



The [2017 Strategic Operating Plan](#) (SOP) for the Village of Pinehurst was presented to the Village Council on May 10, 2016. The Village Council is committed to ensuring Pinehurst is a charming, vibrant community which reflects our rich history and traditions. For the past four years, you have given us feedback on our services through the annual Community and Business Surveys. The Council and staff have used that feedback, along with other relevant data, to prepare the 2017 Strategic Operating Plan that includes the FY 2017 Budget.

The FY 2017 Budget contains a tax rate of \$0.295 per \$100 valuation, which is ½ cent higher than the previous year's tax rate. Areas of Focus for the Village for FY 2017 include improving the quality of neighborhoods, providing interconnected neighborhood sidewalks, enhancing community engagement, and increasing employee engagement.

The Village Council has identified nine goals, supported by 15 strategic objectives on the Balanced Scorecard (BSC). The nine goals of the Village Council for FY 2017 are to:

1. Safeguard the community,
2. Ensure Pinehurst is a premier residential community,
3. Ensure a thriving business community,
4. Provide multimodal transportation systems,
5. Manage solid waste collection,
6. Maintain an active, healthy community,
7. Professionally manage a high performing organization,
8. Attract and retain an engaged workforce, and
9. Maintain a healthy financial condition.

The FY 2017 Budget includes 18 Initiative Action Plans (IAPs) at a cost of \$1.1 million to address the Council's nine goals on the BSC. In the five-year planning period there are a total of 23 IAPs at a cost of \$6.3 million. These initiatives are listed with their respective goal in the *Strategic Priorities* section of the SOP document.

The FY 2017 recommended General Fund budget totals \$18,249,985. This is a decrease of 0.6% below the FY 2016 amended General Fund Budget at December 31, 2015 of \$18,358,895. The primary reason for the \$108,910 decrease in the General Fund Budget was the addition of \$435,000 in unfinished projects from FY 2015 to the FY 2016 Budget.

Growth for most revenue sources is conservatively estimated based on current economic conditions. For FY 2017 we have appropriated \$1,001,685 of the Village's fund balance as a revenue source. Historically, operating revenues come in at 101% of budget while operating expenditures typically fall 5% below budget. If these historical trends continue, we will use approximately \$44,000 of our fund balance this fiscal year and result in General Fund fund balance of 44% of FY 2017 expenditures. This level is just above the 40% upper limit of the Village's adopted policy range.



Capital outlays of \$2,136,000, or 12% of the General Fund budget, are included in the recommended budget. This represents a decrease of \$598,000 or 11% over the previous year due to the addition of unfinished projects from FY 2015 to the FY 2016 Budget. The most notable non-routine items are neighborhood sidewalks and greenways, streetscape improvements on McIntyre Road, completion of the Public Services complex redevelopment, storm drainage projects, and replacement of a 1998 fire engine.

The FY 2017 Budget for salaries and wages for the Village's 136 full-time equivalents (FTEs) includes a total of \$174,000 for merit raises ranging from 0-3%. This is the same range of increase provided in the previous fiscal year. The budget recommends an increase of 3.75 FTEs for seven positions. A two-officer traffic team, paid reserve officers, and an administrative staffing pool are recommended for the Police Department to increase patrol capacity. In addition to Police staffing, a part-time Welcome Center Coordinator is being added to oversee and staff the Welcome Center's operations.

Although the budget does not fund all the requests made by departments, it addresses the Council's goals and aims for continuous improvement to ensure the provision of high quality services for residents, businesses, and visitors.

The annual budget as presented serves as a policy document, operations guide, financial plan, and a communications device. We trust that the budget document provides you with a clear vision of the Village's operations for the upcoming fiscal year.

The Village Council has scheduled a public hearing on the budget for Tuesday May 24 during the Council's 4:30 p.m. regular meeting. The Village is also receiving comment on the proposed budget through the Open Village Hall online forum.