

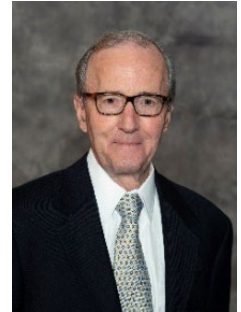


Letter from the Mayor

The Village Council is committed to ensuring the Village of Pinehurst is a charming, vibrant community that reflects our rich history and traditions. Each year, we ask residents and businesses for feedback on our services through the community and business surveys. Council and senior leaders used that feedback, along with other relevant data, to prepare the 2023 Strategic Operating Plan, which includes the Fiscal Year (FY) 2023 Budget.

Annually, the Council affirms the Balanced Scorecard and identifies strategic objectives as Areas of Focus to improve Village services. The three Areas of Focus for FY 2023:

- Managing development to protect Village character
- Supporting the business community
- Providing a safe and effective multi-modal transportation system



The \$27.1 million FY 2023 Budget contains a \$0.31 per \$100 valuation property tax rate, the lowest in the county and a \$0.005 reduction from the FY 2022 property tax rate. The Budget includes several great initiatives and projects that are sure to enhance the quality of life and bring new value to the Village of Pinehurst.

We are excited to welcome the Given Memorial Library and Tufts Archives into the Village’s suite of services in April 2022. The FY 2023 budget reflects the Village of Pinehurst’s commitment to renovating and improving this gem of the Village community. The FY 2023 budget also makes strategic investments in public safety, public spaces, and future growth as we look through FY 2027.

As we recover from the COVID-19 coronavirus pandemic, we continue to keep a watchful eye on our operating environment, including the current inflationary economic period we find ourselves in as well as being mindful stewards of approximately \$5.3 million in American Rescue Plan Act (ARPA) funding. With these considerations in mind, I believe we have prepared a Strategic Operating Plan that will promote, enhance, and sustain the quality of life in the Village of Pinehurst.

I encourage you to read further about our plans and the FY 2023 Budget in our 2023 Strategic Operating Plan.

Sincerely,

John C. Triskland



Quick Facts

\$27.1 M
Total Budget

\$0.31
Per \$100 of Valuation
Tax Rate

5
Initiative Action Plans

2
Increase of Staff
Full Time Equivalents (FTEs)



Fiscal Year 2023 Initiative Action Plans

The FY 2023 Budget includes five Initiative Action Plans (IAPs) at a cost of \$1,587,000 to address the Village’s nine strategic goals. Three of these IAPs are designated to address an Area of Focus (AOF). In the five-year planning period, there are seven IAPs totaling \$9,029,625. Additional information on IAPs, including costs to be incurred after FY 2023, can be found in the *Strategic Priorities* section of the 2023 Strategic Operating Plan. The FY 2023 Initiative Action Plans and the funding incorporated in the FY 2023 Budget include:

1. Update the Pinehurst Development Ordinance AOF (\$0)

The Village will continue to conduct a comprehensive update to the Pinehurst Development Ordinance to reflect priorities of the 2019 Comprehensive Plan and revisions required by changes in NC legislation. Funding for this IAP was budgeted in FY 2022.

2. Small Area Plan for the Village Place/Rattlesnake Trail Corridor and Pinehurst South/Hwy 5 Commercial Area AOF (\$0)

The Village will continue its work to implement two small area plans for the Village Place and the Rattlesnake Trail Corridor, which will be an update to and expansion of the previously adopted 2008 New Core Master Plan, and the Pinehurst South/Hwy 5 Commercial Area. These are two of five focus areas identified in the 2019 Comprehensive Plan. Funding for this IAP was budgeted in FY 2021.

3. Expand and Renovate Given Library/Tufts Archives (\$0)

In FY 2023, the Village has allocated \$1,000,000 for unspecified building upgrades. These funds are not associated with the IAP, but they will assist in providing initial improvements to the current building. A capital fundraising campaign is scheduled for FY 2024, which is designed to aid in future expansion and renovation needs.



4. Retrofit Current Athletic Fields with Synthetic Turf (\$1,237,000)

The Village will begin retrofitting athletic fields to synthetic turf, which will provide a more durable surface for increased programming while reducing maintenance costs over time. The FY 2023 budget reflects the conversion of Cannon Park Field 1.

5. Relocation of the Public Services Complex AOF (\$350,000)

The Village will explore properties suitable for moving the public services facility from its current location to allow for future development in Village Place. The FY 2023 budget reflects the cost associated with acquiring a potential property.

Future Year IAPs:

- **Develop a Consolidated Multi-Modal Transportation Plan AOF** This IAP will consolidate the Village’s multi-modal transportation plans into one document that incorporates bicycle, pedestrian, and golf cart accessibility.
- **Expand Downtown Parking Facilities** This IAP will seek to increase the number of parking spaces available to the public in the downtown area. This may include the construction of a parking deck.

Other Significant FY 2023 Projects

Construct pedestrian facilities (\$400,000)
Stormwater facility enhancements (\$385,000)
Streetscape enhancements in Village Place (\$200,000)
Public safety radio improvements (\$157,500)
Update SCBA air packs to meet new NFPA standards (\$162,000)



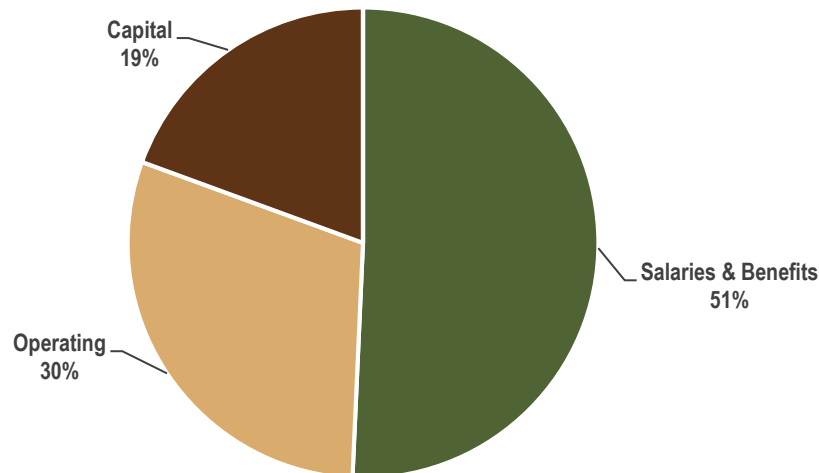
How will your tax dollars be spent in FY 2023?

The FY 2023 Budget for salaries and benefits for the Village’s 158.6 full-time equivalents (FTEs) accounts for 51% of total expenditures, or \$13.7 million. The budget includes a 4.7% cost of living adjustment and merit raises at an average of 2% per employee. The Village currently pays for 100% of health, dental, and vision insurance premiums for employee-only coverage.

New Positions Funded
Police Patrol Officers (2 FTE)

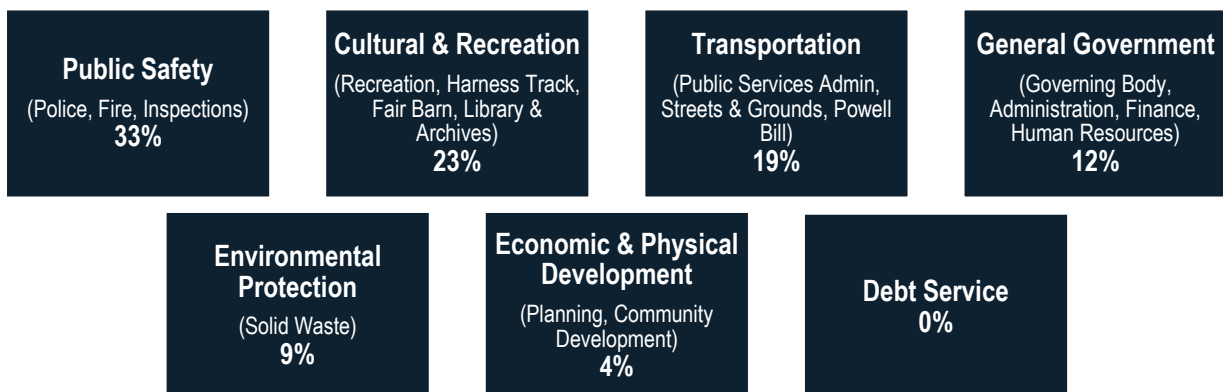
The FY 2023 Budget includes an increase of 2.0 full time equivalents (FTEs) for patrol officers, an increase related to the need to increase staff capacity to serve a growing population in the Village of Pinehurst. For more details, see *Personnel Classification Summary*.

\$27.1 Million Budgeted Expenditures



The FY 2023 Budget includes \$5.3 million in capital investment, or 19% of total expenditures. Significant operating costs include funding for Initiative Action Plans supporting the Council’s goals and objectives. The operating expenditures also include a \$1.4 million investment in street resurfacing and patching devoted to improving the quality of Village streets (see *Powell Bill* section for additional details).

Expenditures by Function





In FY 2023, the Village has no debt service expenditures, as all existing debt agreements were paid off in FY 2021.

Overall, the FY 2023 Budget totals \$27,099,100 or 6% above the prior year's amended General Fund budget as of December 31, 2021. The FY 2023 Budget as presented results in a per capita expenditure of \$1,507 based on a projected population of 17,980.

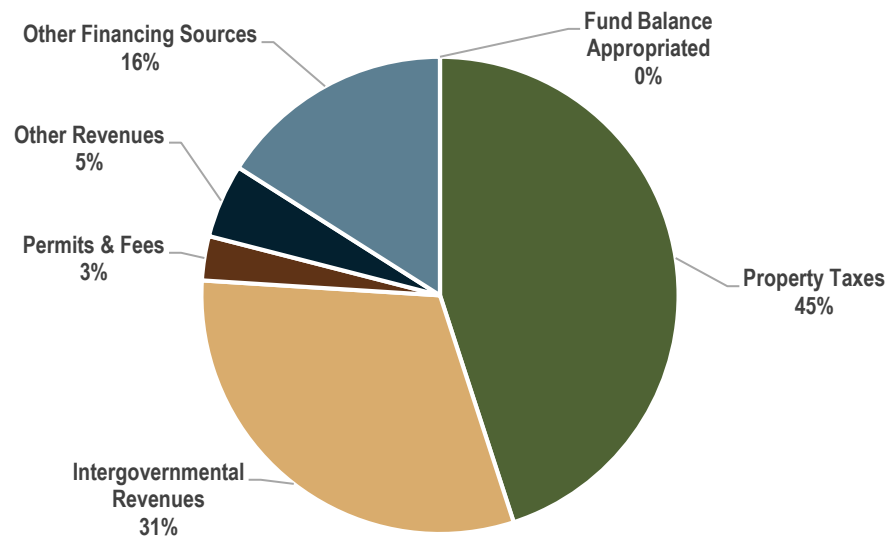
How is the Village of Pinehurst Funded in FY 2023?

The primary revenue source for the Village is property taxes, accounting for 45% of total revenues, or \$12.2 million. In FY 2023, the Village has a proposed tax rate of \$0.31 per \$100 of valuation property tax rate, which is the lowest municipal tax rate in Moore County.

Other key revenues that make up 31% of total General Fund revenues include local option sales taxes, utility sales taxes, and other state-collected revenues. Of these, local option sales taxes are the largest intergovernmental revenue source for the Village, representing 19% of the total budget. Sales tax revenue for FY 2023 is projected above FY 2022 estimates. Other financing sources consist of transfers from the American Rescue Plan Act Special Revenue Fund to the General Fund, estimated at \$4,286,720. These funds are not considered operating revenues.

At the end of the year, we estimate the Village will add \$1,756,798 to fund balance in FY2023 primarily due to the transfer of funds from the American Rescue Plan Act Special Revenue Fund. This will result in an ending fund balance of approximately 54.9% of General Fund expenditures. This is above the Council's adopted policy minimum of 30% and positions the Village well to address significant future projects.

\$27.1 Million Budgeted Revenues



View the Budget Online

To view the FY 2023 Budget online, go to www.vopnc.org/sop.

On the Budget "launch" page, residents can open the entire FY 2023 Budget and Strategic Operating Plan document or an individual section, with a linked table of contents.