



FY 2022 Strategic Operating Plan Preview

April 13, 2021



What we will cover:

1. Discuss Opportunities for Improvement & Innovation proposed for FY 2022–2026
2. Review Five-Year Financial Plan for FY 2022–2026





The Village Council identified three (3) Areas of Focus (AOF) in January 2021 that are addressed in the FY 2022 Strategic Operating Plan.

Areas of Focus
<div>1. Manage development to protect Village character</div> <div>2. Support the business community</div> <div>3. Provide a safe and effective multi-modal transportation system</div>

Proposed FY 2022-2026 Opportunities for Improvement & Innovation

To support the Baldrige core value of “Management by Fact” we discipline ourselves to evaluate opportunities based on an analysis of data and information to determine if they are intelligent risks worth pursuing before funding.



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- Plan to conduct 6 **Initiative Action Plans** in FY 2022-2026

Strategic Objective	Initiative Action Plan (IAP) Name	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	TOTAL
Manage development to protect Village character AOF	Update the Pinehurst Development Ordinance	\$200,000	\$0	\$0	\$0	\$0	\$200,000
	Small Area Plan for Village Place/Rattlesnake Trail Corridor and Pinehurst South/Hwy5 Commercial Area	\$0	\$0	\$0	\$0	\$0	\$0
Support the business community AOF	Expand Downtown Parking Facilities	\$150,000	\$169,375	\$333,542	\$328,208	\$322,888	\$1,304,013
Provide a safe and effective multi-modal transportation system AOF	Develop a consolidated multi-modal transportation plan	\$0	\$100,000	\$0	\$0	\$0	\$100,000
Manage stormwater systems	Develop a comprehensive stormwater master plan	\$125,000	\$0	\$0	\$0	\$0	\$125,000
Provide cultural services and events	Expand/Enhance Library Services	\$988,875	\$338,090	(\$653,458)*	\$2,228,956	\$869,836	\$3,772,299
TOTAL NET COST		\$1,463,875	\$607,465	(\$319,916)	\$2,557,164	\$1,192,724	\$5,501,312

AOF – Addresses Council Areas of Focus

* Includes projected \$1 million for a library expansion capital fundraising campaign

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- Plan to conduct 57 **projects** in FY 2022-2026 including these significant projects:

Project	Timeframe	Total Cost
Construct Pedestrian Facilities	FY22-FY26	\$2,000,000
Stormwater improvements	FY22-FY26	\$1,922,000
Purchase a ladder/quint truck	FY24	\$1,700,000
Develop West Pinehurst Park	FY23-FY26	\$1,000,000
Land and design for new Public Services Complex	FY22-FY24	\$420,000
Design for Fire Station 93	FY26	\$400,000
New/replace park lighting (Wicker Park and Cannon Park Field 2)	FY22, FY25	\$395,000
Village Place streetscape enhancements	FY22-FY23	\$350,000
Construct a storage building behind Fire Station 91	FY22	\$290,000
Build out of the unfinished space in Village Hall	FY22	\$271,000
Update Comprehensive Parks and Recreation Master Plan	FY22	\$45,000

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- Plan to conduct 27 **evaluations** in FY 2022-2026 to ID ways to improve processes and service delivery. Several will be evaluated using the BIRDIE or ACE process improvement methodology.



BIRDIE	
FY23	Document Imaging



ACEs	
FY22	Fire inspection process
FY22	Automate employee timekeeping
FY22	Solid Waste collection (with contract providers)
FY22	Ways to minimize return pickups for Solid Waste
FY23	Purchasing and contracting process
FY23	Road patching services
FY24	Recruitment/hiring process

FY 2022–2026
Five-Year Financial Plan

Key Highlights of the Proposed FY 2022 Five-Year Financial Forecast:

- **FY22 Tax Rate:**
 - Increase for library/archives operations (1 cent) and operating expenditure pressures (½ cent) from:
 - State mandated retirement contribution rate increases
 - County mandated recycling and tipping fees
 - 2.5% annual inflation rate for operating expenditures

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Tax Rate	\$0.30	\$0.315	\$0.320	\$0.325	\$0.325	\$0.335
Tax Rate Change		1.5¢	0.5¢	0.5¢	-	1.0¢

- **FY23–26 Projected Tax Rates:**
 - FY23 & FY24: Increase due to operating expenditure pressures
 - FY25: No change
 - FY26: Increase due to operating costs of the expanded library/archives

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PRELIMINARY 5-Year Financial Forecast		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Tax Rate		\$0.315	\$0.320	\$0.325	\$0.325	\$0.335
Full Time Equivalents (FTEs)		156.6	156.6	156.6	156.1	158.1
General Fund Operating Revenues		\$21,456,000	\$22,092,000	\$24,080,000	\$23,071,000	\$23,656,000
General Fund Operating Expenditures		20,643,000	21,361,000	21,980,000	22,647,000	23,389,000
Operating Income(Loss)		\$813,000	\$731,000	\$2,100,000	\$424,000	\$267,000
Capital Expenditures		2,794,000	2,713,000	3,662,000	2,253,000	1,819,000
Other Financing Uses		550,000	-	-	1,600,000	-
Total Expenditures		\$23,987,000	\$24,074,000	\$25,642,000	\$26,500,000	\$25,208,000
Budget to Actual Variance ¹		1,660,000	1,694,000	1,757,000	1,775,000	1,834,000
Projected Actual Gain/(Loss)		(\$871,000)	(\$288,000)	\$195,000	(\$1,654,000)	\$282,000
Projected Fund Balance as a % of Total Budget		42.2%	40.9%	39.1%	31.6%	34.3%
Operating Margin		0.89	0.89	0.84	0.90	0.91

¹ Assumes actual revenues of 101% of budget and actual expenditures of 93% of budget

Key Highlights of the Proposed FY 2022-2026 Staffing Plan:

1. FY 2022 cost of living adjustment of 1.2%; Merit raises averaging 2% funded in FY 2022-2026
2. Addition of 11.5 full-time equivalents (FTEs) in FY 2022-2026
3. *Requesting to advance recruitment efforts in FY21 for a hire date in early FY22.

Full-Time Equivalents (FTEs)				
Fiscal Year	Dept	Type	Job Title	FTE
FY22	Financial Services	New FT	Financial Services Supervisor*	1.00
FY22	Fire	New FT	Firefighter	2.00
FY22	Planning	New FT	P&Z Specialist*	1.00
FY22	Planning	New PT	Code Technician	0.50
FY22	Solid Waste	New FT	Solid Waste Equipment Operator	1.00
FY22	Library	New FT/PT	Library/Archives Staff (TBD)	4.50
FY25	Inspections	FT to PT	PT Inspector	-0.50
FY26	Library	New FT	Library/Archives Staff (TBD)	2.00
TOTAL				11.50

Council Discussion/ Direction

Council Discussion/Direction:

- Have we sufficiently addressed Council's higher priorities in the proposed five-year plan?
- Are there any other Council priorities that we need to address?
- Are there any significant modifications you would like to make to the proposed five-year plan at this point?

KEY Dates	
May 6 th	Village staff deliver FY22 SOP to Council
May 11 th	Village Manager presents FY22 SOP at Council Regular Meeting
May 19 th	Budget Work Session #1
May 21 st	Budget Work Session #2