15%	585
No	51.85%	630
Total		1,215

Q4 Do you feel that deer are detrimental to residential landscaping in your yard and/or neighborhood?

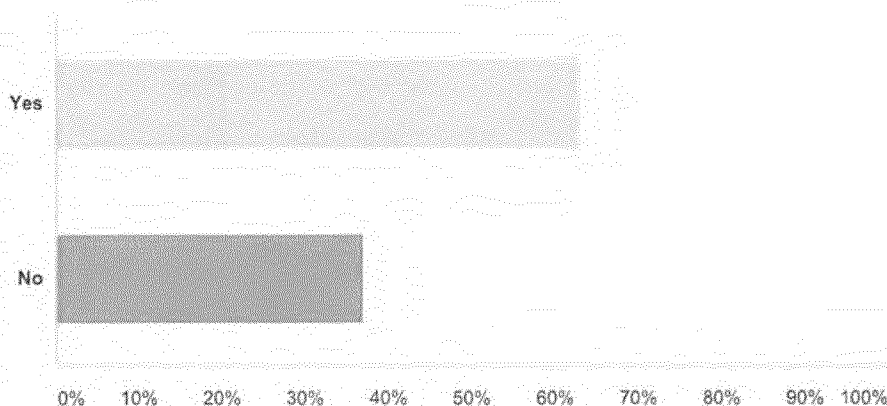
Answered: 1,215 Skipped: 0



Answer Choices	Responses	
Yes	61.73%	750
No	38.27%	465
Total		1,215

Q5 Do you feel that deer contribute to the prevalence of tick borne diseases?

Answered: 1,215 Skipped: 0

**Answer Choices****Responses**

Yes

63.05%

766

No

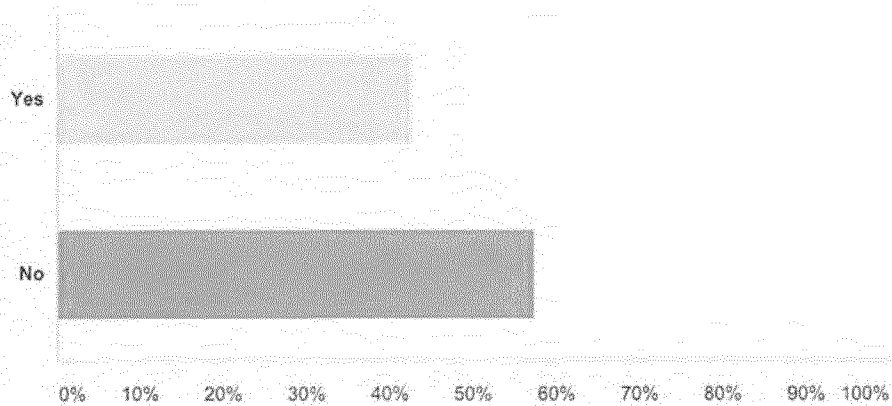
36.95%

449

Total**1,215**

Q6 Do you feel that tick borne illnesses are a matter of concern within the Village of Pinehurst?

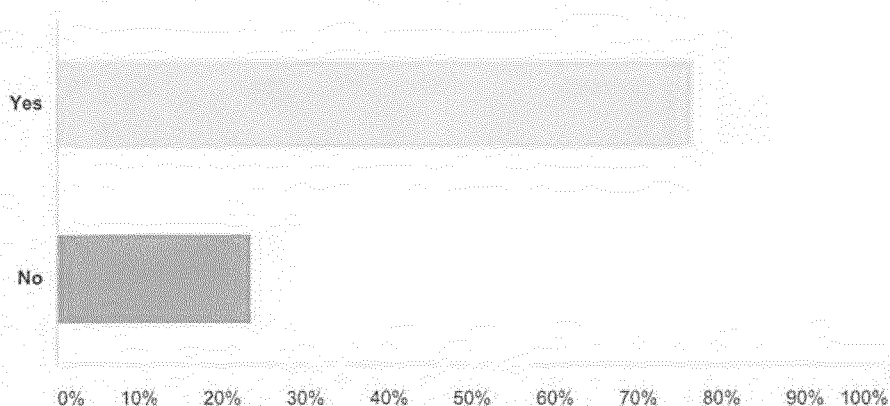
Answered: 1,215 Skipped: 0



Answer Choices	Responses	
Yes	42.55%	517
No	57.45%	698
Total		1,215

Q7 Would you support a recommendation to the Village Council, which would include a public education component, common sense steps to take when encountering deer, and the selective culling of the deer herd in the Village of Pinehurst?

Answered: 1,215 Skipped: 0



Answer Choices	Responses	
Yes	76.54%	930
No	23.46%	285
Total		1,215

**Q8 Would you like to give any comments
regarding the deer population in Pinehurst
for the Deer Management Task Force?**

Answered: 704 Skipped: 511

Exhibit 5

PLANTS FOUND TO BE DEER RESISTANT IN PINEHURST

TREES

DECIDUOUS

River Birch
Ginkgo
Bald Cypress
Dogwoods
Sweet Gum
Maples
Crepe Myrtles
Red Bud
Oaks

EVERGREEN

Cedars
Hollies
Magnolias
Cypresses
Pines

GROUNDCOVERS AND VINES

Periwinkle
Carolina Jessamine
Creeping Jenny
Mondo Grass
Honeysuckle
Pachysandra
Dichondria

FERNS

All Native

SHRUBS

DECIDUOUS

Barberry
Butterfly Bush
Flowering Quince

EVERGREEN

Abelia
Elaeagnus
Hollies
Osmanthus
Anise
Wax Myrtle
Leucothoe
Junipers
Viburnum
Gardenias
Azaleas
Rhododendron
Camellias
Cleyera
Ligustrum
Yucca
Nandina
Loropetalum

Bulbs

Daffodils
Amaryllis
Crocasmias
Oxalis

PERENNIALS

Yarrow
Columbine
Dianthus
Red Hot Poker
Lambs Ear
Coreopsis
Coneflower
Lantana
Sage
Lenten Rose
Peony
Aster
Rosemary
Phlox
Cana
Calla

ANNUALS

Ageratum
Begonia
Ornamental Peppers
Coleus
Verbena
Marigold
Dusty Miller
Petunias
Nicotiana
Pentas
Vinca
Zinnias
Scarlet Sage
Portulaca
Mums

November, 2014

Plants Considered Deer Resistant for Sandhills of NC

Trees

Deciduous

River Birch-*Betula nigra*
Ginkgo-*Ginkgo biloba*
Red Buckeye-*Aesculus pavia*
Hawthorn-*Crataegus* species
Honey Locust-*Gleditsia triacanthos*
Black Gum-*Nyssa sylvatica*
Bald Cypress-*Taxodium distichum*
Carolina Silverbell-*Halesia Carolina*
Goldenrain Tree-*Koeleruteria paniculata*
Kousa Dogwood-*Cornus kousa*
Sweet Gum-*Liquidambar styraciflua*

Evergreen

Deodar Cedar-*Cedrus deodora*
Japanese Cedar-*Cryptomeria japonica*
American Holly-*Ilex opaca*
Eastern Red Cedar-*Juniperus virginiana*
Southern Magnolia-*Magnolia grandiflora*
Sweetbay Magnolia-*Magnolia virginica*
Live Oak-*Quercus virginiana*
Carolina Cherrylaurel-*Prunus caroliniana*
Pines-*Pinus* species
False Cypress-*Chamaecyparis* spp.
Arizona Cypress-*Cupressus arizonica*

Shrubs

Deciduous

Japanese Barberry-*Berberis thunbergii*
Butterfly Bush-*Buddleia davidii*
Sweetshrub-*Calycanthus floridus*
Spring Flowering Spireas-*Spireae* spp.
Deutzia-*Deutzia gracilis*
American Beautyberry-*Callicarpa americana*
Witch Hazel-*Hamamelis macrophylla*
Flowering Quince-*Chaenomelea speciosa*
Crape Myrtle-*Lagerstroemia indica*

Evergreen

Abelia-*Abelia x grandiflora*
Wintergreen Barberry-*Berberis julianae*
Eleagnus-*Elaeagnus pungens*
Chinese Holly-*Ilex cornuta*
Yaupon Holly-*Ilex vomitoria*
Fragrant Tea Olive-*Osmanthus fragrans*
Holly Osmanthus-*Osmanthus heterophyllus*
Anise Shrub-*Illicium* species
Waxmyrtle-*Myrica cerifera*
Leucothoe-*Leucothoe* spp.
Yucca-*Yucca* spp.
Nandina-*Nandina domestica*
Loropetalum-*Loropetalum chinensis*
Junipers-*Juniperus* spp.
Viburnum-*Viburnum* spp.
Japanese Privet-*Ligustrum japonicum*
Southern Yew-*Podocarpus macrophyllus*

Perennials

Yarrow- <i>Achillea</i>	Blue Star- <i>Amsonia</i>	Sage- <i>Salvia</i> spp.
Columbine- <i>Aquilegia</i>	Coreopsis- <i>Coreopsis</i>	Rosemary- <i>Rosemarinus</i>
Catmint- <i>Nepeta</i>	Purple Coneflower- <i>Echinacea</i>	Cardinal Flower- <i>Lobelia</i>
Artemisia- <i>Artemisia</i>	Blanket Flower- <i>Gallardia</i>	Butterflyweed- <i>Aesclepias</i>
Dianthus- <i>Dianthus</i>	Bee Balm- <i>Monarda</i>	Lenten Rose- <i>Helleborus</i>
Joe Pye Weed- <i>Eupatorium</i>	Guara- <i>Guara</i>	Russian Sage- <i>Perovskia</i>
Red Hot Poker- <i>Kniphofia</i>	Lantana- <i>Lantana</i> spp.	Peony- <i>Paeonia</i> spp.
Rose Campion- <i>Lychnis</i>	Mint- <i>Mentha</i> spp.	Speedwell- <i>Veronica</i>
Lambs Ear- <i>Stachys</i>	Gay-feather- <i>Liatris</i>	Aster- <i>Aster</i> spp.

Groundcovers and Vines

Ajuga- <i>Ajuga reptans</i>	Mondo Grass- <i>Ophiopogon japonicus</i>
Periwinkle- <i>Vinca major</i> and <i>minor</i>	Crossvine- <i>Bignonia capreolata</i>
Carolina Jessamine- <i>Gelsemium sempervirens</i>	Coral Honeysuckle- <i>Lonicera sempervirens</i>
Confederate Jasmine- <i>Trachelospermum jasminoides</i>	
Creeping Rosemary- <i>Rosmarinus officinalis</i> 'Prostratus'	

Summer Annuals

Ageratum	Melampodium	Pentas
Begonia	Marigold	Vinca
Ornamental Peppers	Dusty Miller	Zinnias
Coleus	Petunias	Scarlet Sage
Verbena	Flowering Tobacco	

Ornamental Grasses-*Most ornamental grasses are considered deer resistant*

Pampas Grass- <i>Cortaderia selloana</i>	Maiden Grass- <i>Miscanthus sinensis</i>
Fountain Grass- <i>Pennisetum alopecuroides</i>	Panic Grass- <i>Panicum virgatum</i>
Pink Muhly Grass- <i>Muhlenbergia capillaris</i>	

Ferns

Christmas Fern-*Polystichum acrostichoides*

Tassel Fern-*Polystichum polyblepharum*

Royal Fern-*Osmunda regalis*

Southern Shield Fern-*Theylypteris kunthii*

Southern Maidenhair Fern-*Adiatum capillus-veneris*

Holly Fern-*Cyrtomium falcatum*

Lady Fern-*Athyrium filix-femina*

Cinnamon Fern-*Osmunda cinnamomea*

Bulbs

Daffodils

Crinum Lilies

Amaryllis

Crocasmias

Scillas

Oxalis

Agapanthus

Melissa Holt

From: John C. Strickland
Sent: Monday, September 29, 2014 9:17 PM
To: Melissa Holt
Subject: Fwd: Plant list for Deer Task Force

Melissa, please forward the email from Melissa Swarbrick to the Task Force, and add this information to the material distributed last week by Kevin Brewer. We will use all of the lists in our final our final report.
John

Sent from my iPad

John Strickland, Council Member, Treasurer

Begin forwarded message:

From: <melissa@dixandflexine.com>
Date: September 25, 2014 at 4:22:35 PM EDT
To: "Strickland, John" <johnestrickland@vopnc.org>
Cc: <mholt@vopnc.org>
Subject: Plant list for Deer Task Force

Hi John,

I took the list of "Plants Considered Deer Resistant for Sandhills of NC" and met with a couple of people from Sandhills Horticultural Society. They recommended adding the following to the list:

Trees-Evergreen
Thuja-Green Giant

Shrubs-Deciduous
Sweetshrub-Longwood Blue
Weigela- Sonic Bloom
Aesculus Parvi Flora- Creeping Horse chestnut
Hydrangea- Oak Leaf

Shrubs-Evergreen
Daphne

Perennials
Coreopsis- Red Satin
Scabioso
Stokesia
Anenome
Bergenia- Magic Giant
Toad Lily- Tricyrtis

Groundcovers and Vines
Epimedium

As a side note, the perennial Lenten Rose blooms in the winter and could be used instead of a winter annual. And Bonide Granuals can be used as deer repellent.

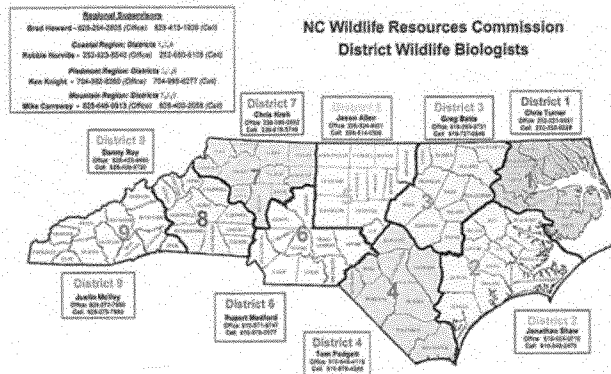
Melissa Swarbrick

Exhibit 6

Deer in North Carolina

RUPERT H MEDFORD
NC WILDLIFE RESOURCES COMM.
DISTRICT SIX WILDLIFE BIOLOGIST
(919) 571 9747
RUPERT.MEDFORD@NCWILDLIFE.ORG

NCWRC District Six
ncwildlife.org

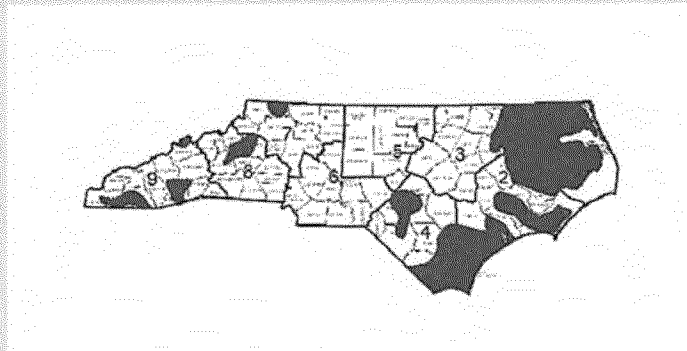


Why Do We Care About Deer Hunting?

- 239,336 deer hunters in NC (100,216 dove hunters)
- NCWRC dependent on license sales and PR funds
- US deer hunters spend \$12.4 billion annually (>\$350 million in NC)
- Depredation, DVC, and disease issues
 - 200 human fatalities, 29,000 injuries and over \$1.1 billion in property damage each year nation wide
- High potential to impact wildlife habitat
- Valuable and abundant natural resource

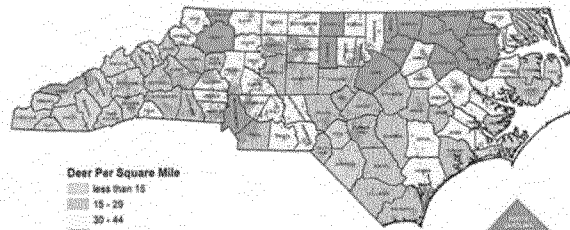


1950 Deer Range



Deer Density Map by County

2010 North Carolina White-tailed Deer Density Map



Characteristics of a Healthy Deer Herd

- Population is at or below biological carrying capacity
- Age classes are properly represented
- Adult sex ratios are balanced during breeding season
- Recruitment is .8 fawns/doe or higher
- What about social carrying capacity?

Damage to Personal Property



Vehicle Damage



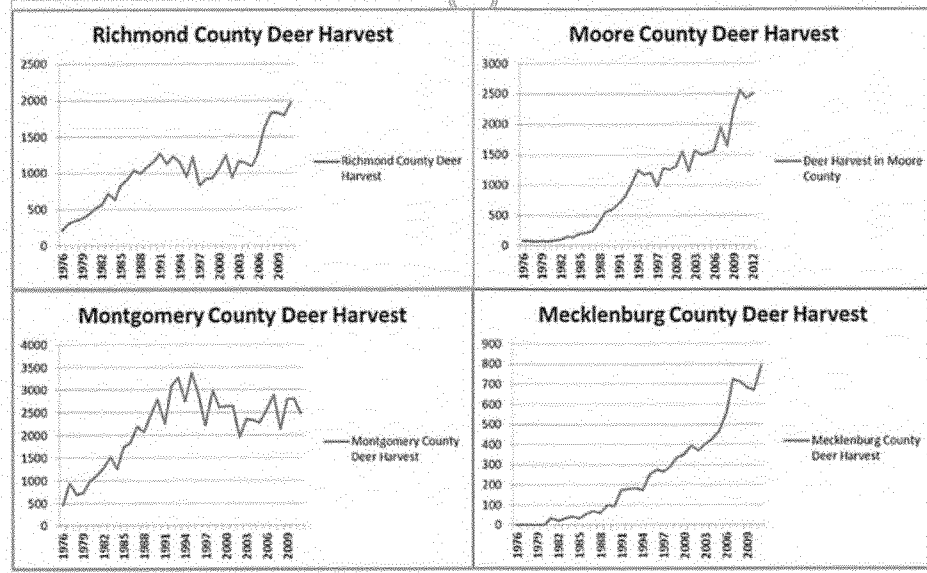
Environmental Damage



Crop Production Losses



Deer Harvest in D-6



Solutions to High Deer Populations

Non-Lethal

- Tolerance (Do Nothing)
- Supplemental Feeding
- Vegetation Management
- Use deterrents, scare tactics, repellents
- Plant deer resistant plants
- Exclusion
- Contraceptives

Lethal Options

- Hunting
 - With a focus on doe harvest
- Sharpshooting

Rupert H Medford
NC Wildlife Resources Commission
District Six Wildlife Biologist
(910) 571 9747
rupert.medford@ncwildlife.org



Exhibit 7

Deer Restoration and Management in North Carolina



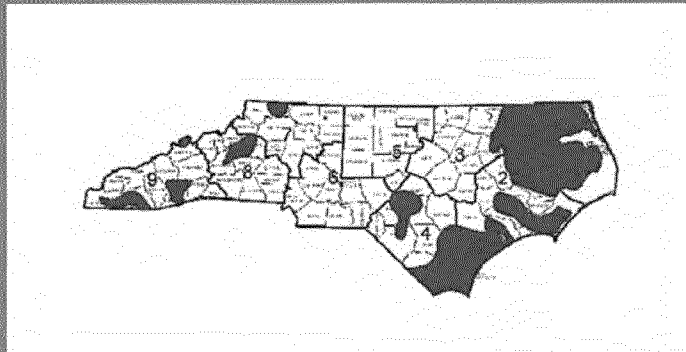
Rupert Medford
NC Wildlife Resources Commission

Timeline

- 1890 – Deer depleted from most of NC, except remote mountains and eastern swamps.
- 1890-1900 – Deer stocked on the Vanderbilt Estate in Henderson & Transylvania counties (deer from NC, NY and FL).
- 1927 – NC passes “Buck Law” which protects does from harvest.
- 1930s – mountain & foothills counties stocked, including Surry.
- 1940s – mostly mountains and some Piedmont counties stocked.
- 1950s – stocking continues; mostly mountains, Piedmont + Pender.
- early 1980s – end of the stocking program.



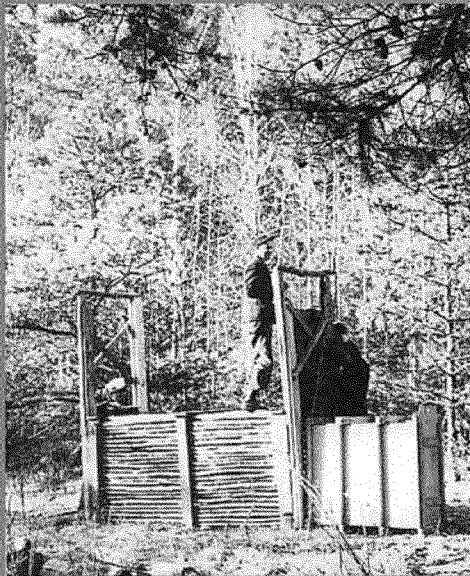
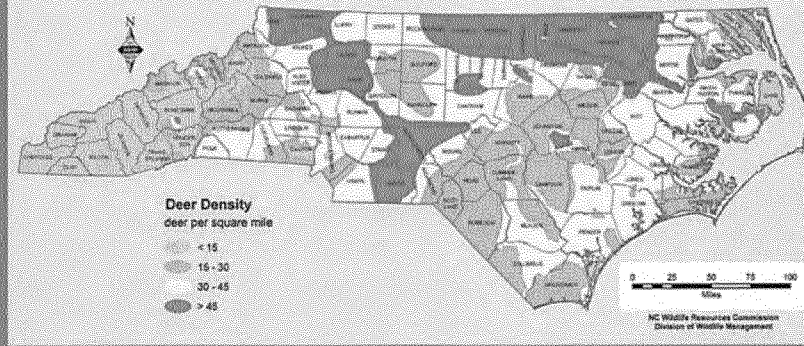
Deer Stocking Locations



1950 Deer Range in North Carolina



2005 Deer Density Distribution



Stephenson box trap
or
Michigan deer trap





Photo by Frank Borich
Management of deer herds includes transplanting stock from over-populated areas to new management areas where browse is plentiful. Deer are taken for transplanting only when herds need thinning.

release at Uwharrie GL,
1944-45

134 deer

source:
Devotion, Surry Co.

from 1946 *Wildlife in
North Carolina* article



Cannon-netting deer





The primary management tool is hunting



Happy Deer Camp

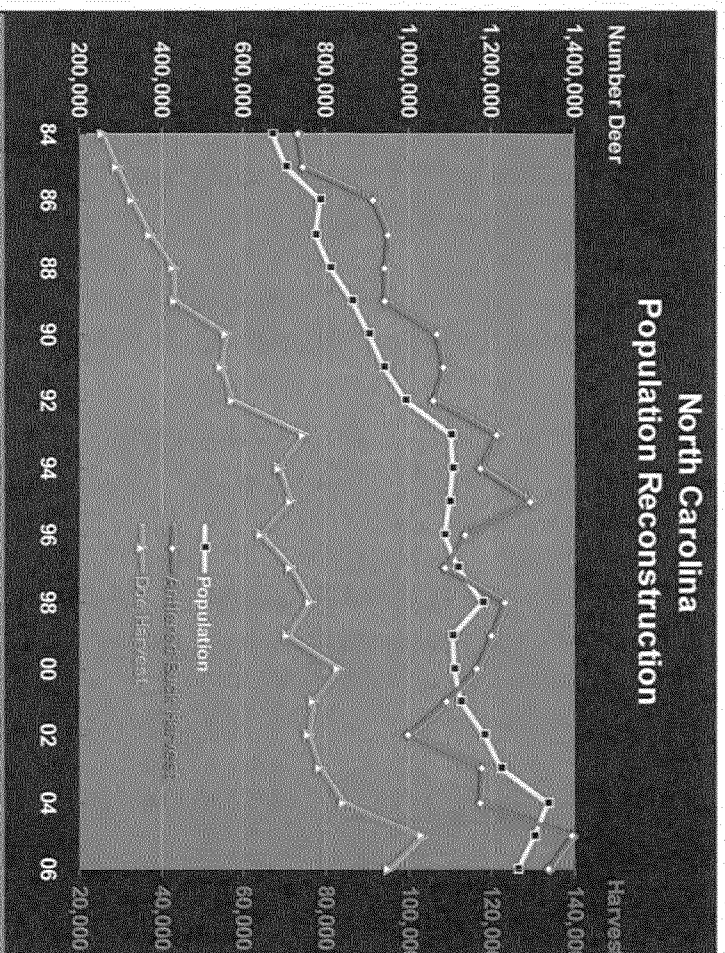
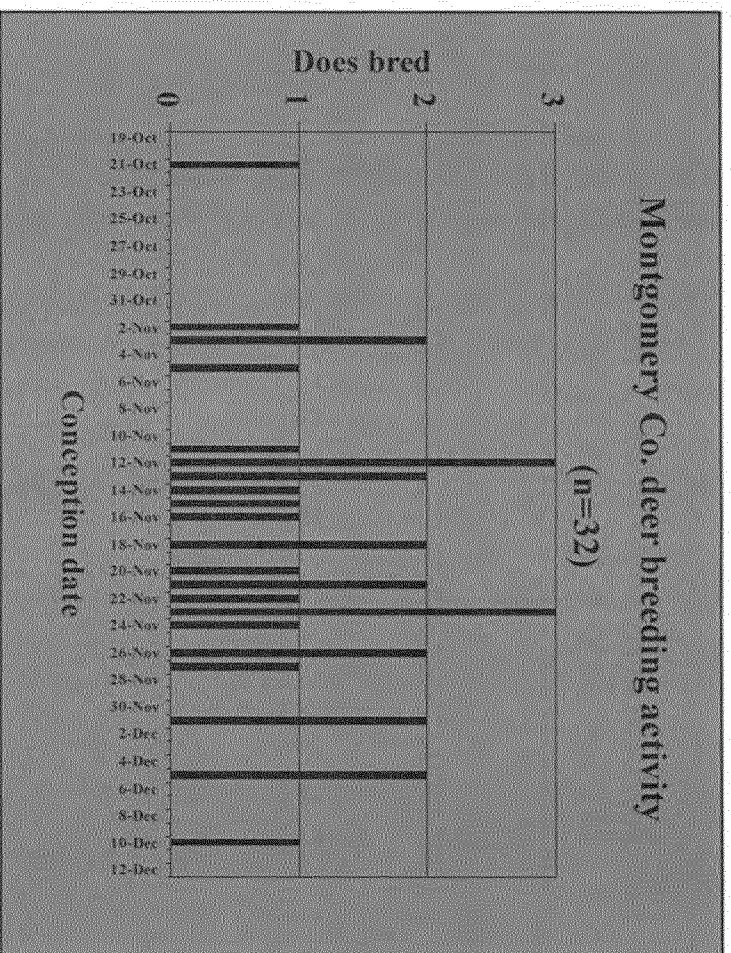
Phases of Deer Management

1. Herd growth – protect does
2. Need to slow population growth – some doe harvest
3. Reduce population – heavy doe harvest
4. Trophy or quality deer management = managed buck harvest + heavy doe harvest

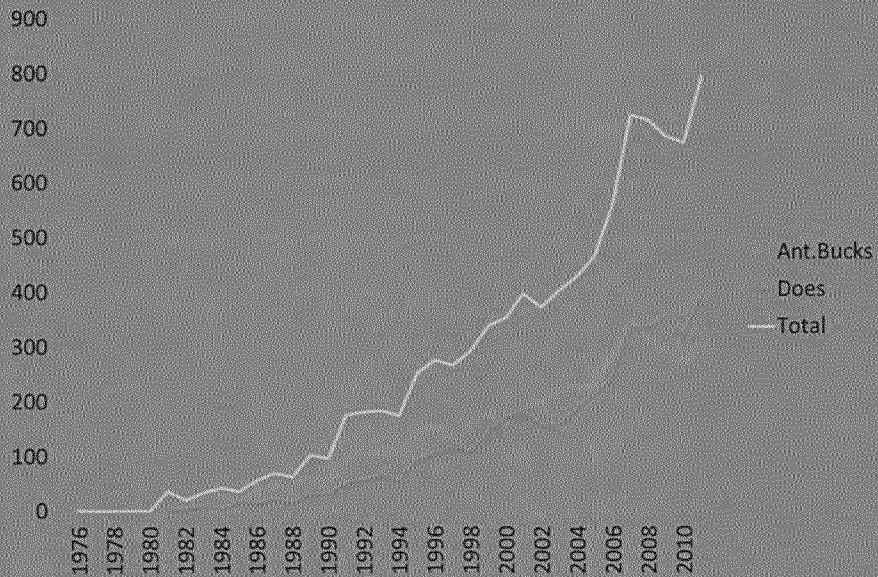


Basic Deer Biology

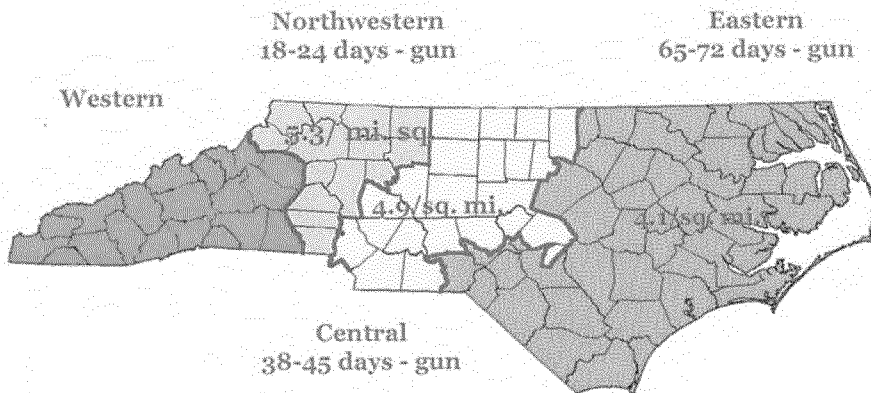
- Relatively low reproductive rate = ~1.5 fawns/doe/year
- Bucks and does are both promiscuous
- Breeding occurs mostly in November
- Gestation is 200 – 210 days
- Fawn drop is mostly in late May – early June
- Winterkill may be high in the North, but is low in the South
- Vehicles are the second highest source of mortality
- Hunting season is early September through 1 January



Mecklenburg Co Deer Harvest



Deer Seasons in North Carolina and Harvest per square mile



Factors that determine antler quality:

- Nutrition (soil quality, agricultural crops)
- Genetics
- Age

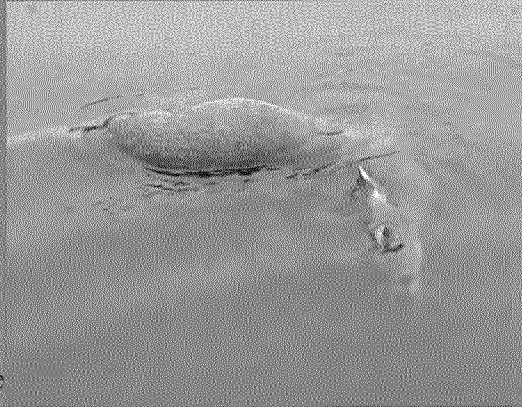


Average Weights of Bucks for Selected Zones

<u>Zone</u>	<u>Live Weight (lbs.) by Age</u>	
	<u>1.5 yrs.</u>	<u>2.5 yrs.</u>
Roanoke	110.2	133.1
Cape Fear	104.2	123.3
So. Piedmont	114.6	150.2
No. Pisgah	95.2	119.8
Nantahalalah	93.6	111.4

Hemorrhagic Disease

- Contracted from biting fly carrying the virus EHD or BT
- Clinical Signs
 - Fever
 - Trouble breathing
 - Swelling of head, neck, or tongue
 - Internal lesions
 - Sloughing of hooves
 - Found near water
- Most common viral disease of white-tailed deer
- Not infectious to humans



Cutaneous Fibroma

- Caused by a virus
- Results in hairless tumors or warts
- Usually temporary
- Rarely interfere with overall health
- Domestic livestock not susceptible
- Transmitted through biting insects or direct contact of skin abrasions
- No human cases recorded



Chronic Wasting Disease (CWD)

- TSE (abnormal protein of the central nervous system)
- Clinical symptoms
 - Excessive salivation
 - Emaciation
 - Loss of appetite
 - Depression
 - Listlessness
 - Drooping ears
 - Drooping head
 - Teeth gnashing
 - Not detected in NC
 - Never detecting in humans (do not eat) (CJD, mad cow)

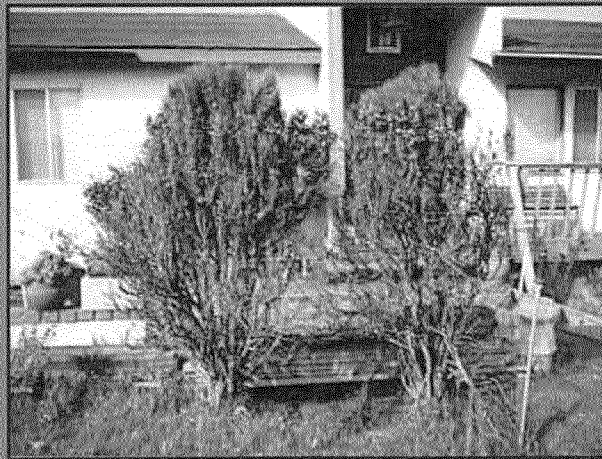
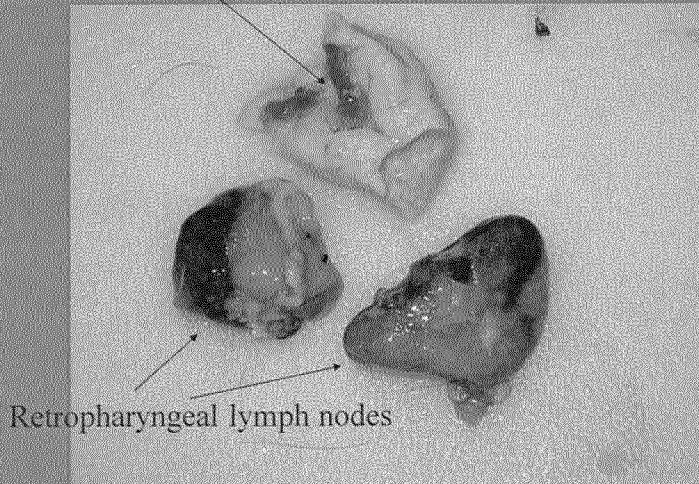


CWD Tissue Sample Distribution 2008-09



- 1,403 samples collected via systematic sampling and 21 from clinical animals

Obex – part of the brain stem



Damage to Personal Property



Environmental Damage



Deer – Vehicle Collisions

Deer Management Options:

Non-Lethal Options:

Do Nothing/Tolerance
Supplemental Feeding
Vegetation Management
Use Deterrents / Scare Tactics
Plant Deer Resistant Plants
Repellents
Exclusion

Lethal Options:

Regulated Hunting
Controlled Hunting

END



Exhibit 8

Melissa Holt

From: John C. Strickland
Sent: Tuesday, November 11, 2014 3:59 PM
To: bob.farren@pinehurst.com; Earl Phipps; John Eastman; Mallory;
melissa@fixandflexinc.com; tagtransportnc@gmail.com; <rpapp@nc.rr.com>;
s22williams@earthlink.net
Cc: Andy Wilkison; Melissa Holt; Jeff Batton
Subject: FW: Rupert Medford Comments
Attachments: Density and Culling.docx

Andy and Task Force members, as you know I received this from Rupert Medford yesterday, and read it last night upon my return from Chapel Hill. Andy forwarded Medford's comments to the Task Force earlier today. For the record, here are my additional comments, after a follow-up phone call with Rupert this morning.

To summarize Medford's conclusions:

1. The Village has approximately 300 deer in our jurisdiction but the density varies considerably from one neighborhood to another. He suggests that a herd of about 200 deer is the manageable size for us--manageable meaning for the health of the herd, somewhat based on the natural food supply of the Sandhills, as well as for human coexistence. This does not mean that the herd should be reduced by 100 in a short time span. The actual number of deer taken in the dense areas of the Village would be much less than that on an annual basis.
2. The Wildlife Commission has historically encouraged hunting where allowed, but the lack of natural predators of deer has allowed the deer population to increase beyond levels that can be managed to desirable levels during the normal hunting season. Specially organized programs using urban archery or firearms, especially in populated areas such as Pinehurst, are a responsible part of the herd management process. One of the issues to be sorted out in that process is the engagement of private and public landowners.
3. Using programs offered by professionals such as Outdoor Wildlife Management Company, and White Buffalo, including the laying out of permanent or temporary "deer parks", are also acceptable measures.

I hope this helps clarify the density questions which we have had.
Regards,

John C. Strickland, Council Member, Treasurer

John Strickland, Council Member, Treasurer

From: Medford, Rupert H [rupert.medford@ncwildlife.org]
Sent: Monday, November 10, 2014 1:22 PM
To: John C. Strickland
Subject: deer

John,

See (attached) my thoughts on density and culling numbers. Numbers as mentioned to you previously were based on a 17 square mile area. I found that it is a 15 square mile village, however. The difference amounts to about 15 deer and is not significant with so many unknowns.

I hope you recognize the number of unknowns involved here and are not bothered by them but it would be a disservice to imply that we know more than we do about density in such a "busy" landscape. For many folks an exact number is desired but this is usually impossible. It is far better to appreciate that exact numbers are not needed.

Rupert H Medford
District Six Wildlife Biologist
rupert.medford@ncwildlife.org
910.571.9747 (o)
910.975.0577 (m)

Email correspondence to and from this server is subject to the N.C. Public Records Law and may be released to third parties.

Density and Culling

I am writing regarding your request for a deer density and a number of deer to cull. I am perfectly comfortable giving you some numbers however I don't think that the numbers matter very much for two reasons.

- 1) **Any numbers I give will be based upon generalities rather than a scientific population estimate.**
- 2) **Other factors** (number of days, methods, safe places, private land access) **affecting any "culling" are more likely to influence numbers than a quota that you receive.** In other words, because of the limitations involved in the actual harvest process, cullers will not likely reach the target number of deer. Even if they do, there will parts of town that do not have adequate harvest because of limitations.

Referring to the deer density map for NC 2010 that I provided, you will note that density estimates for Moore County are in the 15-30 range. As mentioned, this density is based upon a number of factors but a very important metric involved is deer harvest. Since there is no harvest in Pinehurst, we cannot simply assume that the data is correct here. Additionally, being a human-dominated landscape has multiple influencing factors on density. There are scientific methods that can yield a more accurate deer population estimate; however the NCWRC does not have the resources available to conduct such a survey or census. For a more precise estimate Pinehurst should consult a private firm that may or may not be able to conduct an adequate survey. I can't imagine the methods and technologies used would be very accurate or efficient in an area so large, and so densely human-populated.

I believe it is best for the purposes of the Village of Pinehurst not to consider the number of deer per square mile but rather to think of deer in terms of **deer per square mile of habitat**. In a densely human-populated area these are two drastically different things. The difference between these two metrics could be accomplished with a GIS analysis however; I think this is something that is not necessary. Knowing exact numbers is not nearly as important as recognizing that deer management is one aspect of **responsible land stewardship**.

Deer are a prey species that were historically prey to a number of predators, including humans. Humans are now the only significant predator of adult deer in the southern piedmont; therefore the responsibility of effectively managing a rapidly reproducing species should be taken seriously by landowners and managers. The goal in a deer management program should be to have a balanced population. In the longleaf/wiregrass ecosystem, deer densities should be managed at around 15/mi² however with the Village being so human dominated, densities greater than this number would represent an overpopulation. Most places can support healthy deer herds at much higher densities but the Sandhills ecosystem is a nutrient poor ecosystem and numbers greater than this have negative impacts on forest regeneration, biodiversity, and overall deer herd health. The 15/mi² applies to a landscape that is basically not human-inhabited. The question that I cannot answer is this: how do the human impacts on the landscape affect deer carrying capacity? I believe that landscaping, fertilized lawns, brushy hedgerows, and city owned right-of-ways that increase edge habitat increase the carrying

I am writing again to you about the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected.

- 1) I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected.
- 2) I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected.

I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected.

I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected.

I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected. I am sorry that I am not giving you the data I have collected.

capacity of the **available** habitat. That is to say that there is an overall habitat improvement, not considering that habitat that is completely lost. This does not take into consideration the land areas that are occupied by impervious surfaces, structures, etc. Practicing deer management in urban areas should consider factors other than biological factors. As such, density becomes less important than social factors such as damage to landscaping and gardens, deer-vehicle-collisions and so forth. These are important indicators that should influence deer harvest just as crop damage influences harvest in farmed landscapes.

Based on anecdotal evidence, personal sightings, and habitat it seems likely that the deer density map is fairly accurate with the more populated (human) portions of the village having fewer deer ($\sim 15/\text{mi}^2$) and the less populated areas of the village having more deer ($\sim 30/\text{mi}^2$). These numbers are generalities from a few selected areas that have been applied to other areas that seem similar based on lot sizes and habitat. There are certainly portions where these density estimates will be either too low or too high – but because exact numbers are not important and the land area is so large with so many other factors in play – these generalized numbers will be adequate as a starting point. I believe that these densities are conservative. The areas of greater density apply to about one third of the village with majority of the village being at a lower density. Applying this simple generalization yields a population estimate of around 300 deer within town limits. There are several factors that could introduce a great amount of error in this estimate with the most important one being surrounding landscapes (lands management and hunting pressure). It is likely that deer use along village limits is much higher where adjacent to better habitat. If a census were conducted using camera traps, for example, these deer would be captured as part of the population and densities would be reported as much higher than $15/\text{mi}^2$.

To manage a population at a maintenance level, harvesting approximately $1/3$ of the deer population is desirable. Another unknown that may come into play is “other mortality factors” that occur in the urban environment. Some of these include fawn predation by coyotes and dogs, vehicle mortality, and other non-hunting mortality (fence collisions/entanglements). Again, to be conservative I would recommend that a first year culling target $1/3$ of the total estimated population. This buffers against over-harvest. If removing 100 deer is achieved then further evaluation of deer damage, DVC's, and complaints can give us a better idea for numbers for a future cull. Culling is not something that can be done once but rather would be annual or conducted on an every-other-year basis.

Again, to make sure I am being clear, there are many unknowns involved in this and to be precise about a population estimate further studies would be required. Since the harvest number is based on the estimate this would have to be adjusted based on any changes in estimate/density.

Best Regards,

Rupert H Medford

capacity of the available habitat. It is not likely that it is an overall habitat improvement, not
considered as a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
that are occupied by the birds, but it is not a habitat improvement, but it is not a habitat improvement,
another habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
sects for the birds to manage to live, but it is not a habitat improvement, but it is not a habitat improvement,
the important habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
trained individuals.

Based on anecdotal evidence, personal observation, and the fact that it is not a habitat improvement, but it is not a habitat improvement,
likely number of birds with the same population of birds, but it is not a habitat improvement, but it is not a habitat improvement,
the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
a large number of birds that have been observed in other areas that have been observed in other areas,
habitat. There are certainly portions where these birds are observed, but it is not a habitat improvement, but it is not a habitat improvement,
but because of the fact that the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
may - there is a general impression that the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
comparable. The birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
village being the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
and 100 birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
error in this estimate with the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
and in this case, it is likely that the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
better habitat. It is likely that the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
habitat as one of the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,

To improve a population of a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
habitat. An area of habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
urban environment. Some of the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
other non-habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
second, and that is the first year of habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
over-forest. It is likely that the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
conditions are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
there are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,

Again to make sure that the birds are not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
a population of birds, but it is not a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,
estimate this would be a habitat improvement, but it is not a habitat improvement, but it is not a habitat improvement,

Best Regards,

Roger H. Whitford

Exhibit 9



Deer Management Reference List

Article		
Title	Link	Description
Out of Season (Humane Society)	http://www.humanesociety.org/news/magazines/2014/05-06/out-of-season-alternatives-to-deer-culls.html?credit=web_id254358634	Deer contraception performed by the organization Wildlife Rescue
Managing White-Tailed Deer in Suburban Environments, by Anthony DeNicola	http://wildlifecontrol.info/pubs/Documents/Deer/Deer_management_mechs.pdf	Biology of white-tailed deer as well as management techniques.
An Evaluation of Deer Management Options, by Northeast Deer Technical Committee	http://www.state.nj.us/dep/fgw/pdf/deer_mgmt_options.pdf	Overview of various deer management options used in the Northeast
Evaluation of Organized Hunting as a Management Technique for Overabundant Deer in Suburban Landscapes	http://town.east-hampton.ny.us/DocumentsPDF/DeerManagement/EvaluationOrganizedHunting.pdf	This study demonstrates that a reduction in local deer densities using regulated hunting can be achieved.
Hopewell Valley Deer Management Plan, 2010 (NJ)	http://www.hopewelltwp.org/Final_Deer_Task_Force_Report_092710.pdf	The Task Force recommends a set of five comprehensive goals to remedy the deer situation. It also offers eleven specific strategies to meet those stated goals.
Hopewell Township Deer Management Advisory Committee Annual Report, 2013 (NJ)	http://www.hopewelltwp.org/deer_mgmt_committee/D-MAC_Annual_Report_2013_07-25.pdf	An update from the Hopewell Valley Deer Management Plan of 2010

Experimental Control of a Suburban Population of White-Tailed Deer Using Immunocontraception, Princeton Township, NJ 2004	http://www.nj.gov/dep/fgw/pdf/bear/policy_lit/princeton_report_denicola04.pdf	The results of attempting immunocontraception in Princeton, NJ
Sharpshooting Suburban White-Tailed Deer by Anthony DeNicola, 2008	http://digitalcommons.unl.edu/cgi/viewcontent.cgi?article=10688&context=hwi	Results of sharpshooting management projects in Iowa City, IA; Princeton, NJ; and Solon, OH.
Common Ground: Toward Balance and Stewardship	http://bloomington.in.gov/media/media/application/pdf/12811.pdf	Full report from the Bloomington-Monroe County Deer Task Force
Rock Creek Park Record of Decision, 2012	http://www.nps.gov/rocr/parkmgmt/upload/ROCR-Deer-Management-Plan-ROD-May-1-2012.pdf	Deer management plan for Rock Creek Park, Washington, DC.
Deer Management FAQs, 2013	http://www.nps.gov/rocr/parkmgmt/upload/Deer-Management-FAQ-December-31-2013.pdf	FAQs for Rock Creek Park's Deer Management Plan
Princeton Township Deer Mgmt Program Evaluation Committee Report	Print Version Only	A copy of this study is provided in your notebooks
Where to Hunt Whitetails in North Carolina in 2013	http://www.gameandfishmag.com/deer-forecast/north-carolina-deer-forecast-2013/	NC Game and Fish Magazine Website projects declining deer harvests
With \$225K to Spend, USDA Cull Kills 192 Deer	http://suffolktimes.timesreview.com/2014/08/51598/fewer-than-200-deer-killed-in-225k-cull-that-didnt-work/	Long Island, NY hired sharpshooters to cull deer
Video		
Title	Link	Description
Contech Scarecrow Sprinkler - A Demonstration Review	https://www.youtube.com/watch?v=7jHYV6nJksw	A demonstration of deer repellent sprinklers
DVD - Living with White-tailed Deer Community Guide to Urban Deer	http://www.qdma.com/shop/dvd-living-with-white-tailed-deer-community-guide-to-urban-deer-management	Link provided by John Eastman - DVD available for purchase for \$19.95
How Wolves Change Rivers	http://www.youtube.com/embed/ysa5O8hXz-Q?feature=player_embedded	Shows how the reducing of certain animals create different impacts
Website		
Title	Link	Description
American Meadows - company that provides deer resistant plants	www.americanmeadows.com	Link provided by Mary Scoggins - Deer resistant plants

