# Challenge and Opportunity Statement – Village of Pinckney

The Village of Pinckney is a small, close-knit community encompassing just 1.4 square miles and surrounded by Putnam Township. While our size fosters a strong sense of identity and community pride, it also presents significant fiscal and infrastructure challenges.

Over the years, the Village has experienced a steady decline in state revenue sharing, resulting in a measurable loss of operational income year after year. At the same time, our fixed and service-related costs continue to rise. Approximately 30% of our residents have lived in the Village for more than 40 years, representing a deeply rooted population that values stability and local tradition — but this demographic also reflects slower growth in new taxable development and limited revenue diversification.

Our greatest fiscal challenge is sustainability. The Village faces an ongoing revenue problem that cannot be solved through additional taxation alone. We are currently operating deficits in key enterprise funds, including sewer and water, and the cemetery fund. Additionally, the Village's police department consumes approximately 52% of the total general fund budget — an essential but substantial cost necessary to maintain public safety in our community.

Compounding these fiscal challenges, our aging sewer and water infrastructure is reaching the end of its useful life. For many years, limited revenue has prevented the Village from setting aside adequate funds for system replacement or rehabilitation. Our local roads are also in need of major improvements, further straining our capital planning efforts.

Despite these challenges, the Village of Pinckney remains committed to identifying innovative and collaborative solutions. We are actively exploring partnerships, regional service sharing, grant opportunities, and creative financing strategies to address infrastructure needs, modernize operations, and secure long-term financial stability.

This situation underscores the pressing need for small municipalities across Michigan to advocate for sustainable revenue-sharing reform and infrastructure investment support. The Village of Pinckney stands ready to work with state and local partners to develop models that ensure small communities remain both vibrant and financially resilient in the years ahead.

# Fiscal and Operational Training Needs – Village of Pinckney

The Village of Pinckney's elected officials and staff are currently seeking training and technical assistance in the following areas:

1. **Long-Term Financial Planning and Revenue Diversification**
   - Strategies for managing declining state revenue sharing and identifying sustainable local revenue sources.
   - Best practices in multi-year budgeting and forecasting for small municipalities.
2. **Infrastructure Asset Management and Capital Improvement Planning**
   - Development of capital improvement plans for aging sewer, water, and road systems.
   - Training on rate setting, reserve funding, and lifecycle cost management for enterprise funds.
3. **Grant Identification and Administration**
   - Guidance on identifying, applying for, and managing state and federal infrastructure grants.
   - Compliance and reporting requirements for grants and revolving loan programs.
4. **Intergovernmental Collaboration and Shared Services**
   - Case studies and models for cooperative service delivery (e.g., police, DPW, code enforcement) with neighboring jurisdictions.
   - Legal and financial frameworks for interlocal agreements.
5. **Cost Recovery and Fee Structures**
   - Establishing equitable user fees and cost recovery mechanisms for permits, inspections, and special services.
6. **Public Engagement and Communication in Fiscal Decision-Making**
   - Techniques for explaining financial realities, infrastructure needs, and rate adjustments to residents clearly and transparently.