



Fiscal Year 2021-2022 Adopted Budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Hickory
North Carolina**

For the Fiscal Year Beginning

July 1, 2020

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget presentation to the City of Hickory for its annual budget for the fiscal year beginning July 1, 2020.

In order to receive this award a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Hickory City Council



Mayor – Hank Guess



Ward 1 – Tony Wood



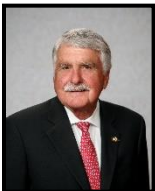
Ward 2 – Charlotte Williams



Ward 3 – Danny Seaver



Ward 4 – David Williams



Ward 5 – David Zagaroli



Ward 6 – Jill Patton (*Mayor Pro Tempore*)

City of Hickory
Approved Budget



Fiscal Year
July 1, 2021 – June 30, 2022

Introduction



To deliver high quality services through excellent and ethical coworkers focused on innovation, communication, and customer service.

City Administration

City Manager	Warren Wood
Deputy City Manager/CFO	Rodney Miller
Assistant City Manager	Rick Beasley
Executive Assistant Manager	Yaidee Fox
Airport Manager	Terry Clark
Communications and Marketing Manager	Dana Kaminske
Deputy City Attorney	Arnita Dula
Finance Officer	Melissa Miller
Fire Chief	Matt Hutchinson
Human Resources Director	Claudia Main
Information Technology Manager	Mike Woods
Library Director	Sarah Greene
Parks, Recreation, & Sports Tourism Director	Mark Seaman
Planning Director	Brian Frazier
Police Chief	Thurman Whisnant
Public Utilities Director	Shawn Pennell
Public Works Director	Steve Miller

Introduction

From the Council and staff of the City of Hickory, welcome! The pages in this document represent our plans to utilize the City's resources to continue a quality of life that is safe, clean, prosperous, and enjoyable. Hickory is our home, and we take pride in having the opportunity to improve the City through our professional lives every day. We are pleased that by reading through this document you share our desire to enhance one of the most vibrant cities in the nation. We hope that readers at all levels of budget experience will find this document to be an informative presentation of the challenges and opportunities that face the City of Hickory.



Mayor, City Council, City Manager, and City Attorney

Municipal budgets can be complex and confusing. Discussions often present the same information from more than one perspective. Technical terms like “Unrestricted Intergovernmental Revenue,” for example, can also be confusing, so this document attempts to define and clarify terms wherever necessary. Should it fail to do so, please contact the City Manager’s Office at (828)323-7412. Please note, however, that the City of Hickory’s budget document emphasizes functional areas of City responsibilities (e.g., Public Safety, Transportation), and does not isolate organizational units or account groupings independently. While the document may present and discuss several pictures of the same budget, centering the discussion on these major themes (functions) facilitates budget discussion at a much broader level.

The layout of the document is intended to take the reader from the broadest budget presentations (trends, consolidated totals, etc.) to the more specific budget presentations (individual department budgets, specific projects, etc.). Realizing that information needs are different for every reader, the document is divided into sections to provide easy “flip-to” access.

Introduction

To present a complete picture of the City's finances and spending plans for FY 2021-22, this detailed Budget Document is organized into the following sections:

City Manager's Message: The City Manager discusses the major issues that affect City operations. In essence, the City Manager defines the costs of the issues facing the City (expenditures) and proposes the resources (revenues) to apply to each issue.

Budget Overview: Fund and functional area highlights are outlined as well as personnel, operational and capital summary totals.

Budget Ordinance: The actual legally binding ordinance that establishes the new annual budget.

City Council Goals and Objectives: Council's priorities for the next fiscal year are established. Fiscal management policies are also presented, including modifications for the new year.

Budget Guide: How does the City develop its budget document, and what do all the pages of numbers and tables mean? This section dissects the structure of the budget and explains the relationships between its many facets. We recommend that the novice reader start here to gain an understanding of the budget.

Consolidated Budget Summary: The document begins to evaluate the numbers that have been articulated in the *City Manager's Message* and officially proposed in the *Budget Ordinance*. A context for the budget begins to develop as it is related to budgets of previous years. Consolidated summaries, as well as the detail underlying budget decisions, focus on the premises used to develop the budget. This section presents trends and assumptions for revenues and expenditures, as well as discussions of fund balance projections and personnel projections.

About City Services: This section describes all the City departments, outlining their basic responsibilities and programs of work. Also included is a telephone listing for common City services and/or questions.

Other Funds: This section describes the Community Development Block Grant (CDBG) entitlement funding awarded to the City of Hickory by the Federal Department of Housing and Urban Development.

Capital Improvements/Grant Projects: This section outlines the 5-Year Capital Improvement Plan (CIP), which is a multi-year financial plan for the purchase or construction of capital assets.

Debt Service: The City's debt position is outlined with projections for future debt needs.

Five Year Financial Forecast: What are the assumptions that will guide the decision-making process in the coming years? Forecasts for expenditures and revenues establish the parameters for budgets for the next five years.

Performance Measurement: A feature section that highlights the results of the performance and cost data for those City departments participating in the North Carolina Performance Measurement Project.

Supplementary Information: Find background information about the City of Hickory in this section. Included are demographic, geographic, historical, and statistical information, as well as the City's pay plan.

Budget Glossary: Definitions of terms used in the document. Most acronyms and technical terms are defined when they first appear in the document, but some are defined in this section to provide needed explanations.

City of Hickory Department Organizational Chart

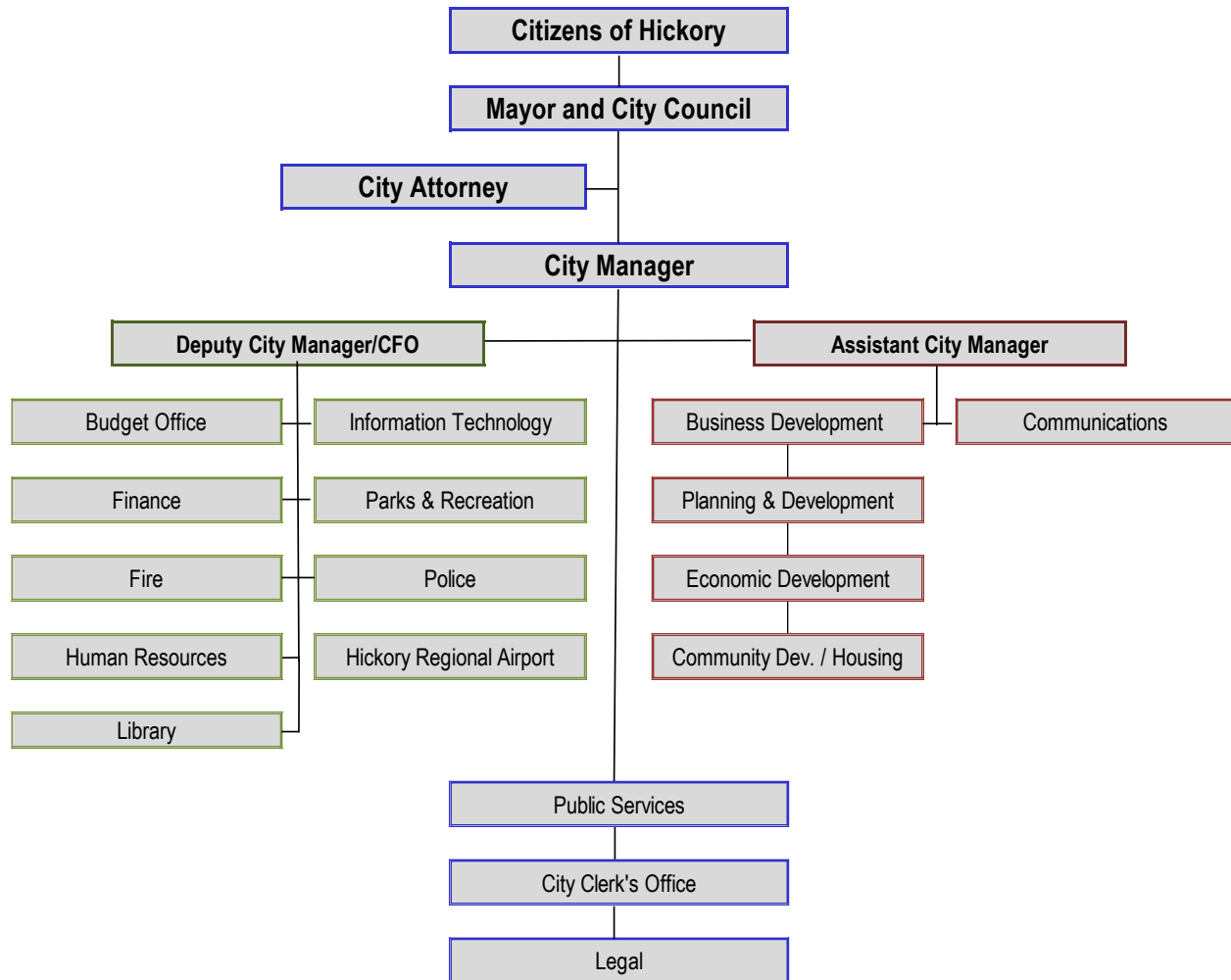


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Life. Well Crafted.

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May 18, 2021

Members of the Hickory City Council
 Hickory, North Carolina

Dear Members of the Hickory City Council:

Pursuant to Section 159-11 of the North Carolina General Statutes, I am pleased to present the City of Hickory's Recommended Budget for FY2021-2022 for your review and consideration. The \$115,866,833 annual spending plan is balanced and prepared in accordance with generally accepted budgeting standards. The breakdown by fund for the FY2021-2022 Recommended Budget is as follows:

<u>Fund</u>	<u>FY20-21</u>	<u>FY21-22</u>	<u>% CHG.</u>
General	\$56,483,845	\$58,859,515	4.2%
Water and Sewer	30,805,481	31,734,183	3.0%
Insurance	7,476,550	7,481,486	0.1%
Fleet Maint. Fund	2,820,904	2,997,000	6.2%
Sludge Compost.	1,857,617	1,904,312	2.5%
Stormwater	254,596	265,862	4.4%
Airport	1,434,001	1,587,961	10.7%
Solid Waste	6,865,285	6,422,514	-6.4%
Capital Reserve	<u>3,564,000</u>	<u>4,614,000</u>	<u>29.5%</u>
Total	\$111,562,279	\$115,866,833	3.9%

General Fund

The General Fund budget is recommended at \$58,859,515, a 4.2% increase over the FY2020-2021 Budget. The property tax rate for FY2021-2022 is recommended to be increased 4 cents over the current rate of 58.75 cents to 62.75 cents for the upcoming fiscal year. This recommended property tax rate increase is needed to make scheduled increased debt service payments on the City's General Obligation (GO) Bonded Debt. Without the recommended property tax rate increase, the FY2021-2022 Recommended General Fund Budget would be flat when compared to the FY2020-2021 Adopted Budget, meaning no increase in expenditures.

You will recall that the property tax rate was scheduled to increase by 2 cents in FY2020-2021 for increased Bonded Debt service payments, but that was postponed due to the COVID-19 pandemic. The recommended 4 cent property tax rate increase for FY2021-2022 will be the last increase required to service the \$40 million voter-approved GO Bonded Debt. Originally, staff believed a 5-cent property tax rate increase would be

necessary for FY2021-2022, to cover all of the new Bonded Debt service payments, as well as five new maintenance positions, equipment and supplies needed to properly maintain the new amenities as they begin to open to the public. We now believe we will be able to cover about \$500,000 of these new costs through natural revenue growth and a reallocation of existing budgeted expenses, so we were able to reduce that recommendation from 5 cents to 4 cents.

When the \$40 million Bond Initiative was proposed in 2014, it was communicated to the public that the property tax rate would potentially be increased by between 6 and 8 cents to service the Bonded Debt. With this last recommended property tax increase of 4 cents, we will have increased the property tax rate by a total of 6 cents (2 cents in FY2019-2020) to service the Bonded Debt, which is on the lower end of what we projected.

We have also been able to demonstrate to the Bond Rating agencies the City's strong financial position, improving our Bond Rating from AA- to AA+ over the past few years, which has helped in maintaining lower payments. We will need to approach the Bond Rating agencies once more before the sale of the final \$10 million in Bonds this summer.

The history and projected future of our General Obligation (GO) Bonds is as follows:

- November 2014: the citizens of Hickory approved two GO Bond Referendums
 - \$25 million for Streets and Sidewalks
 - \$15 million for Economic Development
- September 2018: the City issued \$15 million in GO Bonds
- July 2019: City Council approved 2 cent property tax rate increase to service Bonded Debt
- Fall of 2019: the City issued another \$15 million in GO Bonds
- July 2021: City Council considers 4 cent property tax rate increase to service Bonded Debt
- Summer of 2021: the City anticipates issuing the remaining \$10 million in GO Bonds
- October 2021: The City's initial 7-year GO authorization expires

Nearly 80% of the General Fund's revenue comes from property tax (57%) and sales tax (21.5%) revenue. The remainder comes from a combination of state-shared revenue, investment earnings, and sales and services. The State of North Carolina dictates local government's revenue sources and limits the property tax rate to \$1.50 per \$100 in valuation. The State also sets the sales tax rates.

Regarding sales tax, we are projecting a 13% increase for the coming year. However, we are anticipating a dramatic decline in our investment earnings. In fact, in the General Fund alone, as recently as FY2018-2019 the City earned well over \$800,000 on its investments. However, due to market forces, we are estimating only \$100,000 in investment earnings for the coming year.

The City has traditionally used the annual Consumer Price Index (CPI) as a general gauge when considering increases in miscellaneous General Fund fees, such as picnic shelter rentals, inspection services, driveway cuts, and various permits. The 2020 CPI was 1.23%. Our use of the CPI gauge is unique to the General Fund. The City's three Enterprise Funds, or business operations (Water and Sewer, Solid Waste and Airport), are set up to be self-supporting and their rates and fees are recommended based on revenue required to meet their operational and capital needs.

However, this approach is purely a policy decision of the City Council. Some cities use an inflated property tax rate to subsidize their Enterprise Funds, thus causing lower fees in those funds. Other cities may inflate their Enterprise Fund fees to subsidize their General Fund, thus lowering the property tax rate. My recommendation has always been to keep the various funds as self-reliant and as self-supporting as possible. That is also consistent with what the UNC School of Government views as a best practice in local government. But again, it is ultimately a policy decision of City Council.

On the expenditure side of the overall Recommended Budget, the City is experiencing the same workforce challenges as private sector companies in our community. There are a number of positions, in particular, that we are having difficulty in recruiting and retaining employees. We are recommending annual raises this year of 2.5% for coworkers who meet the performance standards set for them and 3.5% for coworkers who exceed those standards. We are also recommending increasing our 401k match by another 1%, which would then total 3% for coworkers who choose to take advantage of this benefit.

Another major challenge is proving to be the continued increases in construction costs. Construction industry measures show the cost of materials and labor have increased over 12% during the past year. Much of our work relates back to these sorts of materials versus what is measured to calculate the CPI. Some examples of cost increases we have experienced over the past year include:

Gas	+38%
Diesel	+31%
Street Lighting Rates	+ 9%
Electricity Rates	+ 9%
Natural Gas Rates	+ 26%
Asphalt	No chg./Contract price to expire in 1 yr.
Fertilizer	+19%
Fire Engine Tires	+18%

The City will continue to participate in the NC Municipal Benchmarking Project so we can compare with our peers how well we are delivering services and to make sure we are adopting and implementing best practices within our industry.

Regarding capital projects for the upcoming year, the most significant and expensive projects we will undertake are not a part of the FY2021-2022 Recommended Budget, but are a part of the ongoing Bond Program.

However, there are a number of significant capital projects included in the FY2021-2022 Recommended Budget including:

- Improvements to Deidra Lackey Memorial Park related to the Lackey project
- Construction of an artificial turf field at Henry Fork River Park
- Construction of a burn training structure for the Fire Department in partnership with CVCC
- Improvements to 9th Ave Dr NW which serves the Hickory Regional Airport
- Improvements to LP Frans Stadium

There are \$650 million in North Carolina Department of Transportation (NCDOT) road improvement projects planned for Hickory over the next 10 years. It is imperative that the City be in a position to fund enhancements to these projects when these road improvements are being made. These enhancements may include such things as bike lanes, street lighting, sidewalks, curb & gutter, mast arm traffic signals, multi-modal paths and streetscaping improvements in general. The FY2021-2022 Recommended Budget contains an allocation of \$600,000 to go towards these items with the goal of adding an additional \$200,000 each year over the next two years to end up with an annual budget allocation of \$1,000,000. Missing the opportunity to make enhancements to these projects would be detrimental to our desire to significantly improve our community's quality of life.

In addition to this, the City's longstanding policy of setting no less than the equivalent of two pennies aside on the property tax rate (\$1,024,000) in the Capital Reserve Fund for funding capital projects and capital purchases is also included in this recommended budget.

Water and Sewer Fund

The Water and Sewer Fund budget is recommended at \$31,734,183, a 3% increase over the FY2020-2021 Budget. Over the next few years there are a number of major issues facing the Water and Sewer Fund that will put pressure on rates:

Unfunded Mandate

The State of North Carolina is now requiring local governments with water and sewer systems to participate at 25% of the cost of relocating their water and sewer lines related to NCDOT road construction projects. Rate increases associated with this unfunded mandate will be programmed in future years' budgets. We estimate a 1% increase a year, over a 5 year period, to cover the cost of this unfunded mandate, estimated to be \$10 million.

Unprecedented Flooding

Since 2013, we have seen a number of 500 year storms which have resulted in two of the City's pump stations, Snow Creek and Falling Creek, being flooded and knocked temporarily out of service. To come up with a permanent fix at these two facilities, the City has applied for two FEMA grants: one for the Snow Creek Pump Station - \$7 million, and one for the Falling Creek Pump Station - \$9 million. However, if the City is not successful in securing this grant funding, we will need to consider rate increases to undertake one or both of these projects.

Henry Fork River Bank Erosion

Ever since the Brookford Dam on the Henry Fork River was taken out in 2016, the City's water and sewer lines along the river have been negatively impacted. The river has seen significant bank erosion, both upstream and downstream of the former dam, causing both water and sewer lines to either be washed out or broken by falling trees along the river bank. The river bank is now between 30ft. and 50ft. wider in places than prior to 2016. As a result of this, we are going to undertake a \$1,250,000 assessment and design project on the Henry Fork Outfall Line, which is one of the main lines that parallels the river before reaching the Henry Fork Wastewater Treatment Plant. The permanent fix to this situation could be between \$8 to \$10 million.

New Biosolids Facility

As we have previously discussed, the City has completed design of a new Biosolids Facility to replace the current facility that has reached its end of life. The new facility is estimated to cost \$30 million, which will be the single largest construction project ever undertaken by the City of Hickory. We were recently able to secure State Revolving Loan financing with the extremely favorable terms of a 0.10% interest rate over a 30 year term. Depending on commencement of construction, we will most likely have a partial payment in FY2021-2022 and a full payment of just over \$1 million in FY2022-2023.

Another factor driving the need to increase water and sewer rates is the new North Carolina Plumbing Code, which was fully implemented in 2016. The new code is requiring more efficient plumbing hardware and fixtures to be installed with renovation projects and new construction. As a result of this new code, commode flushes go from using 7 gallons to 1.6 gallons, kitchen fixtures go from using 8 gallons per minute to less than 2 gallons per minutes, and shower heads go from using 18 gallons per minute to less than 6 gallons per minute. So anytime a residential plumbing renovation takes place on an existing home who is also our customer, the Water and Sewer Fund loses revenue on that customer. This is good for the environment but bad for our bottom line. New construction is helping to offset some of these losses, but not all of it. The Water and Sewer

Fund is in good financial shape today due to the incremental increases in rates City Council has approved over the years.

Currently, a water and sewer account with 5,000 gallons of monthly usage in the City will have a bill of \$58.54. When looking at all systems around the state, the median bill on that 5,000 gallons is \$80.00. When looking at systems with a similar number of accounts as Hickory's (+25,000) that median bill is \$73.05. Comparatively, Hickory's rates are very competitive to other systems across the state.

Sludge Composting Fund

The Sludge Composting Fund budget is recommended at \$1,904,312, a 2.5% increase over the FY2020-2021 Budget. The operations in this fund are considered a business unit of the Water and Sewer Fund and it is financially supported by that fund. The City of Hickory is responsible for 83.5% of the costs associated with operating the current sludge composting facility and the City of Conover is responsible for the remaining 16.5%. These percentage shares are based on usage.

As mentioned above, a new \$30 million Biosolids Facility has been designed and will be located next to the Henry Fork Wastewater Treatment Plant. This will replace the existing facility that is over thirty years old and obsolete.

Solid Waste Fund

The Solid Waste Fund contains the financial activity of all solid waste activities of the City. The recommended budget for this Fund is \$6,422,514, a 6.4% decrease from the FY2020-2021 Budget.

The City provides an extremely robust solid waste service with household stops made at every home, every week in Hickory for residential waste, yard waste, white goods, junk items, with an additional stop made every other week for recycling. Seasonal leaf collection also occurs in the fall on every residential street multiple times, which allows residents to avoid the trouble of bagging leaves. With few exceptions, if a resident gets an item to the curb, the City will dispose of it.

The current Solid Waste Fee our customers pay stands at \$24 per month. I am recommending an increase of \$1 per month to help in offsetting increases in fuel and labor costs. The Solid Waste Fund finally became operationally self-supporting a number of years ago and this increase will help in keeping it self-supporting. The operational side of the Solid Waste Fund budget is self-supporting, meaning revenues cover those expenditures. However, this year revenues only cover 70% of its capital expenditures due to a large amount of capital needs. My recommendation is to appropriate a portion of Solid Waste Fund Balance to cover the needed capital purchase shortfall.

Transportation (Airport)

The Transportation (Airport) Fund contains the financial activity of the Hickory Regional Airport, which is owned and operated by the City of Hickory. The recommended budget for this Fund is \$1,587,961, a 10.7% increase over the FY2020-21 Budget.

This Fund also became self-supporting a number of years ago and had previously been supported by a transfer from the General Fund. We have recorded strong aviation fuel sales this calendar year, with more business and leisure travel occurring since the COVID-19 pandemic began to wane. Interestingly, we have also seen a significant increase in air cargo flights, flying in to and out of the airport as international supply chains have tightened or been disrupted and businesses are willing to pay a premium to have vital parts delivered in a timely manner.

Bond Program

Work continues on the City's Bond Program with every project either under design or under construction. Here is a quick update on each project with tentative dates for each:

Union Square	Complete
Gateway Feature US321/Hwy70	Complete
City Walk	Under Construction (Summer completion)
Riverwalk (on land)	Under Construction (Summer completion)
Riverwalk (over water)	Under Construction (Winter 2022 completion)
Aviation Walk/City Walk Ext.	Design Complete (Summer 2021 Construction)
Historic Ridgeview Walk	Under Design (Under construction Fall 2021)
Old Lenoir Walk	Under Design (Under construction Winter 2021)

Construction on our Class A business park called Trivium Corporate Center began May 2018. Since construction began we have had six major economic development announcements for Trivium:

<u>Company</u>	<u>Investment</u>	<u>Jobs</u>
Corning, Inc.	\$60 million	110
ITM	\$17 million	137
Cataler	\$42 million	151
American Fuji Seal	\$52 million	101
Gusmer Enterprises	\$38.2 million	73
Stonemont	<u>\$10.5 million</u>	<u>TBD</u>
Total	\$219.7 million	572

All of the announced jobs will pay above the Catawba County average wage. This list does not include other investment announcements over the past few years such as MDI's expansion of \$120 million or One North Center's announcement of \$19 million in investment.

Opportunities Ahead

We all remember the economic struggles Hickory and our entire region endured between 2001 and 2015. It became obvious that after a number of consecutive years of economic stagnation and no population growth that this wasn't just another economic cycle from which our community would eventually emerge.

With the vision of City Council and with the support of the community in approving the Bond Measure in 2014, we began a journey to improve the quality of life offered in our community that would attract and retain a quality workforce and create new investment. Today, our local economy is in the process of being transformed into a strong and diversified engine that is attracting new international investment; investment from well-established companies who have called Hickory home for generations, and as importantly, investment from small start-ups who believe in where Hickory is headed.

We are seeing growth in our property tax base, growth in jobs, and growth in population. This Recommended Budget for FY2021-2022 will keep us on the path of completing what was started in 2014, which are the Bond Projects. However, we need to begin the process of thinking about the “what’s next” after the Bond Projects are completed. If we have learned one thing through our experiences of the last 20 years, it is that we cannot rest on our laurels and we must always be developing new strategies on how to improve our community and how to create new opportunities so everyone has the chance for a better life here in Hickory.

Sincerely,

A handwritten signature in black ink, appearing to read "Warren Wood". The signature is fluid and cursive, with a large initial "W" and a distinct "D" at the end.

Warren Wood
City Manager

Budget Overview



FY2021-2022 ADOPTED BUDGET OVERVIEW

<u>Operating Funds</u>	<u>Adopted Budget Amount</u>
General Fund	\$58,859,515
Water and Sewer Fund	31,734,183
Sludge Composting Fund	1,904,312
Stormwater Fund	265,862
Transportation Fund	1,587,961
Solid Waste Fund	<u>6,422,514</u>
Total	\$100,774,347
<u>*Internal Service Funds</u>	
Capital Reserve Fund	\$4,614,000
Fleet Maintenance Fund	2,997,000
Insurance Fund	<u>7,481,486</u>
Total	\$15,092,486
All Funds Total	\$115,866,833

*The Internal Service Funds are supported by budgetary transfers from the Operating Funds they serve. Even though including them in the overview above creates a double counting, to exclude them would not give a comprehensive view of the City's budget.

THE FUNDS OF THE ADOPTED BUDGET

General Fund

The General Fund contains all the governmental services that do not generate sufficient revenue to support their activities including Police, Fire, Recreation, Public Services, Library, Planning and Development, Administration, and Governing Body. This fund also transfers portions of its revenue to support the City's Stormwater Fund and the Capital Reserve Fund.

In the FY2021-2022 Budget, the General Fund is balanced with a property tax rate of sixty-two and seventy-five ten thousandths (\$0.6275) cents per one hundred dollars (\$100) valuation. This rate is expected to provide \$33,048,000 in property tax revenue.

For FY2021-2022, the property tax base is estimated to be \$5,149,380,182.

The FY2021-2022 General Fund Budget totals \$58,859,515.

Water and Sewer Fund

The Water and Sewer Fund contains all water production, water distribution, wastewater collection and wastewater treatment activities of the City. This fund is totally self-supporting, meaning it receives no supplement from any other fund to support its operations.

There is a 3.0% increase proposed in water and sewer rates for FY2021-2022. Water and sewer operations have experienced material and energy cost increases over the past year but only nominal growth in its customer base, therefore necessitating this increase. Additionally, in 2021 there are ongoing requirements for greater municipal financial participation in NCDOT projects that involve impact to local water and sewer infrastructure.

The FY2021-2022 Water and Sewer Fund Budget totals \$31,734,183.

Budget Overview

Sludge Composting Fund

The Sludge Composting Fund contains all sludge (wastewater by-product) management activities of Hickory, Conover and Catawba County.

Historically, a consortium consisting of Hickory, Conover, and Catawba County managed the Sludge Composting Fund. This fund has received its revenues from those jurisdictions, and the finances of the fund are managed by the City of Hickory. Since FY2020-2021, however, Catawba County is no longer part of the consortium. Thus, Hickory and Conover will contribute 85% and 15%, respectively, to the Sludge Fund operation this year.

The FY2021-2022 Budget for the Sludge Composting Fund totals \$1,904,312.

Stormwater Fund

The Stormwater Fund contains all the activities related to complying with Federal and State Stormwater Regulations. It is jointly funded by both the General Fund and the Water and Sewer Fund, each of which contributes half the Fund's cost.

The FY2021-2022 Stormwater Fund Budget totals \$265,862.

Transportation Fund

The Transportation Fund contains all activities of the Hickory Regional Airport, including administrative operations, maintenance, capital improvements, Control Tower, and Fixed Based Operations responsibilities. This fund is largely self-supporting through fees and sales; however, during FY2020-2021, the City began contributing property tax revenue in an amount generated directly by aircraft. For FY2021-2022, this amount is anticipated to be \$233,176.

The FY2021-2022 Budget for the Transportation Fund totals \$1,587,961.

Solid Waste Fund

The Solid Waste Fund contains the following divisions: Residential Collection, Recycling, and Commercial Bulk Services.

The Solid Waste Fund is largely supported by the Solid Waste Fee which is paid by all residential solid waste customers in the City. For FY2021-2022 there is a recommended rate increase of \$1.00 per month to residential customers and 5% to commercial services.

The FY2021-2022 Solid Waste Fund Budget totals \$6,422,514.

Capital Reserve Fund

The Capital Reserve Fund exists as a financial tool to help in the funding of future capital projects. It is the City's practice to budget up to two (\$.02) cents of the property tax rate towards the Capital Reserve Fund to ensure the availability of funds necessary for capital projects such as buildings, equipment, vehicles and infrastructure. The City also sets aside a portion of its Water and Sewer Fund revenue for future water and sewer related capital purchases and projects. Without adequate funding provided to the Capital Reserve Fund, the City would have to rely more heavily on its Fund Balance or debt financing for major capital purchases.

In the FY2021-2022 Budget, the General Fund and Water and Sewer Fund will both make financial contributions to the Capital Reserve Fund. The amounts will be \$1,624,000 and \$1,855,103 respectively.

The total budget for the Capital Reserve Fund for FY2021-2022 is \$4,614,000 which includes the appropriations toward major capital purchases and projects along with \$650,000 to Water and Sewer Capital Reserve to specifically earmark capacity charge revenues.

Budget Overview

Fleet Maintenance Fund

The Fleet Maintenance Fund contains all vehicle and equipment maintenance activities of the City. This is an Internal Service Fund, meaning this fund accounts for activities that serve other funds within the City's budget structure. The North Carolina General Statutes do not require that Internal Service Funds be included in the Annual Budget; however, they are included in this budget to more fully disclose all the financial operations of the City.

The FY2021-2022 Budget for the Fleet Maintenance Fund totals \$2,997,000.

Insurance Fund

The Insurance Fund contains all insurance (health, dental, property/casualty, liability and worker's compensation) activities of the City. This is an Internal Service Fund, meaning this fund accounts for activities that serve other funds within the City's budget structure. The North Carolina General Statutes do not require that Internal Service Funds be included in the Annual Budget; however, they are included in this budget to more fully disclose all the financial operations of the City.

The FY2021-2022 Budget for the Insurance Fund totals \$7,481,486.

EXPENDITURES BY FUNCTIONAL AREA

Not only are expenditures accounted for in the various funds, they are also organized into *functional areas*. Below you will find those functional areas as well as a sampling of programs, expenditures and purchases contained in the FY2021-2022 Budget.

General Government (Governing Body, City Manager's Office, Office of Communications, Finance, Human Resources, Information Technology, Budget Office, City Clerk, Legal, Engineering, District Court, Public Services Administration, Central Services, Landscape Services, Public Buildings, Insurance Fund, Fleet Maintenance)

- Continued Participation in the North Carolina Performance Measurement Project
- Public Art Commission Funding
- Community Appearance Commission Funding
- Neighborhood College
- Coworker Appreciation Day
- Coworker Service Awards Program
- Coworker Quality Awards Program
- Coworker Health Fair
- Safety Consulting Services
- Technology Upgrades
- GIS Database Maintenance Services (WPCOG)
- Contracted Legal Services (City Attorney)

Public Safety (Police, Code Enforcement, Fire, Hickory Rural Fire District)

- Catawba County Animal Shelter Funding
- Replacement of Police Communications Equipment
- Replacement Police Vehicles and Accessories
- Expansion of the Police Camera Program
- Replacement of Police Weapons
- Spay/Neutering Program
- Fire Department Suppression Equipment
- Mandated Fit and Flow Testing for Fire SCBA equipment

Budget Overview

Transportation (Traffic, Street, Airport, Airport – FBO)

- Installation of Traffic Signal Equipment
- Maintenance of Traffic Signal System
- Street Resurfacing
- Street Maintenance
- Right-of-Way Mowing
- Roadside Litter Contract
- Continued Implementation of the Sidewalk/Bikeway Master Plan (\$5 vehicle fee)

Environmental Protection (Water and Sewer Administration, Wastewater Collection System, Henry Fork Wastewater Treatment Plant, Northeast Wastewater Treatment Plant, Hickory-Catawba Wastewater Treatment Plant, Water Treatment Plant, Pretreatment & Lab Division, Water Distribution System, Sludge Composting Facility, Recycling, Residential Sanitation, Commercial Bulk Services, Stormwater)

- Administration of Federal Stormwater Regulations
- Provide Water and Sewer Taps to Habitat for Humanity projects
- Sanitary Sewer Overflow Program
- Water Tank Maintenance Program
- Water Consumer Confidence Report
- Contract with Veolia Water North America for Sludge Composting Facility Operations
- Provide 85% of the Funding for the Sludge Composting Facility Operations (2 Member Consortium)
- Contract with Republic for Recycling Services (Single Stream)
- Contract for Yard Waste Grinding Services
- Contracted Labor for Leaf Collection
- Replacement of Cardboard Recycling Containers
- Replacement of Multifamily Recycling Containers
- Replacement of Residential Sanitation Containers
- Replacement of Commercial Bulk Dumpsters

Economic and Community Development (Planning and Development, External Economic Development Appropriations, Business Incentives)

- Hickory Metro Convention and Visitors Bureau Funding
- Community Relations Council Funding
- Catawba County Economic Development Corporation Funding
- Funding for the Hickory Downtown Development Association
- Neighborhood Grant Program
- Façade and Landscape Grant Program
- Vacant Building Revitalization and Demolition Grant Program
- Business Incentives Program

Culture and Recreation (Parks, Recreation & Sports Tourism; LP Frans Stadium; Library; Culture & Recreation Special Appropriations)

- Recreation Facility Upgrades
- Recreation Fitness Equipment Replacement
- Priority Facility Use Agreement With Hickory Public Schools
- Funding for Library Technology Upgrades
- Funding for United Arts Council of Catawba County
- Funding for the SALT Block

Budget Overview

Other Financing Uses

- General Fund Transfer to General Capital Reserve (2 cents policy)
- Water and Sewer Fund Transfer to General Capital Reserve

Debt Service

- General Obligation Bonded Debt
- Hickory Metro Convention Center – General Fund
- Geitner Basin Sewer Project – Water and Sewer Fund
- Maiden Waterline – Water and Sewer Fund
- Northeast Wastewater Treatment Plant – Water and Sewer Fund
- Henry River Basin Sewer Project – Water and Sewer Fund
- Hickory-Catawba Wastewater Treatment Plant – Water and Sewer Fund
- Cripple Creek Sewer Outfall – Water and Sewer Fund
- Central Business District Infrastructure Rehabilitation – Water and Sewer Fund
- Police Department Radio Communications System
- \$7,500,000 Installment Purchase Financing for Multiple Capital Projects

Contingency

- General Fund maintains Contingency Funding at a level up to 1.5% of Recurring Revenue
- Water and Sewer Fund has no official contingency target, but generally maintains Contingency Funding equal to between 0.5% and 1% of Recurring Revenue

MASTER PLANS AND CITY INITIATIVES

The City has developed a number of master plans and initiatives to help guide both service delivery and development. These plans and initiatives are as follows:

- Inspiring Spaces Plan/Bond Projects: This is a multi-year plan which was developed to improve physical connectivity within the City, as well as to improve public spaces and sustainability for areas throughout Hickory. This plan was developed between 2012 and 2014 and has culminated into three distinct areas of focus: Hickory Trails, Gateway & Trivium Business Park. All three areas are currently under design or construction.
- Landscape Master Plan: This plan prioritizes planting projects and appearance issues. It was accepted by City Council in FY1996-1997.
- Parks and Recreation Master Plan: The Parks and Recreation Master Plan prioritizes current and future Parks and Recreation projects. It was accepted by City Council in FY1997-1998.
- Parks and Recreation Needs Assessment: This document, accepted by City Council in FY2009-2010, provides an inventory and assessment of current Parks and Recreation facilities while also prioritizing future needs.
- Hickory Horizons: This is the City's strategic plan for maintaining and improving Hickory's economic stability, growth and quality of life through regional leadership, recognition of the importance of the Hickory Metropolitan Area and coordinated approaches to common local government issues. The Hickory Horizons Report was first adopted in 1987 and was comprehensively updated in 1995. In 1997, the City Council held its first Hickory Horizons Congress with participation from throughout the Hickory Metro to promote implementation of key regional goals and programs.
- Sidewalk, Bikeway, Greenway and Trail Master Plan: This plan prioritizes sidewalk projects citywide, requires space for bikeways with the design and construction of new roads, and is proposed to be implemented over a 20 to 25 year period. A \$5 vehicle fee was implemented in FY1998-1999 to support this plan. This master plan was originally adopted in FY1997-1998, updated in FY2000-2001 and updated again in 2005 to include greenways and trails.

Budget Overview

- **Business/Industrial Master Plan:** This plan proposes continued funding for economic development activities and sets guidelines for companies receiving economic incentives. This master plan was adopted by City Council in FY1996-1997 and updated in FY2003-2004.
- **Water & Sewer Extension Plan:** The Water and Sewer Extension Plan identifies major water and sewer system extensions over the next five years. This plan was developed in FY1996-1997.
- **Library Long-range Plan:** This plan identifies service expansion goals and facility/equipment enhancements and is funded as part of on-going library budgets.
- **Airport Master Plan:** This document was last developed in 1990 and has become outdated. In 2017 the North Carolina Department of Transportation – Division of Aviation (NCDOT/DOA) awarded the City a grant to update the Airport Master Plan. The Master Plan Update is needed to determine the future direction of Airport development so as to maximize the future potential of the airport. The Federal Aviation Administration requires a Master Plan to provide long-range plans for expansion and renovation of facilities.
- **Neighborhood Focus:** To date, twelve (12) self-identified neighborhoods have been recognized within the City and the City Manager has assigned a senior staff person to serve as a liaison with each group. City Council has approved two grant programs to assist neighborhood organizations to sustain their organizations and undertake neighborhood improvements. There have been six individual neighborhood plans developed to date, and they are:
 - Ridgeview - Adopted in 1992, updated in 1995 and 1999.
 - Kenworth - Originally adopted in 1997, updated in 2002. Readopted in 2003.
 - Green Park - Adopted in 1998; revised in 2017.
 - West Hickory/Westmont - Adopted in 2000.
 - Highland - Adopted in 2002.
 - Claremont – Adopted in 2008; readopted in 2015.
- **Hickory by Choice:** This Land Use and Transportation Plan for Hickory was originally adopted in 1999. There are limited expenditures associated with this plan, as most of it relates to the City's land use and transportation policy. The City updated and revised this plan into a comprehensive plan (Hickory by Choice 2030) in 2011, and again in 2017.



Annual Budget Ordinance



CITY OF HICKORY Budget Ordinance Fiscal Year 2021-2022

BE IT ORDAINED by the Governing Board of the City of Hickory, North Carolina:

SECTION 1: It is estimated that the following revenues will be available in the General Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Ad Valorem Taxes	\$ 33,548,000
Other Taxes	18,178,727
Unrestricted Intergovernmental Revenues	675,000
Restricted Intergovernmental Revenues	2,265,901
Licenses and Permits	4,575
Sales and Services	1,193,227
Investment Earnings	100,000
Miscellaneous	322,000
Other Financing Sources	<u>2,572,085</u>
	\$58,859,515

SECTION 2: The following amounts are hereby appropriated in the General Fund for the operation of the City government and its activities for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 11,120,982
Public Safety	26,177,876
Transportation	7,095,111
Economic and Community Development	2,698,807
Culture and Recreation	4,448,232
Other Financing Uses	1,990,107
Debt Service	4,628,400
Contingency	<u>700,000</u>
	\$58,859,515

SECTION 3: It is estimated that the following revenues will be available in the Water and Sewer Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Restricted Intergovernmental Revenues	\$ 1,281,288
Sales and Services	25,516,190
Investment Earnings	60,000
Miscellaneous	610,000
Other Financing Sources	<u>4,266,705</u>
	\$31,734,183

Annual Budget Ordinance



SECTION 4: The following amounts are hereby appropriated in the Water and Sewer Fund for the operation of the water and sewer utilities for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 25,604,933
Other Financing Uses	1,988,034
Debt Service	3,991,216
Contingency	<u>150,000</u>
	\$ 31,734,183

SECTION 5: It is estimated that the following revenue will be available in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Restricted Intergovernmental Revenues	\$ <u>1,904,312</u>
	\$ 1,904,312

SECTION 6: The following amounts are appropriated in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ <u>1,904,312</u>
	\$ 1,904,312

SECTION 7: It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Other Financing Sources	\$ <u>265,862</u>
	\$ 265,862

SECTION 8: The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ <u>265,862</u>
	\$ 265,862

SECTION 9: It is estimated that the following revenues will be available in the Transportation Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Sales and Services	\$ 1,343,420
Restricted Governmental Revenues	6,365
Investment Earnings	5,000
Other Financing Sources	<u>233,176</u>
	\$ 1,587,961

Annual Budget Ordinance



SECTION 10: The following amounts are appropriated in the Transportation Fund for the operation of Transit and Airport activities for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, in accordance with the chart of accounts heretofore established for this City:

Transportation	\$ 1,537,961
Contingency	<u>50,000</u>
	\$ 1,587,961

SECTION 11: It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Other Taxes	\$ 25,000
Sales and Services	5,913,303
Investment Earnings	10,000
Miscellaneous	2,000
Other Financing Sources	<u>472,211</u>
	\$ 6,422,514

SECTION 12: The following amounts are appropriated in the Solid Waste Fund for the operation of recycling, residential solid waste collection and commercial bulk services activities for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 6,222,759
Debt Service	169,755
Contingency	<u>30,000</u>
	\$ 6,422,514

SECTION 13: It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Other Financing Sources	\$ <u>3,964,000</u>
	\$ 3,964,000

SECTION 14: The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2021, and ending June 30, 2022 in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 1,624,000
Environmental Protection	1,340,000
Other Financing Uses	<u>1,000,000</u>
	\$ 3,964,000

SECTION 15: It is estimated that the following revenue will be available in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022:

Other Financing Sources	\$ <u>650,000</u>
	\$ 650,000

Annual Budget Ordinance



SECTION 16: The following amounts are hereby appropriated in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2021, and ending June 30, 2022 in accordance with the chart of accounts heretofore established for this City:

Other Financing Uses	<u>\$ 650,000</u>
	\$ 650,000

SECTION 17: The following amounts form the revenue portion of the financial plan for the Fleet Maintenance Fund:

Sales & Services	<u>\$ 2,997,000</u>
	\$ 2,997,000

SECTION 18: The following amounts form the expenditure portion of the financial plan for the Fleet Maintenance Fund:

General Government	<u>\$ 2,997,000</u>
	\$ 2,997,000

SECTION 19: The following amounts form the revenue portion of the financial plan for the Insurance Fund:

Sales & Services	\$ 7,399,486
Investment Earnings	20,000
Other Financing Sources	<u>62,000</u>
	\$ 7,481,486

SECTION 20: The following amounts form the expenditure portion of the financial plan for the Insurance Fund:

General Government	<u>\$ 7,481,486</u>
	\$ 7,481,486

SECTION 21: The operating funds encumbered on the financial records of June 30, 2021 are hereby reappropriated into this budget.

SECTION 22: There is hereby levied a property tax at the rate of sixty-two and seventy-five ten thousandths cents (\$0.6275) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2021, for the purpose of raising the revenue listed as "Ad Valorem Taxes" in the General Fund in Section 1 of this ordinance. This rate is based on a total estimated valuation of property for the purposes of taxation of \$5,149,380,182 and the Fiscal Year 2020-2021 estimated rate of collection of 98.14%.

SECTION 23: The corresponding "FY 2021-2022 Schedule of Fees" is approved with the adoption of this Annual Budget Ordinance.

Annual Budget Ordinance

SECTION 24: The City Manager (Budget Officer) is hereby authorized to transfer appropriations as contained herein under the following conditions:

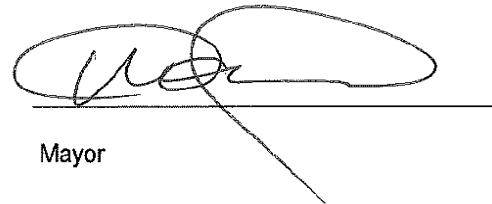
- a. He may transfer amounts between line-item expenditures within the same functional area within a fund without limitation and without a report being required.
- b. He may transfer amounts up to \$250,000 between functional areas including contingency appropriations within the same fund.
- c. He may not transfer any amounts between funds, except as approved by the Governing Board in the Annual Budget Ordinance as amended.

SECTION 25: The City Manager (Budget Officer) is hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Governing Body, for the following purposes:

- a. Form grant agreements to public and non-profit organizations;
- b. Leases of routine business equipment;
- c. Consultant, professional, or maintenance service agreements;
- d. Purchase of supplies, materials, or equipment where formal bids are not required by law;
- e. Purchase of real property when a budget amendment is not required;
- f. Applications for and agreements for acceptance of grant funds from federal, state, public, and non-profit organizations, and other funds from other governmental units, for services to be rendered which have been previously approved by the Governing Body;
- g. Construction or repair projects;
- h. Liability, health, life, disability, casualty, property, or other insurance or performance bonds;
- i. Other administrative contracts which include agreements adopted in accordance with the directives of the Governing Body.

SECTION 26: Copies of the Annual Budget Ordinance shall be furnished to the City Clerk, to the Governing Board and to the City Manager (Budget Officer) and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 15th day of June, 2021



Mayor

Attest:



Debbie Miller

Debbie Miller
City Clerk



City Council Goals and Objectives



HICKORY CITY COUNCIL'S FY2021-2022 Goals and Objectives

Strategic Priority: **Attract and Retain Jobs and People**

1. Implement Bond Projects
 - A. Proceed with construction activities in expedient manner while communicating with stakeholders on project status.
 - B. Use best practices to select and manage design professionals as they develop plans for the bond projects.
 - C. Implement financing plan to address both pre-issuance costs and timing of bond issuance.
 - D. Maintain best practices for financial transparency and communication.
 - E. Continue community involvement through outreach efforts to communicate information related to the bond projects. Objective

Strategic Priority: **Economic Growth & Transportation**

1. Promote Economic Development and Jobs
 - A. Pursue development partnerships and opportunities for high-tech manufacturing at Trivium Corporate Center.
 - B. Encourage corporate headquarter recruitment and industrial park growth.
 - C. Establish development opportunities along the Hickory Trail System and work toward the goals set forth in the Hickory Trail Report.
 - D. Implement design standards for smart growth in city limits.
 - E. Maintain investment in NC Data Campus project to attract and secure business development in region.
 - F. Continue marketing the remaining industrial sites at Fairgrove Business Park and other City owned industrial properties.
 - G. Continue an aggressive Code Enforcement program for owner-abated commercial demolitions.
 - H. Continue the utilization of Vacant Building Revitalization and Brownfield Grants to improve blighted properties and redevelop obsolete manufacturing facilities.
 - I. Consider policies and recommendations by the Business Development Committee that would stimulate economic development activity in Hickory.
2. Improve Transportation
 - A. Pursue enhancements to Hickory Regional Airport to attract additional aircraft, including the resurgence of commercial air service.
 - B. Update the City's street resurfacing analysis and segment rating.
 - C. Partner with NCDOT on designing and constructing 21st Ave NE Roundabout project to improve traffic flows.
 - D. Work with NCDOT and the MPO to develop other projects benefiting Hickory.
3. Leverage the City's Regional Utilities
 - A. Pursue new utility extensions and regional agreements to enhance the utility system's economy of scale.
 - B. Use the City's strength in water and sewer services as an economic development tool.
 - C. Market Hickory within and outside the region to increase economic development activity and increase water and sewer sales.

City Council Goals and Objectives



Strategic Priority: Quality of Life and Natural Environment

1. Provide a Safe Community for Residents and Visitors
 - A. Identify meaningful ways to engage and partner with our community and community leaders.
 - B. City departments will strive to provide exceptional service and communicate effectively through community involvement with our customers and workforce management.
 - C. Implement the comprehensive fire department strategic plan to meet the needs of our community and department.
 - D. Promote proactive public safety partnerships with citizens and neighborhood groups.
 - E. Continue to partner with other Catawba County jurisdictions and the community with the Catawba County Safe Initiative program to reduce violent behavior.
 - F. Support participation in the Law Enforcement Assisted Diversion (LEAD) program.
 - G. Support participation in Active Bystandership for Law Enforcement (ABLE) program.
2. Support Downtown Development and Activities
 - A. Continue to support downtown festivals and activities with in-kind services.
 - B. Maintain public assets downtown to promote growth and create a unique downtown experience.
 - C. Consider highest and best use for vacant parcels in the downtown area and support redevelopment of underutilized buildings.
3. Support and Protect Neighborhoods
 - A. Pursue single-family home ownership opportunities in strategic locations to help stabilize distressed neighborhoods including partnerships with non-profit housing groups such as Habitat for Humanity.
 - B. Provide staff liaisons to recognized neighborhood associations, where appropriate.
 - C. Respond in a timely manner to neighborhood requests for City services including traffic calming, trash collection, policing, etc.
 - D. Respond in a timely manner to neighborhood requests concerning Code Enforcement issues.
4. Offer High Quality Recreation and Cultural Opportunities
 - A. Complete construction of the City Walk and Riverwalk Bond Projects as recreational destinations for citizens and visitors.
 - B. Begin construction of the other components of the Hickory Trail System (Historic Ridgeview Walk, O.L.L.E. Art Walk, Aviation Walk, and the Lenoir-Rhyne Boulevard Streetscape enhancements.)
 - C. Focus efforts on expanding recreational opportunities through the Parks, Recreation & Sports Tourism Department along with partnerships with the Hickory Metro Convention & Visitors Bureau and other recreation partners in the community.
 - D. Continue partnership with Deidra Lackey family to complete design and begin construction of one-of-a-kind entertainment and cultural venue at Geitner Park.
 - E. Complete phase one construction of Bruce Meisner Park and pursue grant funds for future phases.
 - F. Continue to implement the updated library strategic plan as possible within budget constraints.
 - G. Conduct customer surveys for library programs and strive for positive feedback and ratings.
5. Improve and Protect the Natural Environment
 - A. Review single-stream recycling efforts to gauge effectiveness and make necessary modifications to improve efficiency.
 - B. In meeting the EPA NPDES Phase II federal storm water regulations, continue implementing stormwater best practices and complying with stormwater regulations.
 - C. Partner with other organizations (Reese Institute, Covekeepers, WaterWatch, Duke Energy, Catawba-Wataree Basin Advisory Commission) to promote policies and practices which protect the river, improve water quality and protect our water supply.

City Council Goals and Objectives



6. Improve Air Quality
 - A. Monitor air quality attainment issues and support efforts to address those causes.
 - B. Promote awareness of ozone action days.

Strategic Priority: Operational Excellence

1. Provide Exceptional Customer Service, Communication and Teamwork
 - A. Ensure that each coworker's performance evaluation reflects an emphasis on customer focus, innovation, creativity, and working as a team.
 - B. Utilize regular City Manager/Coworker meetings along with other forms of media to enhance communication within the organization.
2. Invest in City Coworkers
 - A. Provide internal training opportunities for supervisors, as well as front line staff.
 - B. Promote and fund higher education opportunities which will benefit the coworker and the City.
 - C. Recognize, formally and informally, coworkers' achievements.
 - D. Continue to support the coworker Wellness Program.
3. Constant Innovation in Delivery of Services
 - A. Maintain the City's excellent standing for all services included in the NC Performance Measurement Project.

Strategic Priority: Vision and Leadership

1. Support and Promote Higher Education Opportunities
 - A. Work collaboratively with Lenoir-Rhyne University and Catawba Valley Community College on initiatives and opportunities which would positively impact our community.
 - B. Engage with community partners to encourage educational opportunities with pre-kindergarten through high school partnership programs.
 - C. Utilize NCWorks and other career-based initiatives to promote local employment opportunities.
2. Lead Regional Initiatives
 - A. Be the lead agency on regional economic development issues to adequately represent the hub of the population and workforce in the Metro area.
 - B. Participate on local and regional boards/committees to ensure City interests are preserved (i.e., WPCOG, EDC, MPO, NC Works, and Innovate Catawba).
 - C. Continue to lead the region in protecting and promoting the Catawba River Basin.
3. Promote City Priorities in the 2021-2022 Legislative Agenda to Federal and State Governments
 - A. Continue to monitor State and Federal legislative issues affecting the City.
 - B. Develop and promote state and national legislative priorities that are in the specific interest of the City of Hickory.

Strategic Priority: Communication and Marketing

1. Provide best practice quality communication on bond projects and city events to our residents.
2. Expand the City's marketing and recruitment efforts for economic development opportunities as well as workforce development and population growth.
3. Continue to market the City of Hickory "Life Well Crafted" Brand and partner with other entities to promote Hickory as a place to live, work and play.

City Council Goals and Objectives



4. Continue to offer and support interactive and innovative programs offered by the City, such as the Neighborhood College and the Citizens' Police and Fire Academies.
5. Communicate Effectively with Customers about Delivery of Services:
 - A. Respond in a timely manner and inform citizens of results of "Action Requests."
 - B. Inform citizens about Hickory services, projects and awards.
 - C. Keep the city's website vibrant and informative.
 - D. Use print, radio, internet, videos, and social media to communicate with our citizens.
 - E. Communicate effectively with organized neighborhood groups, boards and commissions and other partners.

City Council Goals and Objectives



HICKORY CITY COUNCIL FY 2021-2022 FINANCIAL POLICIES

These Financial Policies are adopted to help guide the City in the management of its financial resources. Although the North Carolina Local Government Budget and Fiscal Control Act regulates North Carolina governmental units in financial matters, these policies adopted by the City Council are often more stringent, and reflect the specific desires of City Council. These Financial Policies are designed to allow the City to function as a fiscally sound governmental unit.

1. Revenue Policy

- A. The property tax rate shall be set each year based on the cost of providing general government services.
- B. The rate and fee structure established for the Water and Sewer Fund will be sufficient to finance needed operating, capital, and debt service costs for providing water and sewer services. Rates and fees in the Water and Sewer Fund will generally increase annually by the amount necessary to keep the Fund self-supporting.
- C. The City will endeavor to ensure the Solid Waste Fund is a self-supporting enterprise.
- D. Revenue projections will be made in a conservative manner.
- E. To the extent practical, any City service that benefits specific recipients shall be supported either fully or in part by user fees. Those fees will generally increase by the annual Consumer Price Index. Examples include certain recreation programs and fire inspections activities.
- F. Project revenues for five years and update those projections annually.
- G. When investing City funds, safety and liquidity will take precedence over yield.
- H. Except in cases of emergencies, under urgent conditions, or for one-time capital expenses, Fund Balance Appropriated shall not exceed an amount that management can reasonably expect to save during the year.

2. Operating Budget Policy

- A. The City will continue to develop benchmarks and productivity ratios integrated with work performance standards to assist in the evaluation of expenditures.
- B. Continue the City's participation in the North Carolina Performance Measurement Project.
- C. Prepare a five-year operating budget projection that will include projections of annual growth.
- D. Ensure that all water and sewer expansions represent sound investments for the City.
- E. During the course of the fiscal year, the City Manager may, at his discretion, take the necessary action to keep the City's Annual Budget balanced and solvent.

3. Capital Improvement Policy

- A. Annually, the City will update its Five-Year Capital Improvement Plan, which will list each capital project, the estimated cost and the anticipated year in which the project is to occur. This plan will be used as a guide in the development of the annual budget.
- B. When funding capital items, priority will be placed on the replacement of existing equipment, maintaining existing facilities, and making enhancements to existing facilities. Capital projects related to new facilities not currently in existence will receive the lowest priority, unless a designated funding source is available for the project.

City Council Goals and Objectives



4. Accounting Policy

- A. Annually, an independent certified public accounting firm will issue an official opinion on the City's annual financial statements to the City Council. Additionally, City Council will appoint an Audit Committee to meet with the auditors and discuss their findings.
- B. Financial systems will be maintained to monitor revenues and expenditures on a monthly, quarterly, and annual basis.
- C. Staff will give a Financial Report to City Council on a quarterly basis.

5. Debt Management Policy

Introduction

The City of Hickory recognizes that one of the keys to sound financial management is the development of a debt management policy. A debt management policy sets forth the parameters for issuing debt and managing outstanding debt. The policy provides guidance to the administration regarding purpose for which debt may be issued, types and amounts of permissible debt, and method of sale that may be used. The debt policy recognizes a binding commitment to full and timely repayment of any and all tax supported debt as an essential requirement for entry into the capital markets. The policy shall be reviewed annually as part of the City's budget process and amended as appropriate.

Purpose

The debt management policy is intended to guide the prudent use of resources to provide the needed services to the citizens of the City of Hickory. Adherence to a debt policy helps to ensure that a government retains a sound debt position and maintains the City's credit ratings with various rating agencies. Development of a debt management policy is a recommended practice by the Government Finance Officers Association (GFOA).

Debt Instruments

The City will use appropriate debt instruments to provide funding for capital assets at the lowest cost with minimal risk.

General Obligation Bonds:

General obligation bonds are bonds secured by a promise to levy taxes in an amount necessary to pay debt service, principal and interest, coming due each fiscal year. General obligation bonds are backed by the full faith and credit of the City. These bonds are authorized by a referendum or by non-voted (2/3) authorization by the governing body. The non-voted authorization allows governments to issue up to two-thirds of the previous year's net debt reduction without a referendum.

Revenue and Special Obligation Bonds:

Revenue bonds are bonds that pledge revenues generated by the debt-financed asset or by the operating system of which that asset is a part. Special obligation bonds are bonds that are payable from the pledge of revenues other than locally levied taxes.

Other Financing Options:

Installment financings are alternative financing methods that do not require voter approval. Certificates of participation or limited obligation bonds represent an undivided interest in the payments made by a public agency

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pursuant to a financing lease or an installment purchase agreement. The security for this financing is represented by a lien on the property acquired or constructed.

An Installment Purchase Contract is an agreement with a financial institution in which the equipment or property is acquired, and periodic payments are made to satisfy the debt service. The City will typically use this type of financing to finance a capital asset for ten to twenty years with the capital asset being used as collateral for the loan. In other cases, this financing will be used for short-term equipment or vehicle purchases of three to five years.

The City will use pay-as-you-go funding for capital improvements or capital assets having a cost of less than \$250,000 or assets having a useful life of less than ten years unless budgetary constraints require the use of financing to acquire the necessary funding for those capital improvements or capital assets.

Guidelines for Debt Issuance

The City may issue debt for the purpose of acquiring or constructing capital assets including land, buildings, machinery, equipment, fixtures and any other eligible expenses of the project and for making major renovations to existing capital improvements, for the good of the public. Exceptions to this rule will be considered on a case-by-case basis to determine if the contemplated debt is in the best interests of the City. Long-term debt shall not be used to finance ongoing operational expenses. When applicable, debt issuance will be pooled together to minimize issuance expense.

Before issuing any new debt, the City will consider the following factors:

- Global, national, and local financial environment and economy
- Current interest rates and expected interest rate changes
- Cash position and current debt position
- Availability of funds to repay the debt
- Urgency of current capital needs and flexibility to meet future needs
- Appropriate debt issuance practices and debt structuring

Debt Structure

The debt structure is made up of the type of debt, interest rate, and principal maturity schedule. This debt could be general obligation, revenue, or special obligation bonds, or other installment financings. The cost of taxable debt is typically higher than the cost of tax-exempt debt; however, the issuance of taxable debt is mandated in some circumstances and may allow flexibility in subsequent contracts with users or managers of the improvements constructed with the bond proceeds. The City will usually issue obligations on a tax-exempt basis, but may occasionally issue taxable obligations when there is an expected benefit from doing so. The City shall establish an affordable debt level to preserve credit quality and ensure sufficient revenue is available to pay annual debt service obligations.

General obligation bonds will generally be competitively bid with no more than a 20-year life unless there are compelling factors which make it necessary to extend beyond this point and applicable law allows a longer term. In a competitive sale, the City may sell its debt obligations in which any interested underwriter or syndicate is invited to submit a proposal to purchase an issue of bonds. The bonds are awarded to the underwriter presenting the best bid according to stipulated criteria set forth in the notice of sale.

Negotiated sales or private placements may be used where allowed when complex financing or sales structure is a concern with regard to marketability. In a negotiated sale, the bonds may be sold through an exclusive arrangement between the City and an underwriter or underwriting syndicate. At the end of successful negotiations, the issue is awarded to the underwriter. This method offers the most flexibility to the City. The criteria used to

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select an underwriter or syndicate in negotiated sales should include, but not be limited to, the following: overall experience, marketing philosophy, capability, recent experience, underwriter's discount, and overall expenses.

The City may elect to sell its debt obligations through a private placement with a financial institution when appropriate. Selection through private placement shall be determined through a Request for Proposal (RFP) process.

Debt service for each issue will be structured in an attempt to minimize the City's interest payments over the life of the issue while taking into account the existing debt obligations of the City. Any debt issued shall not have a maturity date beyond the useful life of the asset being acquired or constructed by the debt proceeds.

The City may also consider various financing methods including fixed or variable interest rate debt in order to minimize the interest costs over the life of the issue. The use of these methods will be evaluated based on market conditions and the maximum benefit to the City while minimizing the City's risk. When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a predetermined formula or results from a periodic remarketing of the securities or reset date determined by the bondholder. The City will limit the issuance of variable rate debt to help maintain the City's credit rating. The City's long term variable rate debt will not exceed 10% of the total outstanding general debt.

Investment of bond proceeds will be consistent with those authorized by existing state law, the City's investment policy and applicable bond covenants. Bond proceeds shall be invested and tracked separately from other investments.

Debt Ratios

The City will use an objective, analytical approach to determine the amount of debt to be considered for authorization and issuance. This process involves the comparison of generally accepted debt ratios from similar cities and are consistent with rating agencies best practices. These ratios will be re-evaluated every five years or sooner as market conditions dictate. In the event that the City anticipates exceeding any of the debt ratios, staff may request an exception from City Council stating the reason and the length of time.

The City shall adhere to the following ratios:

Net Direct Debt as a Percentage of Assessed Valuation:

This ratio measures debt levels against the property tax base that generates the tax revenues used as the main source of debt repayment. The City will maintain its debt at no more than 2.00% of the citywide assessed value.

Net Direct Debt Service as a Percentage of Operational Budget:

This ratio reflects the City's budgetary flexibility to adjust spending levels as economic conditions change. The City will maintain its net debt service at no more than 15% of the operational budget.

Ten-Year Payout Ratio:

This ratio measures how quickly the City retires its outstanding indebtedness. A higher payout ratio preserves the City's capacity to borrow for future capital needs. The City will maintain its ten-year payout ratio at a 50% level or higher.

Refinancing of Outstanding Debt

The City will continually review its outstanding debt and recommend issue for refunding as market opportunities arise. Debt shall only be refinanced for the purpose of achieving debt service savings, unless required to achieve specific debt management goals of the City. The estimation of net present value savings should be, at a minimum, in the range of 3% of the refunded maturities before a refunding process would be considered unless the City otherwise determines the annual savings warrant the refunding. The City will not refinance debt for the purpose

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of deferring scheduled debt service, unless unique circumstances are present. The City is aware that refinancing for the purpose of deferring debt service may have an impact on its credit rating.

The City may issue advance refunding bonds when advantageous, legally permissible and prudent while net present value savings are achieved. Advance refunding transactions are those undertaken in advance of the first date the refunded debt can be called for optional redemption and will require an establishment of an escrow account for the defeasance of the refunded debt. All costs incurred in completing the refunding shall be taken into account when determining the net present value savings.

The City may issue current refunding bonds when advantageous, legally permissible and prudent while net present value savings are achieved. Current refunding transactions shall be considered whenever possible. These transactions are undertaken at or after the call date on outstanding debt and provide for redemption and replacement of refunded debt within ninety days of issuance of the refunding debt.

Pay-As-You-Go Financing

The City shall use pay-as-you-go and other alternative sources of funding for capital projects to minimize debt levels. To have an effective pay-as-you-go program, at least one funding source must be identified that is consistent, reliable and large enough to provide for capital needs in an amount that reduces dependency on debt. In order to reduce the impact of capital programs on future years, the City will annually appropriate funds for its capital improvement plan. The City will also appropriate proceeds from the sale of capital assets and land, as deemed appropriate, for capital projects. This practice will allow additional funding of capital improvement projects and reduce the City's dependence on borrowing. Pay-as-you-go funding will save money by eliminating interest expense on funding projects and will improve financial flexibility in the event of sudden revenue shortfalls or emergency spending.

Issuance of Debt

The scheduling and amount of bond sales and installment purchase transactions will be recommended by the City Manager, Chief Financial Officer, and Finance Officer. City Council must approve the sale. These decisions will be based upon the identified cash flow requirements for each project to be financed as well as market conditions and other relevant factors including debt ratios. If the cash requirements for capital projects are minimal in any given year, the City may choose not to issue the debt and fund the project costs and reimburse these costs when financing is arranged. In these situations, the City will adopt a reimbursement resolution prior to the expenditure of project funds. Fixed rate general obligation bond sales are conducted on a competitive basis by the Local Government Commission (LGC), a division of the Office of State Treasurer. Variable rate bonds, revenue and special obligation bonds will be sold on a negotiated basis with a selected underwriter.

The City must receive an opinion acceptable to the market from a nationally recognized law firm that each financing transaction complies with applicable laws and all agreements in connection with any financing are legal, valid and binding obligations of the City.

Continuing Disclosure

In accordance with the Securities and Exchange Commission (SEC), Rule 15c-2-12, the City will provide financial and operating information to the repository or repositories designated by the SEC. Where applicable, the City will also provide its Comprehensive Annual Financial Report (CAFR) and other relevant information to rating agencies, corporate trustees, and financial institutions as required by Continuing Disclosure requirements within all debt documents.

Arbitrage Liability Management

The City will maintain a system of record keeping and reporting to meet the arbitrage and rebate compliance requirements of the federal tax code. This effort includes tracking investment earnings on bond proceeds,

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calculating rebate payments in compliance with tax law, and remitting applicable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues.

It is the City's policy to minimize the cost of arbitrage rebate and yield restriction while strictly complying with the applicable laws. Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, arbitrage calculation will be performed by qualified arbitrage professionals in strict adherence to applicable laws and regulations. These calculations are done in accordance with required Internal Revenue Service reporting dates.

Credit Ratings

The City will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the City's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The City will continually strive to maintain its bond rating by improving its financial policies, budgets, forecasts, and financial health.

Financing Team

The City will provide for a solicitation and selection process for securing all professional services required in connection with any debt issues. The service professionals selected will be required to follow the City's debt management policy with the goal of continuity, quality service, and competitive prices.

Administration and Implementation

The City Manager, Chief Financial Officer, and Finance Officer are responsible for the administration and issuance of debt including the completion of specific tasks and responsibilities included in this policy. Any exception to the debt management policy must be presented to City Council and approved by a specific action by the Council.

6. Reserve Policies

- A. In the Annual Budget, the City will reserve the equivalent of two pennies on the City's property tax rate in the General Capital Reserve Fund, for the purpose of funding capital expenditures on a pay-as-you-go basis.
- B. The City will establish a General Fund Contingency Reserve to provide for unanticipated expenditures of a nonrecurring nature to meet unexpected increases in service delivery costs. This reserve will be budgeted at an amount up to 1.5% of recurring General Fund revenues estimated for that fiscal year.
- C. Fund Balance:

Introduction

The City of Hickory recognizes that a fund balance policy is essential to establishing guidelines for adequate fund balance. The policy will assist in maintaining sufficient levels of available fund balance to meet unexpected financial needs of the City during emergency situations or adverse financial conditions. Rating agencies examine fund balance when considering overall economic health and credit quality of the City.

Definitions

Fund balance is the difference between assets and liabilities reported in a governmental fund. It is simply a measurement of financial resources available to fund future expenditures of the City.

Fund balance is categorized into five specific classifications based on limitations of use. The Governmental Accounting Standards Board (GASB) defines the classifications as non-spendable

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fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

- I. Non-spendable fund balance – Amounts that are not in spendable form or amounts which are legally required to be remain intact.
- II. Restricted fund balance – Amounts that can be spent only for the specific purposes stipulated by external parties either constitutionally or through enabling legislation.
- III. Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action of the Council. Commitments may be modified or removed by the same formal action required for initial commitment.
- IV. Assigned fund balance – Amounts intended to be used by the government for specific purposes which are neither restricted nor committed.
- V. Unassigned fund balance – Amounts not included in any other classification. Unassigned amounts are available for any legal purpose.

Policy

The City of Hickory formally establishes the goal of maintaining unassigned fund balance in the General Fund in an amount of twenty-five percent (25%) of the General Fund expenditures. This amount represents three months of operating expenditures for the City.

Based on the recommendation of the North Carolina Local Government Commission, the City of Hickory will maintain available fund balance in the General Fund in an amount no less than eight percent (8%) of the General Fund expenditures. The independent auditor of the City shall monitor the City's compliance with this established fund balance policy. The auditor shall report related findings and recommendations annually as part of the City audit.

Use and Replenishment

General fund balance will not be appropriated to support the ongoing operations of the City except in extreme emergency situations. It will be used for expenditures considered non-recurring in nature. If the fund balance amount should fall below the twenty-five percent (25%) goal level at the end of the fiscal year, Council must approve and adopt a plan to restore the balance to the goal level within twenty-four (24) months. If restoration of the fund balance cannot be accomplished within the time period without severe hardship to the City, then Council will establish a different time period agreed upon by Council members and City management.

7. Financial Partnerships Policy

- A. When feasible, the City will seek financial partnerships with organizations in the community as a means of providing services in the most cost-effective way.
- B. When renovating, enhancing or constructing City-owned facilities, the City will seek financial partnerships, when feasible, with organizations or individuals who benefit from those facilities in order to limit the use of public funds and to maximize the benefit of those funds.

8. Investment Policy

Purpose

It is the policy of the City of Hickory (hereafter the "City") to invest public funds in a manner which maximizes security and provides maximum return in preserving and protecting funds while meeting the daily cash flow demands and adhering to all applicable statutes governing the investment of public funds.

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Governing Authority

The investment program of the City shall be operated in conformance with federal, state and other legal requirements, including provisions of North Carolina General Statute 159-30.

Scope

This investment policy applies to all financial assets in the City's investment portfolio. Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds in accordance with generally accepted accounting principles and G.S. 159-30(e).

General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield.

Safety

Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- Liquidity needs of the portfolio require that the security be sold.

Standards of Care

Prudence

Investments will be made according to the "prudent person" standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their

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ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Delegation of Authority

Authority to manage the investment portfolio is granted to the City's Finance Officer, who shall act in accordance with established procedures and internal controls for the operation of the investment portfolio consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer. The Finance Officer will be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinates.

Safekeeping and Custody

Delivery vs Payment (DVP)

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Safekeeping

Securities will be held by an independent third-party custodian selected by the City as evidenced by safekeeping receipts in the name of and for the benefit of the City. The custodian shall be a trust department with an account with a Federal Reserve Bank and authorized to act as trustee in North Carolina.

Internal Controls

The Finance Officer shall establish a system of internal controls designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City.

Suitable and Authorized Investments

Investment Types

Only the investments authorized by General Statute 159-30 will be permitted by this policy.

Collateralization

In accordance with North Carolina General Statute 159-31(b) and the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on deposits at interest and certificates of deposit. The City shall utilize the pooling method of collateralization and shall use only banking institutions approved by the North Carolina Local Government Commission.

Investment Parameters

Diversification

Investments of the City covered by this policy must be diversified to eliminate the risk of loss as a result of over concentration of securities in a specific maturity, a specific issuer, or a specific class of securities.

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Maximum Maturities

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase.

It is the City's intent to hold investments until maturity to ensure the return of all invested principal dollars. Changes in economic or market conditions may require the City to sell or trade securities prior to maturity.

Reporting

Investment activity shall be reported to City Council during the quarterly financial report presentation by the City's Chief Financial Officer.

Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, funds shall be reinvested in securities which conform to this policy.



Budget Planning

The information in the previous sections focused on how City government plans to allocate resources for the upcoming fiscal year. Subsequent sections of the document describe the detail behind those plans as the budget is examined at consolidated, functional, departmental, divisional, and in some cases, line item levels.

The *Budget Guide* begins the transition from a broad budgetary plan to a specific working budget for City operations. Here, the reader will find explanations for much of the data that follows. This section also provides an opportunity to pause and examine the many facets of budgeting for which this document is merely the end product. What has changed in the City budget since last year? How and when does the process of allocating over \$100 million occur? How is the City's budget organized, and what do all those terms mean?

Because this section is intended to provide mostly background information, the reader is invited to exercise judgment when reading it. The veteran budget reader may wish to skip the *Budget Format: The Basics* pages because they describe the basic structure of the City's budget. However, the novice reader will find these pages a good starting point for developing an understanding of information in the rest of the document.

What's New in the Budget?

Changes to the FY2021-2022 budget reflect the ongoing efforts by the City of Hickory to enhance the municipal environment through the ongoing Bond Projects while maintaining a high level of basic services. As with any new budget year, many changes are necessary to meet new community, financial, or legal obligations and mandates.

The most significant changes to the FY2021-2022 budget are:

- A 4-cent property tax increase is recommended to provide revenues associated with the \$40 million bond referendum approved by the voters in 2014. The final \$10 million issue will occur this summer and the tax increase, combined with a 2-cent increase levied in FY 19-20, will provide six cents on the tax rate to repay the debt. A six- to eight-cent tax increase was originally estimated, but with strong growth in the tax base the last few years, six cents will be sufficient.
- A \$30 million Biosolids Facility is planned that will be adjacent to the Henry Fork Wastewater Treatment Plant; this will replace the existing facility that is over thirty years old and obsolete. The new facility will be financed over a thirty-year term.
- With increasing costs of Solid Waste operations and some additional capital needs, the City is recommending a \$1 increase (from \$24 to \$25) per month. A \$1 increase generates \$142,000 in additional revenue.
- Additional staffing needs recommended are:
 - One Firefighter
 - One Digital Services Librarian (converted from a part-time position)
 - One Crew Leader and four Maintenance Workers to help maintain the Hickory Trail System (these positions were planned years ago and included, but not filled)

There have been no other significant changes to the structure of the budget. However, each year the City of Hickory submits its budget document to the Government Finance Officers Association Distinguished Budget Awards Program for review. This year's budget contains minor revisions based on the comments of those professionals who reviewed last year's budget document.

Budget Calendar

- **December 4, 2020** Personnel expenditures projected by Human Resources
- **December 4, 2020** Worker's Compensation, Property and Liability Insurance projections by Risk Management
- **December 4, 2020** Debt projected by Finance (existing debt only)
- **December 4, 2020** Budget Office sends out notifications / instructions on the FY21-22 process for:
 - External Appropriation Requests;
 - Board and Commission Workplans
- **December 4, 2020** Publish newspaper ad re: notification of call for External Appropriation requests (due: January 20, 2021)
- **December 18, 2020** New position requests and reclassification requests due to Human Resources
- **January 8, 2021** Projected revenues entered into H.T.E. by Budget Office
- **January 14, 2021** Budget Kick-off Session: 9:00 a.m. Zoom Meeting
 - State of Economy and Budget Outlook
 - Distribute Initial Allocation Sheets
 - Distribute Budget Manual
- **January 2-31, 2021** Departments may request to meet with the City Manager to make additional budget requests or to negotiate budgets
- **January 20, 2021** External Appropriation requests due
- **January 29, 2021** Departments to have entered FY21-22 operational budget requests into H.T.E.
- **January 29, 2021** Departments to have entered FY21-22 capital budget requests into H.T.E.
- **January 29, 2021** Fee Schedule sent to departments for FY21-22 changes
- **February 2, 2021** Board & Commission Workplans due
- **February 16, 2021** Departments to have entered 5-year CIP into system
- **February 16, 2021** City Council Meeting:
 - External appropriation requests presented

Budget Calendar



- **February 26, 2021** Fleet Management to review and make recommendations on new capital vehicle/equipment requests
- **February 26, 2021** Information Technology to review and make recommendations on technology requests
- **February 26, 2021** Departments to return FY21-22 Fee Schedule changes to Budget Office
- **March 2, 2021** City Council Meeting:
 - Board & Commission workplans presented
- **March 2, 2021** City Manager's Recommended Budget balanced
- **March 16, 2021** Performance Measurement page due to Budget Office from departments
- **Weeks of April 19 & 26, 2021** Individual Management Briefings to City Council members re: FY21-22 budget
- **Weeks of May 3rd & 10th, 2021** Management Presentations to City Coworkers on FY21-22 budget
- **May 18, 2021** City Council Meeting:
 - Call for public hearing on Recommended Budget
- **May 19, 2021** Publish notice of public hearing and make a copy available to news media in the County
- **June 1, 2021** City Council Meeting:
 - Public Hearing on Recommended Budget
 - FY21-22 Budget approved on 1st reading
- **June 15, 2021** City Council Meeting:
 - FY21-22 Budget adopted on 2nd reading
- **June 16, 2021** Notification of tax rate sent to Tax Administrators in Burke, Caldwell and Catawba Counties
- **June 17, 2021** Notify organizations who requested appropriation of City funds of funding status
- **July 1, 2021** ***Fiscal Year 2021-2022 begins***

Budget Planning

Phase I (Initial Budget Planning Stage)

Budget planning for the FY2021-2022 Annual Budget began in Fall 2020. Recommendations were to continue with the budget development cycle and budget development calendar.

Phase II

In December of 2020, projections of personnel expenditures and projections of risk management insurance expenditures were made for the upcoming fiscal year. This information is used to determine what new revenues would need to be produced to maintain current staffing levels and to maintain current risk management insurance policies. These projections are done early due to the significant dollar value involved with these items and the vital role they play in the overall budget development process.

Phase III

In November and December of 2020, Budget staff held individual budget meetings with divisions/departments for preliminary discussions on significant budgetary needs for FY2021-2022 and to review the status of performance measures.

Phase IV

In January 2021, there was a “Budget Kick-off Meeting” held with all departments. At this meeting, departments were given the FY2021-2022 budget manuals, FY2021-2022 budget calendar, FY2021-2022 personnel projections, FY2021-2022 risk insurance projections, instructions for performance measurement reporting, and initial operational target budgets for each department. In addition, debt projections were made by the Finance Department for FY2021-2022. All new personnel requests were due to the Human Resources Department by December 5, 2020.

Phase V (Final Budget Planning Stage)

Annually, the Hickory City Council adopts their Priorities and Action Plan, which are derived from the Council-Staff Work Sessions. This document is used throughout the year as a guiding tool to ensure that the philosophy defined by the City Council is advocated and carried out by City departments as they deliver services to the public. Also, the Priorities and Action Plan guides City officials in budget development and planning for the upcoming and future budget years. In short, this policy document provides the structure by which the City of Hickory functions during the fiscal year.

Planning for the upcoming budget was completed at this point and the development of the FY2021-2022 recommended annual budget began.

How the Budget Process Works

Basis of Accounting and North Carolina Local Government and Fiscal Control Act

The City of Hickory uses the modified accrual method as the basis for budgeting and for accounting for all funds. This approach to accounting recognizes revenues when they become measurable and expenditures at the time the liability is incurred. All revenues and expenditures must be included in the annual budget ordinance or the appropriate capital and/or grant project ordinances. Any operational appropriations that are not expended or encumbered shall lapse. The North Carolina Local Government Budget and Fiscal Control Act (LGBFCA) controls how cities budget and spend money. The major effects of the LGBFCA on the budgetary process are as follows:

Budget Planning

Budget Preparation Calendar

The LGBFCA establishes the dates by which each stage in the annual budget process is to be completed (G.S. 159-10 through 13). These dates are as follows:

Departmental requests must be submitted to the budget officer by April 30.

Revenue estimates must be submitted to the budget officer by April 30.

The recommended annual budget must be submitted to the Governing Board by June 1.

The Governing Board must adopt the annual budget ordinance by June 30.

Budget Forms and Procedures

The Budget Officer must prescribe the forms and procedures for the departments to use in preparing their requests; in the words of G.S. 159-10, requests “shall be made in such form and detail, with such supporting information and justifications, as the Budget Officer may prescribe.” G.S. 159-10 also requires that a budget request show actual expenditures for the prior year, estimated ones in the current year, and requested ones for the coming budget year.

Departmental Requests

G.S. 159-10 requires that the budget request for a department include revenues or fees that it will collect in the budget year.

Recommended Budget

G.S. 159-11 requires that the Budget Officer’s recommended budget be balanced unless the Governing Board insists that an unbalanced budget be submitted. It is also required that the budget be submitted to the Governing Board with a budget message. G.S. 159-11(b) states that the message should include:

- A concise explanation of the governmental goals fixed by the budget for the budget year.
- Important features of the activities anticipated in the budget.
- The reasons for stated changes from the previous year in program goals, programs, and appropriation levels.
- Any major changes in fiscal policy.

Board Review

Once the recommended budget is presented to the Governing Board, several general legal provisions apply to Board review and adoption of the budget ordinance.

- At least ten days must pass between the submission of the recommended budget and adoption of the budget ordinance.
- On the same day the budget is submitted to the Governing Board, the Budget Officer must file a copy of it in the City Clerk’s Office where it is made available to the public and press.
- The City Clerk must publish a notice that the budget has been delivered to the Governing Board and is available for public inspection. This advertisement must also note the time and place of the required public hearing.
- During the time between submission and adoption, the Governing Board may conduct its review at both regular and special meetings. At least one of these dates must be a public hearing at which any person who wishes to comment may.
- The Open Meeting Law (G.S. 143-318.9 through 318.18) applies to the budget review and adoption process.

Budget Planning



Adoption of the Budget Ordinance

The budget ordinance must contain the appropriations, the estimated revenues, and the property tax *levy* as well as the property tax *rate*.

Budget Adoption and Amendment

The operations conducted by the City are guided by the annual budget ordinance adopted in accordance with the provisions of the North Carolina Local Government Budget and Fiscal Control Act. The Budget Ordinance must be balanced and adopted prior to the beginning of the Fiscal Year. Adoption of the budget by City Council establishes the legal authority to incur expenditures in the ensuing fiscal year.

After the adoption of the Budget Ordinance, the City Manager (Budget Officer) is authorized to transfer appropriations between line-item expenditures within a department without making an official report to the City Council. He may also transfer amounts not to exceed \$250,000 between functional areas, including contingency appropriations, within the same fund. All other budget amendments must be approved by the City Council through legislative action. All amendments affecting the original budget ordinance not within the scope of the authority granted to the City Manager require two readings for City Council approval

Budget Format: The Basics

Comprehending the Annual City Budget requires the reader to understand the differences between two perspectives of the same budget: the *functional* perspective, by which the City is managed, and the *accounting* perspective, by which City finances are accounted for. When City Council adopts or amends a budget, it is allocating resources into functional areas (as listed in the *Budget Ordinance*). By managing a budget organized around these major functions, City Council can better direct how City resources are applied.

City Council manages the budget at the broadest level. Council policy, statutes, and financial standards mandate the City's accounting system parallel the functions, but at a much more detailed level. The accounting structure of the City is organized on the basis of account groupings called *funds*, each of which is considered a separate accounting entity. Government monies are allocated to and accounted for in individual funds based upon the purposes for which they are earmarked, and the means by which spending activities are managed. The budgeted monies (i.e., revenues) must always equal the proposed expenditures within each fund. This segregation of financial activity ensures that certain funds, which are restricted in purpose, are explicitly spent on the appropriate government function.

A fund is one of two types: an annual fund or a project fund. Council appropriates operational funds on an annual basis and operational funding lapses at the close of the year. Project funds continue for the life of each specific capital or grant project with appropriations continuing until the project is finished. The City of Hickory's Annual Budget Ordinance contains all operational appropriations and consists of nine funds: the General Fund, Water and Sewer Fund, Sludge Fund, Transportation Fund, Stormwater Fund, Fleet Maintenance Fund, Insurance Fund, Solid Waste Fund, and Capital Reserve Fund. The City adopts all project budgets as Capital or Grant Project Ordinances, which are described in the *Capital Improvements/Grant Projects* section of this document.

An operational fund's revenue sources are a key distinction for two types of operating funds – *General Fund* and *Enterprise Funds*. All city budgets have at least one fund, the *General Fund*, which is supported by a variety of revenue sources, including the most substantial, the ad valorem property tax levy. The *General Fund* contains those departments and divisions which do not produce enough revenue to support their operations. The best examples of operations housed in the *General Fund* include Police, Fire, Library, Recreation, Planning, and Administration.

Like most cities, Hickory has another type of fund called *Enterprise Funds*, which exist on the market viability of the services provided in that fund. The Water and Sewer Fund, the Solid Waste Fund and the Stormwater Fund are *Enterprise Funds* that rely almost solely on user fees generated from the services they provide. The Sludge Compost Fund is an enterprise fund financed through intergovernmental agreements of participation by Catawba County and the cities of Conover and Hickory. The Transportation Fund exists with funding from user fees, intergovernmental agreements, and grant funding.

Although funding sources can vary, an *Enterprise Fund* is expected to generate enough revenue to equal projected expenditures.

Finally, Hickory also utilizes *Internal Service Funds*. These funds account for activities that serve other departments or parts of the same government, rather than the public. Hickory maintains two *Internal Service Funds* including the Fleet Maintenance Fund and the Insurance Fund. In addition, Hickory has two *Special Revenue Funds* which are the General Capital Reserve Fund and the Water and Sewer Capital Reserve Fund. Even though there is no statutory obligation to include *Internal Service Funds* or the *Special Revenue Funds* in the Annual Budget, Hickory does include them in order to more fully reveal the City's finances. We

Budget Format: The Basics

have established that budgets, while managed by functions, are also managed as complex accounting groupings called funds, which are either operational or project oriented in nature. Operational funds can be enterprise funds depending on the fund's revenue characteristics.

Knowing these key principles is important, but consider this: City employees do not work for funds, they work for departments and divisions. The day-to-day operations of City government are conducted through 45 departments and divisions.

Here is the most important question for budget understanding: How do functions, funds, and departments (divisions) interrelate? The simple answer is that departments are subsections of both functions and funds. Each department is managed by its functional duties and its financial distinctions. For example, the Fire Department is part of the *Public Safety* function, and is included in the *General Fund* because it is not a self-supporting entity (enterprise fund). Each department belongs to one function and one fund. A fund can include any number of departments, including departments of different functions. A function can include departments from many funds. Managing the aggregate of all departments in a fund allows staff to measure the financial health of specific City endeavors, while managing the aggregate of all departments in functions allows City Council to consolidate the myriad of City services into clearer segments. When Council appropriates money for the Fire Department and the Recreation Department, it is addressing needs in two functional areas, *Public Safety* and *Culture and Recreation*, but it is allocating the resources of one fund, the General Fund.

About the Document Presentation

All combinations of departments and divisions, funds, and functions appear in this budget document. The presentation takes the reader from discussions of the broadest overview in the budget document (*Consolidated Budget Summary*) to discussions of the most specific departmental review (*General Fund, Enterprise Funds*). The document places a distinct emphasis on the City's departments and divisions because these pages represent the plans of the men and women who are charged with the duty of providing services to citizens. Following the City budget from this basic level back up through funds, functions, and consolidated totals can help the reader associate services to the respective budget data.

The departmental presentations are summaries of all expenditures and revenues associated with each department's activities. One of the most daunting tasks of preparing a budget document is deciding how to present the hundreds of individual budget codes (line-items) in a format that promotes the decision-making process. Every account code is relevant to the process. Unfortunately, it is not possible to effectively present literally hundreds of account codes.

Instead, this document presents budget data in a summary form that shows groups of like data by category (e.g., Personnel, Operations, Capital). Presenting the City of Hickory's budget in this style facilitates comparisons between groups of data, making the overall trends more discernible to the reader. Acknowledging that the reader does not have access to every account code, the Budget Highlights attempt to explain key departmental changes by relating the "numbers behind the numbers" to budget summaries. A second document that presents the complete listing of all City of Hickory budget codes only is also available through the City of Hickory's Budget Office (828-327-7412) if further detail is needed.

Budget Format: The Basics

In the *General Fund* and *Enterprise Funds* sections the reader will find the cornerstones of the City: the departments and the divisions. Here is where narrative descriptions highlight what each department accomplished in the year that is ending, as well as the goals and objectives for the upcoming budget year. Coupled with this is a presentation of the resources budgeted for the department. The purpose is to show the evolution of City services as of the start of the new fiscal year. Using an expenditure table as an example, the presentation of the data is as follows:

Expenditure by Type	2015-2016	2016-2017	2017-2018	Percent Change
	Actual	Budgeted	Budgeted	
Personnel	6,548,258	6,674,652	6,844,130	3%
Operations	799,871	771,684	782,356	1%
Capital	99,567	256,680	263,750	3%
Pro Rata Reimbursement	8,804	9,331	9,331	0%
Expenditure Total	7,456,500	7,712,347	7,899,567	2%
Per Capita	191	198	202	

Audited data from the last completed fiscal year.

Budget for each category as adopted for the current fiscal year. The fiscal year begins July 1 of each calendar year.

The budget for the new fiscal year which begins on July 1.

The percentage of change from budget to budget.

Please note that all tables in the budget present the same three-year format. Since the budget data is in summary form (as discussed earlier), we should understand what the summaries constitute.

Expenditure by Type	2015-2016	2016-2017	2017-2018	Percent Change
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Per Capita	191	198	202	

Includes salaries, wages, and fringe benefits (FICA, insurance, et al.)

All expenditures not directly related to Personnel, Capital, or Pro-Rata Admin. Reimbursement. Includes everything from postage to traffic signs.

Adjustments for the value of services provided or received to or from other City departments. (Example: The cost for the Human Resources Department to recruit for a vacancy in another department.)

Includes expenditures for land, buildings, equipment, vehicles, and other expenditures exceeding \$500, with a life expectancy of more than 1 year.

Budget Format: The Specifics



GENERAL FUND

The **General Fund** is the general operating fund of the City and is used to account for all revenues and expenditures except those required to be accounted for in another fund. This fund is established at the inception of a government and exists throughout the government's life.

General Fund Revenues

- **Ad Valorem Taxes** - Collections of current and prior year property tax levies, refunds, late listing penalties, and interest on delinquent taxes. (57%)
- **Other Taxes** - Three sales tax allocations (Article 39 one cent, Article 40 one-half cent and Article 42 one-half cent), utility franchise tax, telecommunications tax, \$5 vehicle fee, and a local option hotel/motel occupancy tax levied for tourism development. (30.88%)
- **Unrestricted Intergovernmental** - Beer and wine tax, payments in lieu of taxes, and traffic control revenue received from NCDOT. (1.15%)
- **Restricted Intergovernmental** - Federal, state, and local assistance restricted for specific uses including the Powell Bill street allocation, North Carolina Department of Transportation (NCDOT) street maintenance, various public safety and culture/recreation grants, Catawba County fire district tax, and Catawba County's participation in the provision of Hickory library services. (3.85%)
- **Licenses and Permits** - Revenues generated for privilege beer and wine licenses, and taxi permits. (0.01%)
- **Sales and Services** - User fees charged for the provision of various city services including, but not limited to: parking rentals, cemetery lot sales, police and fire charges and fines, cable franchise fees, and revenues generated for recreation and library services. (2.03%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.17%)
- **Miscellaneous** – Includes unanticipated revenues such as donations, discounts earned, the sale of capital assets, and insurance reimbursements. (0.55%)
- **Other Financing Sources** - Proceeds from the issuance of bonds, installment purchase contracts, or lease purchase agreements, transfers from capital project funds, or fund balance appropriated. (4.37%)

General Fund Expenditures

- **General Government** - Expenditures for the City Council and Administration consisting of the City Manager's Office, Budget Office, Risk Management, Human Resources, Finance, City Clerk, Communications, Information Technology, Legal, Public Buildings, District Court Building, Union Square, Engineering, Central Services, and Landscape Services, as well as various special appropriations. (18.89%)
- **Public Safety** - Expenditures for the Police Department, the Fire Department, the Hickory Rural District, and various special appropriations. (44.48%)
- **Transportation** - Expenditures for the Traffic and Street Divisions of Public Services. (12.05%)

Budget Format: The Specifics

- **Economic and Community Development** - Expenditures for the Planning and Development Department; Economic Development Incentives, and several special appropriations. (4.59%)
- **Culture and Recreation** - Expenditures for the Recreation Department, Parks Maintenance, L.P. Frans Stadium, Hickory Public Library, and various special appropriations. (7.56%)
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund. (3.38%)
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases. (7.86%)
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures. (1.19%)

ENTERPRISE FUNDS

The **Water and Sewer, Stormwater, Sludge Compost, Transportation, and Solid Waste** Enterprise Funds combine to account for proprietary fund activity. These funds are financed and operated in a manner similar to private business enterprises, where the intent of the Governing Body is to recover costs of providing the service through user charges. These funds provide water and sewer service to over 97,000 customers inside and outside the city limits, regulate stormwater runoff, produce a high quality compost material, provide air transportation services, and provide solid waste services, respectively.

Water and Sewer Fund Revenues

- **Restricted Intergovernmental** - City of Conover repayment portion of debt service for Hickory's Water Treatment Plant, Catawba County's portion of the Hickory Catawba Wastewater Treatment Plant, City of Claremont and Town of Hildebran operations maintenance contracts, and the Town of Maiden's buy in to the City's Water Plant. (4.04%)
- **Sales and Services** - Initial tap fees and user fees charged for the provision of water and sewer service. (80.41%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.19%)
- **Miscellaneous** - Plant capacity fees charged with water or sewer taps and any unanticipated revenues. (1.92%)
- **Other Financing Sources** - Proceeds from the issuance of bonds, installment purchase contracts, or lease purchase agreements, transfers from capital project funds, or fund balance appropriated. (13.45%)

Water and Sewer Fund Expenditures

- **Environmental Protection** - Expenditures for Administration, Collection Division, the Henry Fork Wastewater Treatment Plant, the Northeast Wastewater Treatment Plant, the Hickory-Catawba Wastewater Treatment Plant, the Water Treatment Plant, the Lab Division, and the Distribution Division of the Public Services Department, and special appropriations. (80.69%)
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund. (6.26%)

Budget Format: The Specifics



- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases. (12.58%)
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures. (0.47%)

Stormwater Fund Revenues

- **Other Financing Sources** - Transfers from other funds, or fund balance appropriated. (100%)

Stormwater Fund Expenditures

- **Environmental Protection** - Expenditures for Administration/Engineering, Stormwater - Transportation Division, Stormwater - Solid Waste Division, and the Stormwater - Landscape Division. (100%)

Sludge Composting Fund Revenues

- **Restricted Intergovernmental** - Intergovernmental funding for operational expenses from the City of Hickory for 83.5% and the City of Conover for 16.5%. (100%)

Sludge Composting Fund Expenditures

- **Environmental Protection** - Expenditures for contracted services with a private contractor to operate the Sludge Composting Facility. (100%)

Transportation Fund Revenues

- **Sales and Services** - User fees charged for the provision of various Airport services such as Airport property rentals. (84.6%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.31%)
- **Restricted Intergovernmental Revenues** – Contributions from Catawba and Burke Counties for tower operations. (0.40%)

Transportation Fund Expenditures

- **Transportation** - Expenditures for Airport operations. (96.85%)
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures. (3.15%)

Solid Waste Fund Revenues

- **Other Taxes** - Solid Waste Excise Tax revenue received from the State of North Carolina. (0.39%)

Budget Format: The Specifics

- **Sales and Services** - User fees charged for the provision of various solid waste collection services including: curbside, recycling center, cardboard, white goods, yard waste, tipping fees for the county landfill and commercial bulk services. (92.07%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.16%)
- **Miscellaneous** - Unanticipated revenues. (0.03%)
- **Other Financing Sources** – Transfer from Capital Reserve Fund towards replacement truck, and an appropriation from the Solid Waste Fund Balance for operational support. (7.35%)

Solid Waste Fund Expenditures

- **Environmental Protection** - Expenditures for Recycling Services, Residential Sanitation, Commercial Bulk Services, contracted services with Republic, and Catawba County landfill tipping fees. (96.89%)
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for major capital purchases. (2.64%)
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures. (0.47%)

INTERNAL SERVICE FUNDS

The **Fleet Maintenance Fund**, **Insurance Fund**, and **Capital Reserve Fund** are internal service funds that have been set up in order to more accurately account for expenditures for vehicle and equipment maintenance, insurance costs and capital reserves. This enables the City to better grasp the true cost of providing these internal services on the departmental and divisional levels.

Fleet Maintenance Fund Revenues

- **Sales and Services** – Charges for vehicle and equipment repairs, which are charged to individual departments. (100%)

Fleet Maintenance Fund Expenditures

- **General Government** – Expenditures for vehicle and equipment maintenance and repair. (100%)

Insurance Fund Revenues

- **Sales and Services** – Charges for health, dental, workers compensation, property, casualty, and liability insurance. These revenues are derived from charges to individual departments. (98.9%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.27%)

Budget Format: The Specifics



- **Other Financing Sources** – Support from Fund Balance allocation. (0.83%)

Insurance Fund Expenditures

- **General Government** – Expenditures for health, dental, worker’s compensation, property, casualty and Liability of insurance. (100%)

Capital Reserve Fund Revenues

- **Other Financing Sources** - Transfer from the General Fund and Water & Sewer Fund for future capital projects or purchases, and an appropriation from the Capital Reserve Fund Balance towards capital expenditures during FY2021-2022. (100%)

Capital Reserve Fund Expenditures

- **General Government** – Money received from the General Fund into Capital Reserve, to be used for future general capital expenditures. (40.97%)
- **Environmental Protection** – Money received from the Water and Sewer Fund into Capital Reserve, to be used for future water and sewer capital expenditures (33.8%).
- **Other Financing Uses** – Money transferred to other funds for planned capital projects or capital purchases during the current Fiscal Year. (25.23%)

Water and Sewer Capital Reserve Fund Revenues

- **Other Financing Sources** – Transfer of Capacity Charges from the Water & Sewer Fund for future capital projects, and an appropriation from the Capital Reserve Fund Balance towards capital expenditures during the current Fiscal Year (FY2021-2022). (100%)

Water and Sewer Capital Reserve Fund Expenditures

- **Other Financing Uses** – Money transferred to the Water and Sewer Fund for planned capital projects or capital purchases specifically with Capacity Charge revenues during the current Fiscal Year. (100%)

Consolidated Budget Summary



The *Consolidated Budget Summary* section begins the budget presentation by examining the budget at the broadest level. Here, the assumptions and trends that helped determine the basic framework described in the *Budget Guide* section are presented. Later sections will provide further detail about the individual funds, departments, and divisions.

The discussion here begins with revenues, which are followed by financial totals, functional trends, fund balance projections, and staffing totals. Revenues must fully support expenditures in a balanced budget, so no budget can begin without an understanding of the resources available. Certain methods, techniques and approaches have been used to aid the City in estimating future revenues. By analyzing current trends and the underlying forces, the City can make realistic projections of revenues.

Revenue Assumptions

The most important aspect to understand regarding how revenues are budgeted in the City of Hickory's Annual Budget is that for most of the City's major sources of revenue, all that will be budgeted for FY2021-2022 is what we project to receive by the end of FY2020-2021. This conservative approach to budgeting helps ensure that budget projections are met, helps to guard against unanticipated economic downturns and, in most years, allows us to place funds into Fund Balance at year end. City Management believes that budgeting unrealized increases in revenues for an upcoming fiscal year, especially with major sources of revenue, is risky at best and could be counter-productive in the end.

The following are other assumptions concerning some of our most significant sources of revenue that are forecast in the City of Hickory's FY2021-2022 Annual Budget.

REVENUES

FORECAST RATIONALE

AD VALOREM TAXES

Ad Valorem Taxes

The City contracts with Catawba County to assess and collect property taxes. By the beginning of FY2021-2022, Hickory's assessed property value is projected at \$5,149,380,182.

The General Fund's property tax rate will be \$.6275 per one hundred dollars (\$100) valuation of property with an estimated collection rate of 98.14%. The total Ad Valorem Tax category of revenues is budgeted at \$33,548,000 for FY2021-2022. The Ad valorem category of revenue includes: current year's collections, prior year's collections, penalties and interest, and refunds.

OTHER TAXES

Sales Tax

The State collects and distributes the proceeds from the locally levied tax on retail sales. The Article 39 original one-cent local option sales tax is distributed on a point-of-sale basis. Article 40, a one-half of one percent rate and Article 42, also a one-half of one percent rate, are revenue placed in a statewide pool and then distributed state-wide on a per capita basis. Revenue projections for FY2021-2022 are based on anticipated local retail sales and other economic conditions, and reflect a 13.9% increase over the FY2020-2021 budgeted amount.

Utility Franchise Tax

The City shares in the sales tax levied by the State on piped natural gas and electricity sales. This tax is collected by the State and then distributed quarterly through a predetermined formula to North Carolina municipalities. This revenue is highly sensitive to the weather. Cool

Consolidated Budget Summary



summers and mild winters can lead to a year with little or no growth in receipts from this tax. Any annexations of industrial or other facilities that are heavy users of utility services could also create growth in this source of revenue. For FY2021-2022 we project the same amount as budgeted in FY2020-2021.

Telecommunications Tax

This tax was previously a part of the Utility Franchise Tax, but was broken out as a separate tax received from the State of North Carolina in FY2003-2004. The Telecommunications Tax is levied by the State on all telephone service. Each city's share of this is tax based on the actual receipts from telephone and cable television service within their municipal boundaries during the fiscal year. For FY2021-2022 we anticipate the same amount as budgeted FY2020-2021.

UNRESTRICTED INTERGOVERNMENTAL REVENUES

Beer and Wine Tax

Cities share in the sales tax revenue from the sale of both beer and wine, based on population. Revenue for FY2021-2022 is projected to decrease 2.8% from the FY2020-2021 budgeted amount.

Traffic Control Revenue

The City of Hickory, through a cooperative agreement, maintains the NCDOT's traffic control systems located within the city limits of Hickory. The City receives annual reimbursements for this service from the NCDOT through the form of Traffic Control Revenue. This revenue may vary from year to year depending upon annual maintenance schedules and scheduled projects, and is projected based on what the City's Traffic Division anticipates.

RESTRICTED INTERGOVERNMENTAL REVENUES

Powell Bill

Gasoline sales taxes are shared by the State with its municipalities through a legislative act known as the Powell Bill. Revenue distribution projections to local governments are based on a formula that combines both "per capita" values and "per mile" values. Hickory has had little growth in its population or the miles of streets it maintains. This revenue for FY2021-2022 is projected to be approximately 4.6% *less than* the FY2020-2021 budgeted amount.

Sludge Compost

These revenues are based on the percentage of participation for the fixed contract to operate the Sludge Compost Facility by Veolia Water. The percentage of participation is: City of Hickory - 85% and City of Conover - 15%. Variable costs of operations are charged by percentage of use by each local government. These revenues have been estimated to meet projected operational requirements for FY2021-2022 and are expected to increase 2.5% from FY2020-2021.

Consolidated Budget Summary



LICENSES AND PERMITS

Privilege Licenses were previously a significant source of revenue for the City but were repealed in FY2015-2016. As was the case since FY2016-2017, no revenue is projected for FY2021-2022.

SALES AND SERVICES

(Most fees are increased by 1.4%, which is the 2020 Consumer Price Index, unless otherwise indicated)

Parking Rentals

The City owns and operates eleven (11) parking lots in the downtown area. Some are unrestricted lots and some are leased lots. Revenue received from this enterprise, as well as parking tickets issued, remains relatively constant from year to year and is transferred to the City's Capital Reserve Parking Fund for future parking projects, after the cost of collection/enforcement is deducted.

Recycling Revenue

Revenue received for recycling services. These charges are based in part on costs for collection, preparation, and transportation of recycling material to market.

Water and Sewer Charges

Water and sewer rates will see a 3.0% increase with the FY2021-2022 Annual Budget over the FY2020-2021 rates. This increase will help to keep the Water and Sewer Fund 100% self-supporting.

Water and Sewer Taps

The City charges fees to customers for connecting to the City's water or sewer system. FY2021-2022 tap fee revenue is projected to remain flat compared to the FY2020-2021 budgeted amount.

INVESTMENT EARNINGS

Investment Earnings

Investment earnings are conservatively projected on the basis of average available cash balances at an anticipated average rate of return of 1%.

FUND BALANCE/ RETAINED EARNINGS

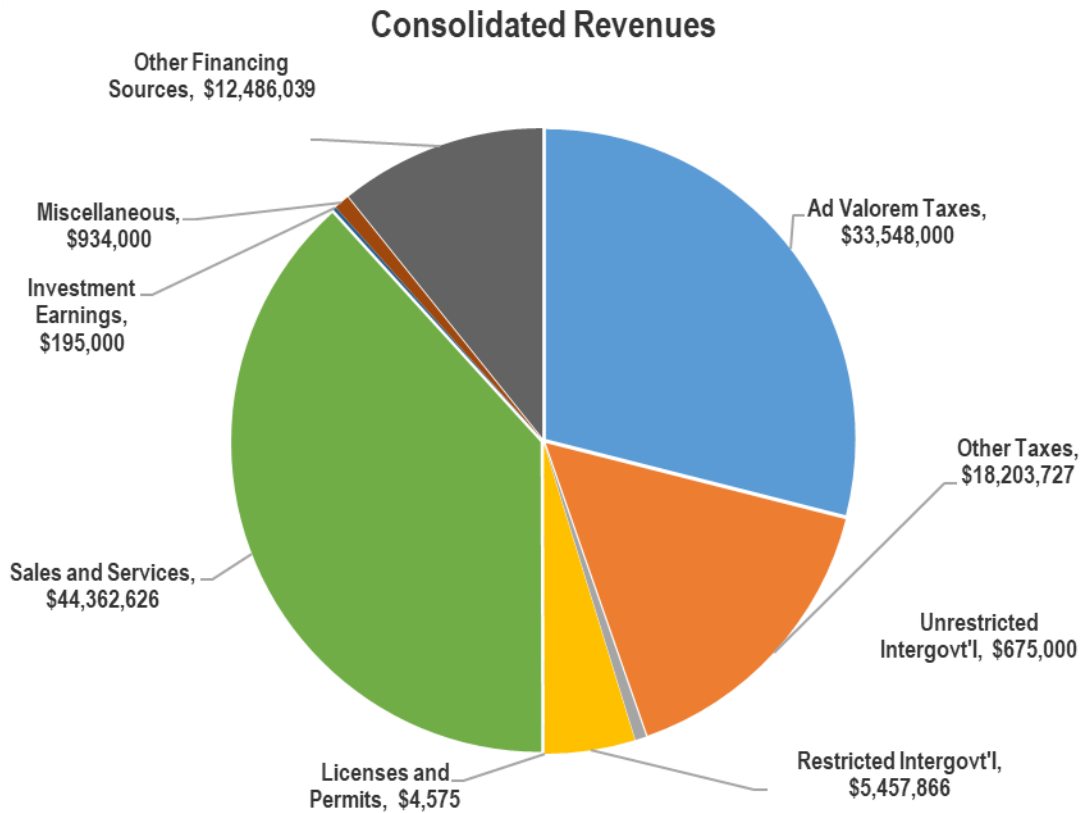
Fund Balance Appropriated

Fund Balance/Retained Earnings appropriated generally does not exceed an amount that management can reasonably expect to save during the year.

Consolidated Budget Summary



This consolidated revenue graph and table contain all funds, including the internal service funds (Fleet Maintenance and Insurance) and the Capital Reserve Fund. Insurance and fleet costs are budgeted in each of the departments/divisions to better capture the actual cost to provide services. The Fleet Maintenance Fund and Insurance Fund then budget revenues from each of these departments and the expenditures associated with the actual costs to provide these services. This inflates the “Sales and Services” revenue source, but omitting these funds from this section would not give the reader a comprehensive view of the City’s finances.

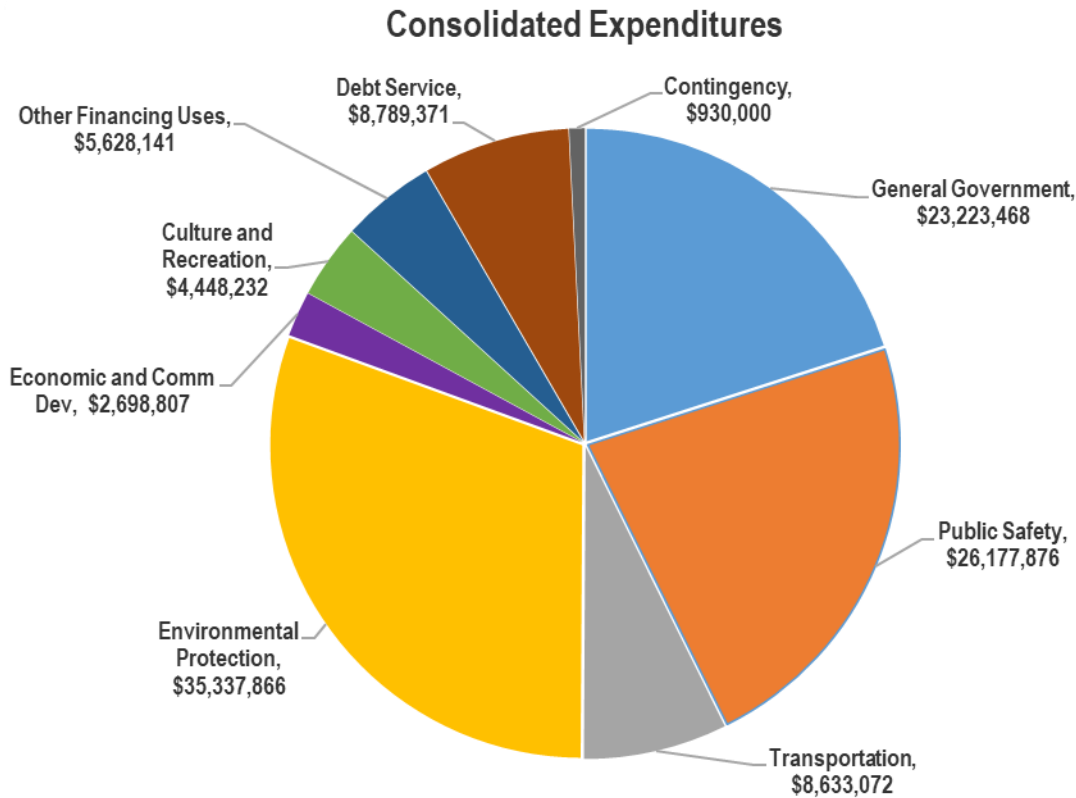


	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Consolidated Revenues				
Ad Valorem Taxes	30,360,326	30,640,000	33,548,000	9.5%
Other Taxes	17,224,185	16,535,000	18,203,727	10.1%
Unrestricted Intergovernmental	641,067	660,000	675,000	2.3%
Restricted Intergovernmental	7,749,629	5,487,958	5,457,866	-0.5%
Licenses and Permits	4,480	4,575	4,575	0.0%
Sales and Services	41,955,039	41,773,931	44,362,626	6.2%
Investment Earnings	1,737,483	437,000	195,000	-55.4%
Miscellaneous	2,967,457	1,064,000	934,000	-12.2%
Other Financing Sources	70,772,143	14,959,815	12,486,039	-16.5%
Revenue Total	173,411,809	111,562,279	115,866,833	3.9%
Per Capita	4,237.31	2,709.73	2,798.24	

Consolidated Budget Summary



This consolidated expenditure graph and table are broken down by functional area and include expenses in all funds, including the internal service funds (Fleet Maintenance and Insurance) and the Capital Reserve Fund. As was explained on the previous page, insurance and fleet costs are budgeted in each of the departments/divisions in order to better capture the actual cost to provide services. The Fleet Maintenance Fund and Insurance Fund then budget revenues from each of these departments and the expenditures associated with the actual costs to provide these services. This inflates the “General Government” expenditure, but again, omitting these funds from this section would not give the reader a comprehensive view of the City’s finances.



	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Consolidated Expenditures				
General Government	18,621,061	21,336,524	23,223,468	8.8%
Public Safety	23,862,784	26,151,741	26,177,876	0.1%
Transportation	5,009,317	8,639,098	8,633,072	-0.1%
Environmental Protection	30,917,808	35,907,970	35,337,866	-1.6%
Economic and Community Develop.	3,373,629	2,732,844	2,698,807	-1.2%
Culture and Recreation	7,551,932	4,245,027	4,448,232	4.8%
Other Financing Uses	19,684,856	4,068,596	5,628,141	38.3%
Debt Service	19,684,856	7,580,479	8,789,371	15.9%
Contingency		900,000	930,000	3.3%
Expenditure Total	128,706,243	111,562,279	115,866,833	3.9%

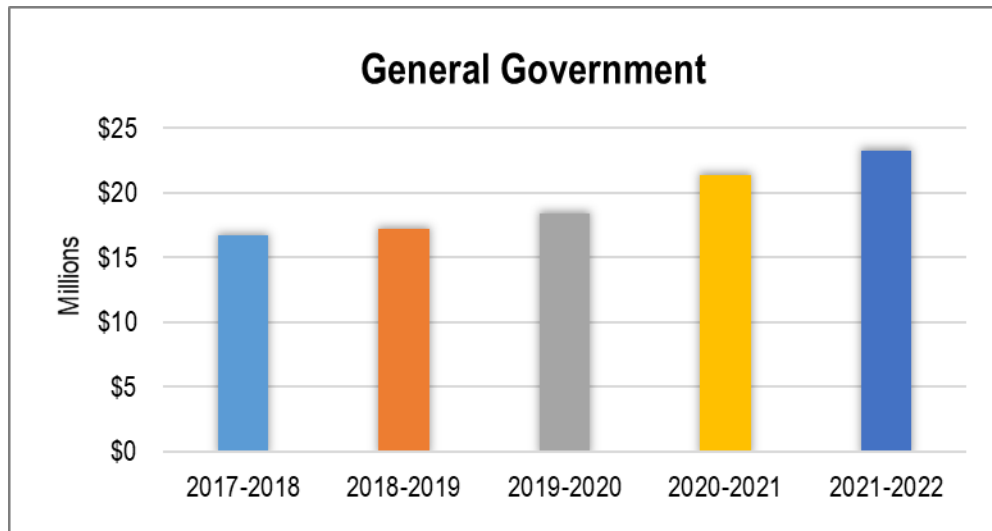
Consolidated Budget Summary



Functional Expenditure Trend Summary

While the City of Hickory’s budget consists of approximately 45 individual departments and divisions, each conducts the business of City government as a part of a functional area. For example, the Police Department is part of the functional area known as Public Safety, as is the Fire Department. Both share the common theme of protecting citizens. Grouping activities by these functions (themes), allows the decision-making process to be managed at broader, more comprehensive levels.

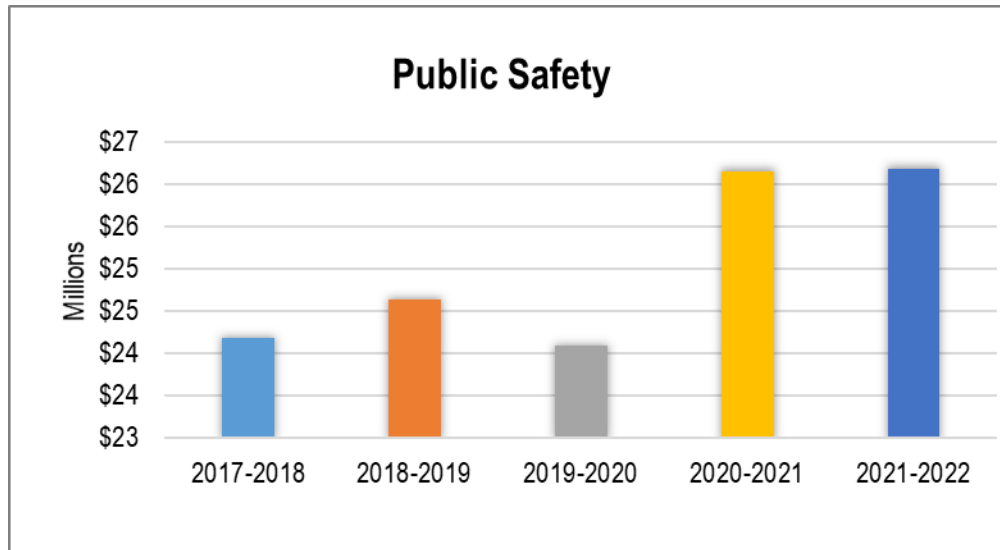
The following is a presentation of the trends for the major functions in the City’s budget. By examining the long-term and short-term progressions of each, the overall dynamics of Hickory’s budget can be better understood. A five-year graph shows the function as it progresses from the FY2017-2018 budget; a table compares the budget expenditure categories for the current budget proposal. The presentation references key departments, which are discussed in depth in either the General Fund, Enterprise Funds, or Other Funds sections.



General Government	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	16,702,258	17,199,615	18,384,078	21,336,524	23,223,468
Dollar Change	769,334	497,357	1,184,463	2,952,446	1,886,944
Percent Change	4.8%	3.0%	6.9%	16.1%	8.8%

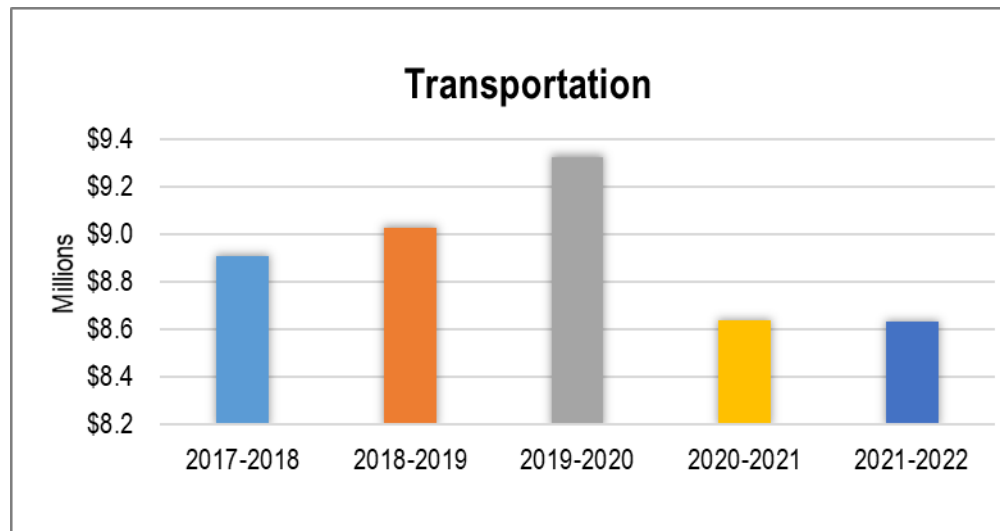
Departments/Divisions: Governing Body, City Manager’s Office, Budget Office, Finance, Legal, Risk Management, City Clerk, Information Technology, Human Resources, Communications Office, Building Services, Engineering, Public Buildings/City Hall, District Court, Fleet Maintenance and Landscape Services.

Consolidated Budget Summary



Public Safety	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	24,179,973	24,636,425	24,087,158	26,151,741	26,177,876
Dollar Change	908,927	456,452	(549,267)	2,064,583	26,135
Percent Change	3.9%	1.9%	-2.2%	8.6%	0.1%

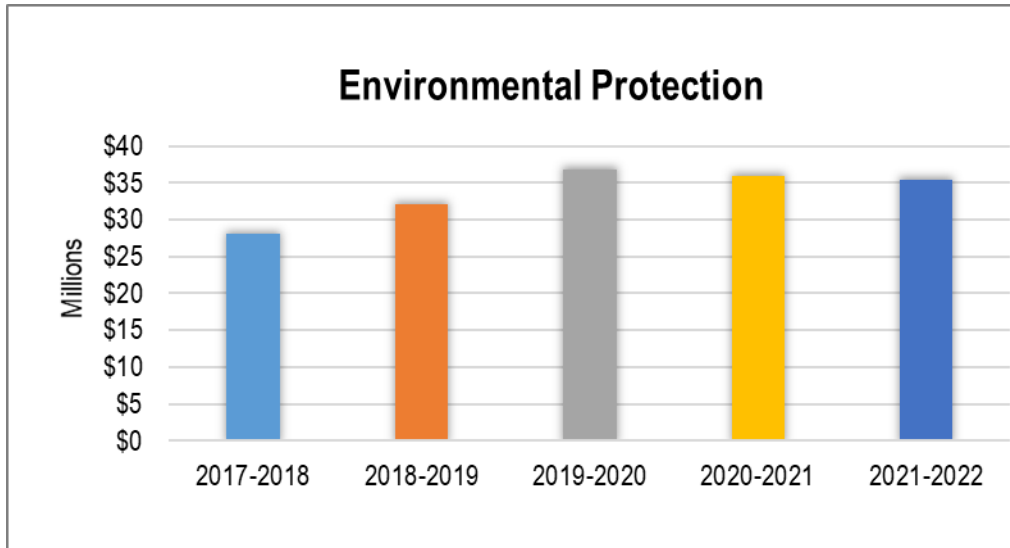
Departments/Divisions: Police, Fire and Volunteer Fire Departments



Transportation	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	8,909,830	9,026,976	9,324,221	8,639,098	8,633,072
Dollar Change	86,766	117,146	297,245	(685,123)	(6,026)
Percent Change	1.0%	1.3%	3.3%	-7.3%	-0.1%

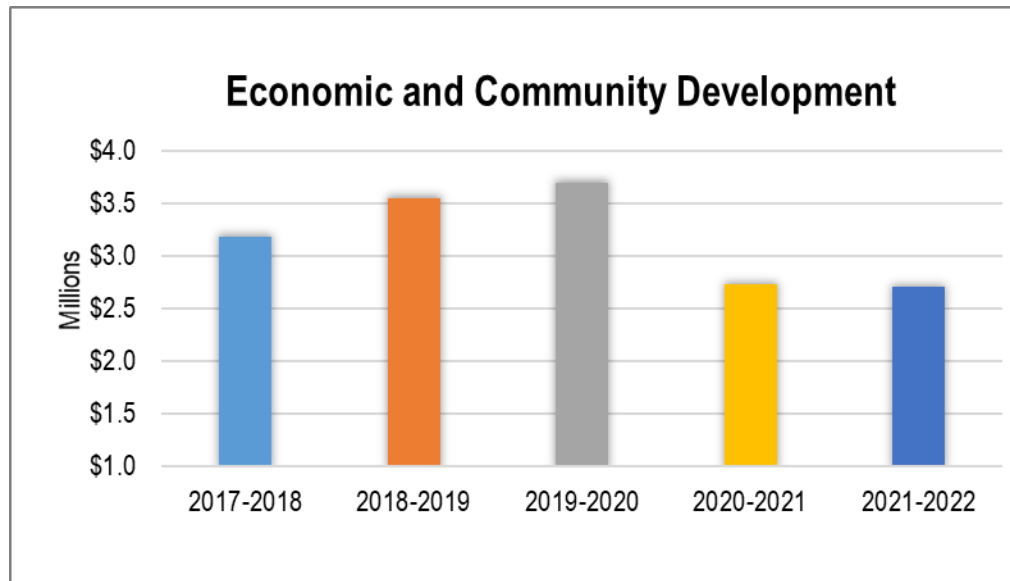
Departments/Divisions: Airport, FBO, Street and Traffic

Consolidated Budget Summary



Environmental Protection	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	28,163,205	32,178,478	36,752,517	35,907,970	35,337,866
Dollar Change	1,681,208	4,015,273	4,574,039	(844,547)	(570,104)
Percent Change	6.3%	14.3%	14.2%	-2.3%	-1.6%

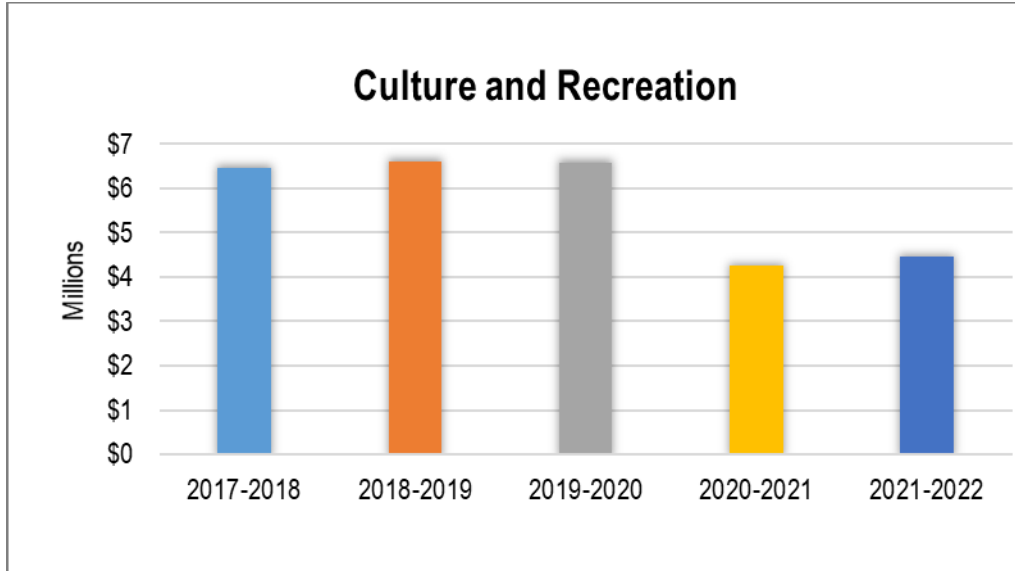
Departments/Divisions: Public Utilities (Water and Sewer), Stormwater, Residential Sanitation, Commercial Bulk Services, Recycling and Sludge Composting Facility



Economic/Community Dev.	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	3,173,774	3,549,443	3,691,666	2,732,844	2,698,807
Dollar Change	192,484	375,669	142,223	(958,822)	(34,037)
Percent Change	6.5%	11.8%	4.0%	-26.0%	-1.2%

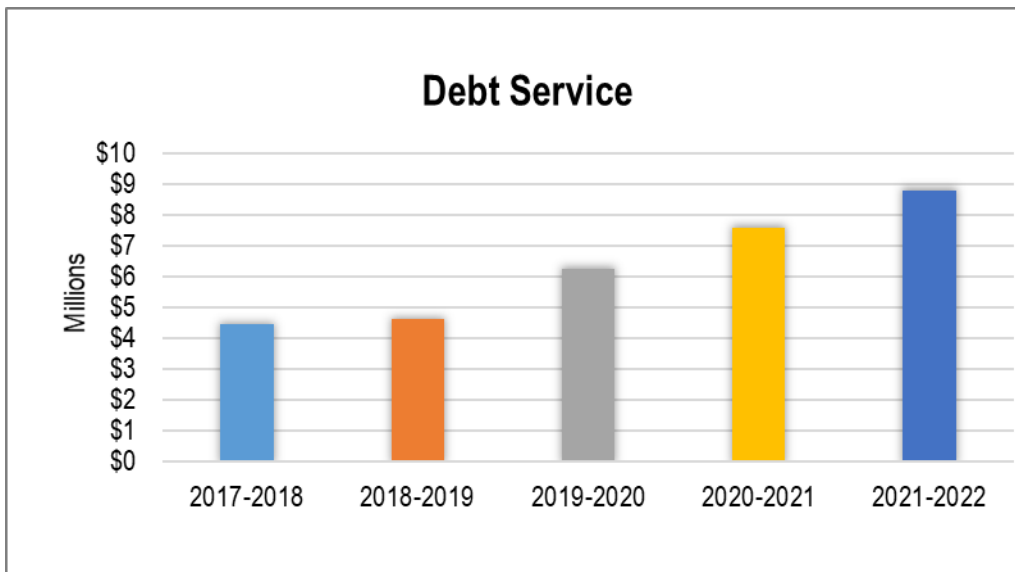
Departments/Divisions: Tourism Development Authority, Special Appropriations (General Fund) and Planning

Consolidated Budget Summary



Culture and Recreation	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	6,459,330	6,613,530	6,558,575	4,245,027	4,448,232
Dollar Change	522,135	154,200	(54,955)	(2,313,548)	203,205
Percent Change	8.8%	2.4%	-0.8%	-35.3%	4.8%

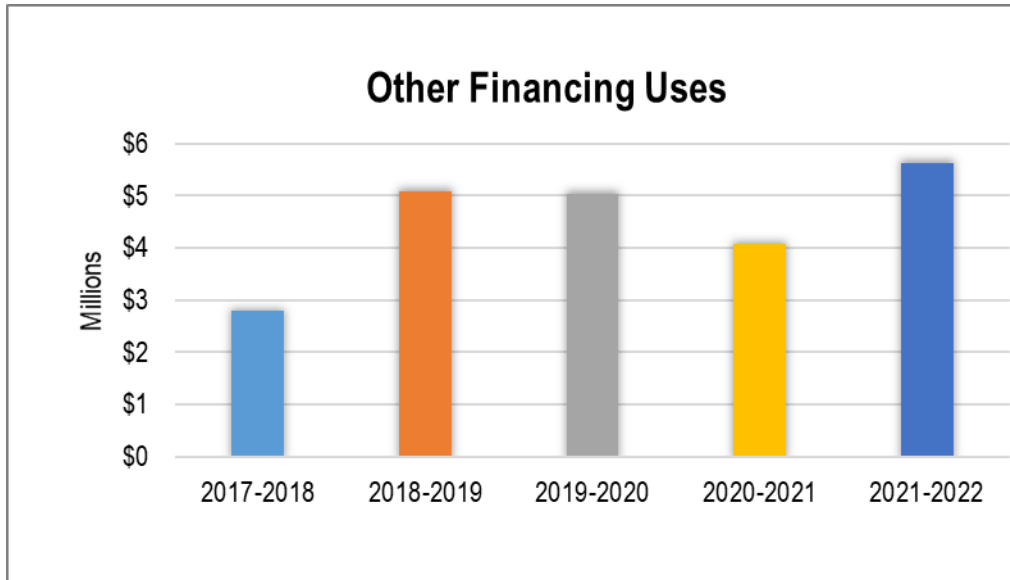
Departments/Divisions: Parks and Recreation, Parks Maintenance, L.P. Frans Stadium and Library



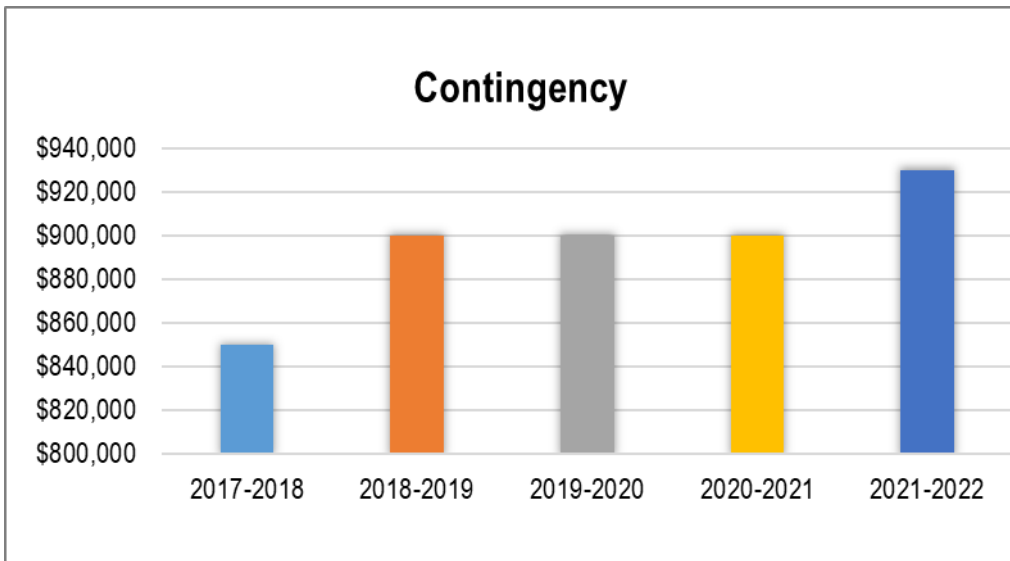
Debt Service	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	4,468,320	4,617,811	6,240,452	7,580,479	8,789,371
Dollar Change	(566,991)	149,491	1,622,641	1,340,027	1,208,892
Percent Change	-11.3%	3.3%	35.1%	21.5%	15.9%

Funds with Debt: General Fund, Water and Sewer Fund, and Solid Waste Fund

Consolidated Budget Summary



Other Financing Uses	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	2,790,274	5,079,671	5,039,922	4,068,596	5,628,141
Dollar Change	(1,227,734)	2,289,397	(39,749)	(971,326)	1,559,545
Percent Change	-30.6%	82.0%	-0.8%	-19.3%	38.3%



Contingency	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Total Budgeted Amount	850,000	900,000	900,000	900,000	930,000
Dollar Change	(180,000)	50,000	-	-	30,000
Percent Change	-17.5%	5.9%	0.0%	0.0%	3.3%

Funds with Contingency: General Fund, Water and Sewer Fund, Transportation, and Solid Waste

Consolidated Budget Summary



Consolidated Fund Balance Discussion

In all City funds at the close of 2019-2020, there was a total of \$63,390,793 in fund balance/unrestricted net position. The Local Government Commission recommends the minimum level of General Fund Balance available for appropriation at 8% of prior years' expenditures. The Hickory City Council has a financial policy striving to maintain a fund balance of 25% of its general operating budget. The reason for this policy is to avoid cash flow interruptions, to generate investment income, to eliminate the need for short-term borrowing, and to have a reserve available in case of sudden emergencies or opportunities.

Going into FY 2021-2022, the City continues to strategically utilize its General Fund Balance to fund various projects and opportunities related to our community's economic growth and development. Along with the ongoing implementation of the Bond Projects, the City has witnessed considerable economic progress over the recent years. A positive result of this has been a steady increase in the City's available General Fund Balance, and we continue to meet and exceed our minimum policy of 25% Unassigned General Fund Balance. The *estimated* Unassigned General Fund Balance as of June 30, 2021 is expected to be approximately 27.1% of the General Fund budgeted amount as we enter FY 2021-2022. For the upcoming Fiscal Year, the City continues to strike an important balance between the need for emergency reserves plus the regular use of Fund Balance for its ongoing operating and capital needs

For all City of Hickory funds, the fund balance/unrestricted net position trends and totals are as follows:

Fund Balance / Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-21 Estimated
General Fund-Unassigned FB	17,872,210	20,116,901	16,495,086	15,957,039
Capital Reserve Fund-Committed FB	5,835,895	5,584,238	4,925,613	6,888,222
Water and Sewer-Unrestricted Net Position	29,612,777	33,554,579	37,522,822	30,170,676
Sludge-Unrestricted Net Position	84,931	321,043	663,821	-
Stormwater-Unrestricted Net Position	771,120	774,036	524,234	572,016
Solid Waste-Unrestricted Net Position	1,492,261	1,212,690	820,703	85,588
Fleet Maint.-Unrestricted Net Position	(1,328,590)	(1,534,154)	(1,663,090)	(805,455)
Transportation-Unrestricted Net Position	252,250	61,916	(969,462)	746,756
Insurance-Unrestricted Net Position	2,540,485	3,515,806	5,071,066	5,510,197
Fund Totals	57,133,339	63,607,055	63,390,793	59,125,041

Consolidated Budget Summary



Staffing Analysis FY 2021-2022

The City has 673 full-time employees. There are 5 new positions added in the FY 2021-22 budget.

New Positions for FY 2021-2022:

- In July 2020 an overhire (Communications and Events Coordinator) was approved for the Communications Department. The previous Bond Project Manager position was utilized to fund this position.
- There was also an overhire Customer Service Representative at the Hickory Regional Airport, which is now included in the full-time employee count. (1)
- A Digital Resources Librarian (Reference Librarian) was approved for the Patrick Beaver Memorial Library. One part-time library assistant was eliminated from the general fund budget to assist in funding the Digital Resources Librarian position. (1)
- Public Utilities is now funding a position housed in Finance/Collections (previously in Utilities office) and was approved to hire a Public Utilities Technician to assist with phones and work load left behind in that change. (1)
- Firefighter (1) to assist with staffing levels and leave time.
- 3rd Shift Airport Line Technician to handle the overnight workload from increasing traffic of cargo transporters.

Other Personnel Changes

Airport: To better manage maintenance and repair at the Hickory Regional Airport, one full-time Line Tech position was reclassified to Airport Maintenance Coordinator.

Finance: The Deputy Finance Officer was reclassified to Assistant Finance Officer.

Fire: A Senior Firefighter was promoted and reclassified as Special Operations Coordinator. The Fire System Analyst was retitled to Fire Accreditation Manager to better reflect the job duties.

Human Resources: The HR Administrative Technician was reclassified to HR Generalist due to the nature and complexity of the duties that have been added to the position.

Human Resources/Risk Division: A part-time Safety Liaison position was added for on-site safety inspections and safety training for the workforce. The Risk Management position was reclassified from Grade 21 to Grade 22 to match market rates and assist with recruitment.

Office of Business Development/Planning: The Planner position was reclassified to a Senior Planner position due to difficulty recruiting at the lower grade.

Parks, Recreation and Sports Tourism: After an almost year-long cessation of sports programming, PRST was able to call back one of three Senior Recreation Programmers furloughed in 2020. The position was reclassified to Sports Coordinator and will take on additional duties beyond programming. Several part-time furloughed employees have also been called back to work as the center and activities were able to open to more patrons.

Police: The department restructured the Communications Center to better match the structure of personnel on the police operations side. The new structure now consists of one Communications Center Supervisor, 2 lead Communications positions and telecommunicators. To allow for growth, the department also created a Senior Telecommunicator position for more experienced telecommunicators to advance. A Police Sergeant was also reassigned to be the Code Enforcement Supervisor.

Consolidated Budget Summary

Public Services: The assistant directors for Public Utilities and Public Works were reclassified and promoted to Director of Public Utilities and Director of Public Works, respectively. The former Public Services Director position was reclassified to Construction Project Manager and will report to the Public Works Director. The Central Services coordinator was reclassified to Central Services Supervisor to better reflect the duties and responsibilities of that position. There was additional restructuring and adding of responsibilities which resulted in the reclassification of the Landscape Services Manager to Parks and Public Properties Manager. The Transportation Manager was reclassified to Transportation and Engineering Manager as supervision of the Engineering Department was added to the duties.

Public Utilities: The Public Utilities Specialist was reclassified to Public Utilities Budget Coordinator to take on additional duties and supervisory responsibilities.

Consolidated Budget Summary



Staffing Analysis	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budgeted
Administration - City Manager's Office	5	5	6	6	6	6
Communications	3	3	3	3	3	4
Budget	1	1	1	1	1	1
Bond Project Manager	1	1	1	1	1	0
Human Resources	5	5	6	6	6	6
Risk	2	2	2	2	2	2
City Clerk	1	1	1	1	1	1
Engineering	7	7	6	6	6	6
Finance	20	20	18	18	18	18
Legal	2	2	2	2	2	2
Public Services						
Building Services	6	6	6	6	10	10
Landscape Services	17	17	17	17	36	36
Central Services	7	7	7	7	7	7
Fleet Maintenance	12	12	12	12	12	12
Information Technology	8	8	8	9	9	9
Public Safety						
Fire	135	135	135	137	138	139
Police	152	152	152	152	157	157
Transportation						
Airport	8	8	10	10	10	12
Public Services						
Streets	43	43	43	43	43	43
Traffic	11	11	11	11	11	11
Environmental Protection						
Public Services						
Sanitation - Commercial	11	11	11	11	11	11
Sanitation - Residential	12	12	12	12	12	12
Stormwater	1	1	1	1	1	1
Public Utilities Administration	11	11	11	11	12	13
Henry Fork Plant	10	10	10	10	10	10
Northeast Plant	11	11	11	11	11	11
Pretreatment and Labs	7	7	7	7	7	7
Collection System (Pump Stations)	13	16	16	16	16	16
Distribution System (Construction)	35	33	33	33	33	33
Water Plant	11	12	12	12	12	12
Claremont	2	2	2	2	2	2
Catawba	3	3	3	3	3	3
Recycling	13	13	13	13	13	13
Economic and Community Development						
Planning	8	8	10	10	10	10
Culture and Recreation						
Library	18	18	17	17	17	18
Parks and Recreation	18	18	18	19	19	19
Maintenance	24	24	24	23	0	0
Total	654	656	658	661	668	673

About City Services



When we think of Hickory City government, we often think only of the City Hall building at 76 North Center Street. City government, however, is not made of concrete and steel, but the men and women who put out fires, repair potholes, and perform hundreds of other services all across the City. Because the number of services is so vast and involves over 45 City departments and divisions, the sometimes overwhelming search for information leaves many citizens with the same question: "Where do I go to find out about...?"

Because City government never exists in one place at one time, it is impossible to adequately present all of the services provided by City employees. However, thanks to the Internet, we can point the reader to the people who can best answer questions. The following is a short "virtual tour" of City services, which attempts to provide some background about City departments and divisions. You can access City departments directly through the e-mail addresses indicated.

ACTION CENTER

The Action Center provides a single point of contact for inquiries and service requests from citizens and businesses. The Action Center is the first step to getting answers to questions about City government. Call (828) 323-7400. The Action Center is particularly recommended for those who might have more general questions about City government, or who do not have access to the Internet.

AIRPORT (tclark@hickorync.gov)

The Airport Department is responsible for the maintenance and operation of the City's airport according to City policy and Federal Aviation Administration (FAA) regulations. The Airport Director supervises general airport operations, Airport Tower operations and the FBO (Fixed Base Operations). Promotion of the services that are offered at the Hickory Regional Airport is the responsibility of this department. The airport features commercial air service, free parking, a café, a conference room for meetings, and several car rental agencies.

BUDGET OFFICE (jrosales@hickorync.gov)

The Budget Office assists the City Manager's Office in the preparation of the annual budget for adoption by the City Council. The budget is monitored throughout the fiscal year through budget reports, amendments and trend analysis. This office also compiles and reviews departmental performance measures, goals, objectives, and conducts special management studies.

CITY CLERK'S OFFICE (dmiller@hickorync.gov)

The City Clerk's Office is located on the third floor of the Julian G. Whitener Municipal Building. The City Clerk provides information about City Council meetings and minutes, City ordinances, applications for Boards and Commissions, and official City records. The orientation of all boards and commissions, as well as the publicizing of these groups' meetings, is also a role of the City Clerk's Office.

CITY COUNCIL (see www.hickorync.gov for e-mail addresses)

The Mayor and six members of the City Council are the elected representatives of City of Hickory residents. The City Council is the legislative and policy-making body of the City and, as such, is charged with making decisions and formulating public policy based on community needs. The Governing Body adopts the annual budget that is designed to allocate available funds as efficiently and effectively as possible in order to ensure that residents receive the highest levels of service at the lowest possible cost. The City Council meets on the first and third Tuesday of each month and holds special planning sessions, as well as an annual Council-Staff Work Session. Communications with the City Council can be directed to the City Manager's Office.

About City Services



CITY MANAGER'S OFFICE (wwood@hickorync.gov)

The City Manager's Office is located on the third floor of the Julian G. Whitener Municipal Building. It is the responsibility of the City Manager's Office to professionally manage all City operations and to execute policy as directed by the City Council and prescribed by the North Carolina General Statutes. The City Manager's Office advises City Council on issues related to municipal operations. In addition to daily interaction with department heads and staff, the City Manager's Office holds monthly functional meetings covering the following areas: Administrative Issues, Economic and Community Development, Environmental Issues, Transportation, Leisure Time Activities, Public Safety, Public Properties, Neighborhoods, and General Staff. In addition, the City Manager's Office plans the annual Council-Staff Work Session and special Council planning sessions during the budget development process.

COMMUNICATIONS OFFICE (dkaminske@hickorync.gov)

The Communications Office provides citizens, businesses, organizations, visitors and employees with information about Hickory, its goals, projects, public awareness campaigns, programs, and events through various media venues, www.hickorync.gov, speaking engagements and more. The Communications Office also heads the Brand initiative for the City of Hickory. In addition to coordinating the Neighborhood College, this office conducts special projects, assists all City departments and boards and commissions with their communications needs, and maintains the City's websites.

FINANCE (mmiller@hickorync.gov)

The Accounting and Purchasing Divisions of the Finance Department are located on the third floor of the Julian G. Whitener Municipal Building. The Billing and Collections Divisions are located on the second floor of the Julian G. Whitener Municipal Building. The Finance Department, in accordance with ordinances, handles all City-related financial matters and financial policies enacted by the City Council as well as North Carolina statutes. The Finance Officer manages the City's investment program. The Finance Department also is responsible for the preparation of the Comprehensive Annual Financial Report.

FIRE (mhutchinson@hickorync.gov)

Fire Station 1 located at 19 2nd Street NE is headquarters for Fire Administration. The Fire Chief's office is located at the headquarters station. Fire Education and Fire Prevention offices are located on the second floor of the Julian G. Whitener Municipal Building. The City of Hickory Fire Department operates out of six community-based locations along with one aircraft fire rescue station located at the Hickory Regional Airport. All fire stations are staffed with full time personnel working a twenty-four shift schedule. The Hickory Fire Prevention Bureau can assist with information on fire code, plan reviews and fire code inspections for all types of occupancy classification. Fire Prevention issues permits for installation of fire alarms, sprinkler systems, other related fire protection systems, storage tank installation and removal, including special events.

HUMAN RESOURCES (cmain@hickorync.gov)

The Human Resources Department is located on the third floor of the Julian G. Whitener Municipal Building. All employment applications and inquiries are processed in this division. This division also administers the benefits package for City employees and conducts employment searches for department heads and other staff positions.

- **Risk Management (mfriar@hickorync.gov)** - The Risk Management Division of the Human Resources Department is located on the third floor of the Julian G. Whitener Municipal Building. The Risk Manager assures the safety of all coworkers and also manages City property, insurance procurement and administration, the safety program, and ADA compliance. The Risk Manager chairs the Coworker Safety Committee.

INFORMATION TECHNOLOGY (mwoods@hickorync.gov)

The Information Technology Department is located on the third floor of the Julian G. Whitener Municipal Building. This department operates and installs the City's computer systems and networks, provides technical support and training to City departments.

About City Services



LEGAL (adula@hickorync.gov)

The Legal Department is located on the third floor of the Julian G. Whitener Municipal Building and provides in-house legal counsel to City departments. The Legal Department assists staff in answering questions about City ordinances and legal procedures. The Deputy City Attorney provides legal counsel and advice to the City Council, City Manager and City departments.

LIBRARY (sgreene@hickorync.gov)

The City of Hickory operates two libraries, the Patrick Beaver Memorial Library and Ridgeview Library. The Patrick Beaver Memorial Library is a state-of-the-art facility that opened in January 1998. The Ridgeview branch opened in the Spring of 1998. The libraries are committed to providing timely and accurate information for the citizens of the community, enhancing the informational literacy of customers, and stimulating the interest of citizens in reading and learning. The libraries provide audiovisual collections, reference materials, children's collections and access to the internet. The libraries' patrons include residents of Hickory and at least four surrounding counties.

OFFICE OF BUSINESS DEVELOPMENT

- **Community Development / Housing Division (dleonetti@hickorync.gov)**

The Community Development Division is located within the Planning and Development Department on the second floor of the Julian G. Whitener Municipal Building. The Community Development Staff is available to answer questions concerning housing rehabilitation funds, low- income housing, home ownership/down payment assistance, fair housing and Community Development Block Grants (CDBG) for improvement projects in lower income neighborhoods.

- **Economic Development Division (bfrazier@hickorync.gov)**

The Economic Development Division is located within the Planning and Development Department on the second floor of the Julian G. Whitener Municipal Building. Marketing the City of Hickory to interested developers outside the area is a key economic development function of this division. The Economic Development Staff is available to answer questions concerning assistance in location of new or expanded commercial and industrial businesses within the City of Hickory.

- **Planning and Development Division (bfrazier@hickorync.gov)**

The Planning and Development Division is located on the second floor of the Julian G. Whitener Municipal Building. Planning staff is responsible for enforcing zoning, subdivision regulations, property uses, assisting with thoroughfare plans and annexations, managing historic preservation, public art and community appearance, and maintaining watershed regulations. The Permit Assistance Center is housed in the Planning Division. This division also staffs the Hickory Regional Planning Commission and is additionally responsible for staffing and promoting the work of the Historic Preservation Commission, the Public Art Commission and Community Appearance Commission, as well as maintaining the City's historic resources inventory. The Planning and Development Division also coordinates the City of Hickory's transportation systems and assists other departments, including the Airport and Transit departments, with transportation planning, grant applications, and contacts with outside agencies.

PARKS, RECREATION AND SPORTS TOURISM (mseaman@hickorync.gov)

The Parks, Recreation and Sports Tourism Department is located at 1451 8th Street Drive NE. The City operates five general and two senior citizen recreation centers, eighteen parks (active and passive) consisting of 428 acres. Athletic league games, special events and instructional programs for youth, adult, and senior groups are provided in large numbers. The recreation centers offer classes in arts and crafts, ceramics and many other activities to all age groups.

PERMIT ASSISTANCE CENTER (bfrazier@hickorync.gov)

The Permit Assistance Center, a subdivision of the Planning and Development Division within the Office of Business Development, is located on the second floor of City Hall and provides guidance and assistance to property owners and

About City Services



developers in obtaining development approvals for residential and commercial projects. The PAC also coordinates approval of permits for Special Events throughout the City.

POLICE (twhisnant@hickorync.gov)

The Hickory Police Department is located at 347 2nd Avenue SW. The administrative offices of the Chief of Police, Patrol Division, Support Services Division, Animal Control Unit, Criminal Investigations Division, and Code Enforcement are housed at this facility. The Hickory Police Department also offers a Victim Assistance Program and many other community education services. The Hickory Police Department uses a community policing approach in its daily work activities.

PUBLIC SERVICES DEPARTMENT (smiller@hickorync.gov)

The Public Services Department is located at 1441 9th Avenue NE and includes the following divisions and services:

- **Central Services (wberry@hickorync.gov)** - This division provides office support to all divisions within Public Services. Customer inquiries, complaints, and service requests regarding Public Services divisions are fielded by this division and forwarded to the proper individuals for prompt response.
- **Landscape and Grounds Services (jhogan@hickorync.gov)** - This division is responsible for City cemetery maintenance, planting and landscaping of City properties, and maintaining City properties including all park facilities and L.P. Frans Stadium.
- **Fleet Maintenance (babernathy@hickorync.gov)** - This division maintains and repairs City vehicles and equipment.
- **Street (ckone@hickorync.gov)** - This division is responsible for curb and gutter installation, sidewalks, driveway entrance construction, pothole repair, and street maintenance (sweeping, cleaning, and right-of-way mowing). This division also handles snow removal, storm drain repairs, and mowing of overgrown lots. Each year the City Council adopts a paving list that identifies all streets to be paved/resurfaced in the upcoming fiscal year. The Street Division assists the Engineering Division in preparation of the list and executes work as directed by Council.
- **Public Utilities (spennell@hickorync.gov)** - This division provides safe drinking water to residents of the area and treats wastewater prior to its release into the environment. The Hickory Water Treatment Plant is located at 1560 Old Lenoir Road and has a 32 million gallon per day capacity. The City of Hickory operates two wastewater treatment plants, the Henry Fork Wastewater Treatment Facility (nine million gallons per day capacity) and the Northeast Wastewater Treatment Facility (six million gallons per day capacity). This division also handles questions concerning the availability and repair of water and sewer lines. Water tap connections can be arranged through the Billing and Collections Division of the Finance Department located in the Municipal Building. The Pretreatment/Lab Division provides professional services to the other divisions in the Public Utilities.
- **Sanitation (aballentine@hickorync.gov)** - This division manages routine garbage pickup in addition to several other waste removal services. Regular yard waste, such as leaves, grass clippings, and shrubbery trimmings, are collected curbside weekly on the same day as residential garbage pickup. Additional assistance is available for citizens with disabilities. A special pickup is available on Tuesdays and Thursdays for items such as appliances, furniture, yard waste, and bulky tree debris. Curbside leaf collections occur in the fall, and residents are notified in advance through the local media. Due to the City operating leaf vacuum trucks, the citizens do not need to bag their leaves for collection.
- **Traffic (ckone@hickorync.gov)** - All traffic signals within City limits are maintained by this division for the North Carolina Department of Transportation (NCDOT). Traffic signals, traffic markings, and street signs all fall under the responsibility of this division.

About City Services



- **Engineering (ckone@hickorync.gov)** - The Engineering Division is located on the second floor of the Municipal Building. The City Engineer and staff provide professional engineering and surveying services, transportation planning, and can answer questions related to street paving petitions, curb and gutter petitions, sidewalk petitions, driveway permits, city maps, and physical addresses. This division also prepares long-range plans for street and drainage improvements, and assists other City departments in construction and engineering efforts.

About City Services



The following is a telephone listing of City services. To get answers to specific questions, you can call the number directly.

ACTION CENTER/CUSTOMER SERVICE	323-7400
ADDRESS ASSIGNMENT	323-7422
AIRPORT	323-7408
ANIMAL CONTROL	324-2060
BILL INQUIRIES	323-7424
BILLING AND COLLECTIONS	323-7424
BROKEN WATER OR SEWER LINES	323-7427
BUDGET	261-2200
BUILDING CODE REQUIREMENTS	465-8399
BUILDING PERMITS	465-8399
BURNING PERMITS	323-7420
BUS SYSTEM – Greenway public transportation	464-9444
BUSINESS LICENSES	323-7424
CEMETERY OFFICE	323-7500
CITY CLERK	323-7409
CITY MANAGER	323-7412
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	323-7414
CURB AND GUTTER PETITIONS	323-7416
CURB CUTS	323-7500
DEVELOPMENT ASSISTANCE CENTER	323-7410
DOWNPAYMENT ASSISTANCE PROGRAM	323-7414
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About City Services

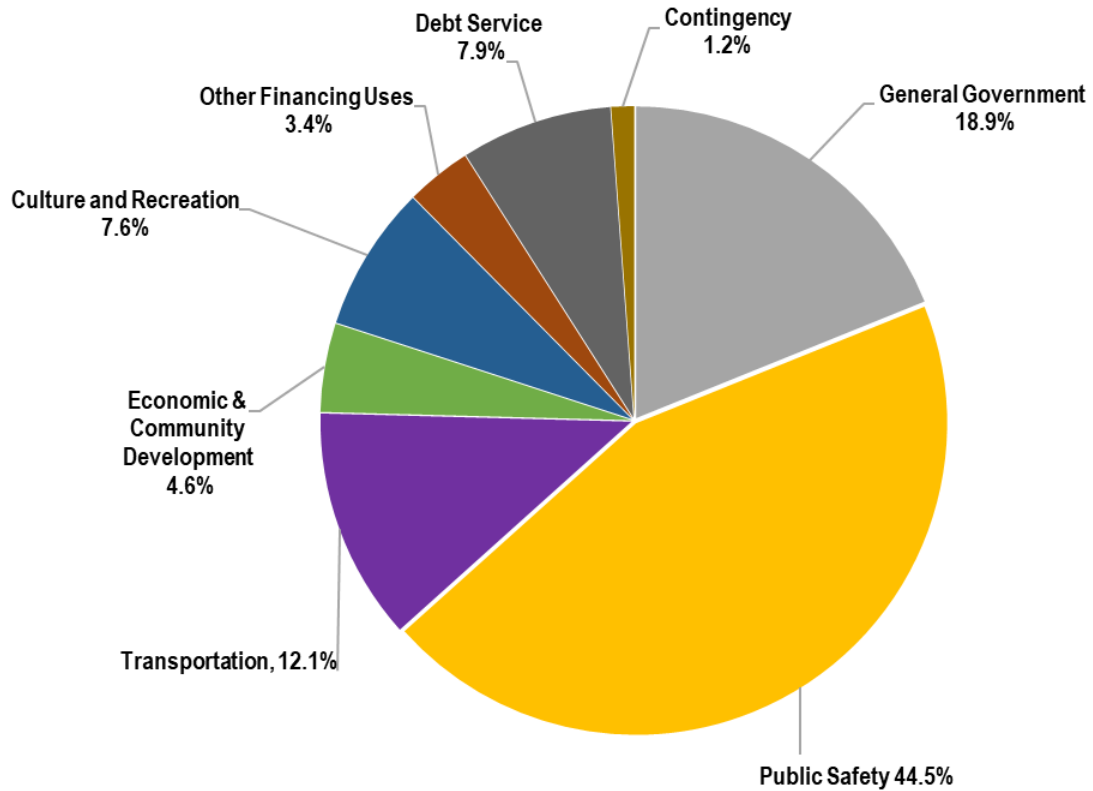


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General Fund

The General Fund accounts for all financial resources not restricted to specific purposes or otherwise required to be accounted for in another fund. The following functional areas are included in the General Fund: General Government, Public Safety, Transportation, Economic and Community Development, Culture and Recreation, Other Financing Uses, Debt Service, and Contingency.

GENERAL FUND EXPENDITURES BY FUNCTIONAL AREA



General Fund



General Fund Revenue by Category	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Ad Valorem Taxes	30,360,326	30,640,000	33,548,000	9.5%
Other Taxes	17,224,185	16,510,000	18,178,727	10.1%
Unrestricted Intergovernmental	641,067	660,000	675,000	2.3%
Restricted Intergovernmental	3,416,658	2,335,841	2,265,901	-3.0%
Licenses and Permits	4,480	4,575	4,575	0.0%
Sales and Services	1,141,092	1,222,428	1,193,227	-2.4%
Investment Earnings	617,395	300,000	100,000	-66.7%
Miscellaneous	329,589	722,000	322,000	-55.4%
Other Financing Sources	4,965,634	4,089,001	2,572,085	-37.1%
Revenue Total	\$ 58,700,426	\$ 56,483,845	\$ 58,859,515	4.2%
Per Capita	\$ 1,434	\$ 1,372	\$ 1,421	

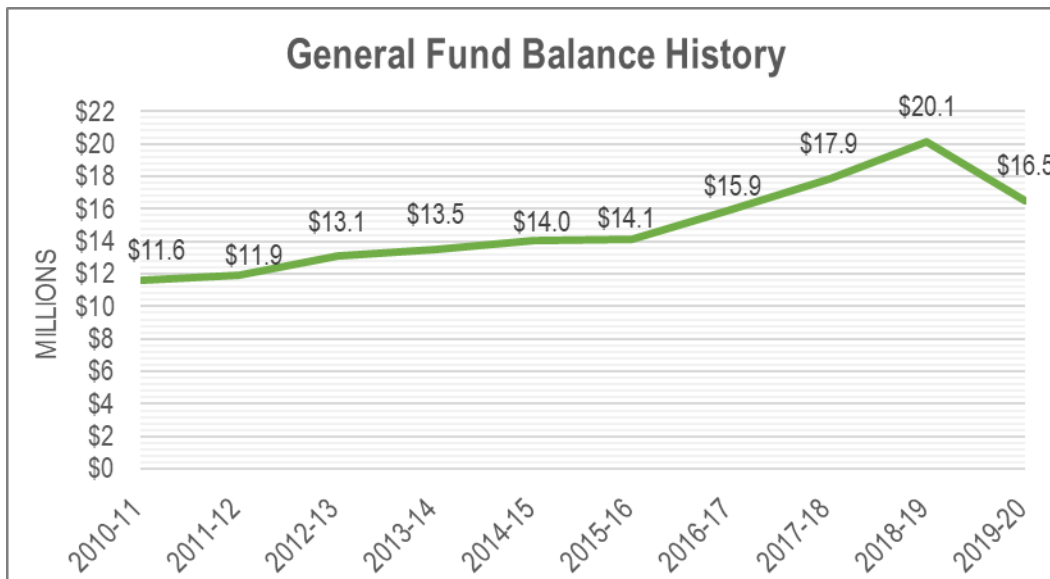
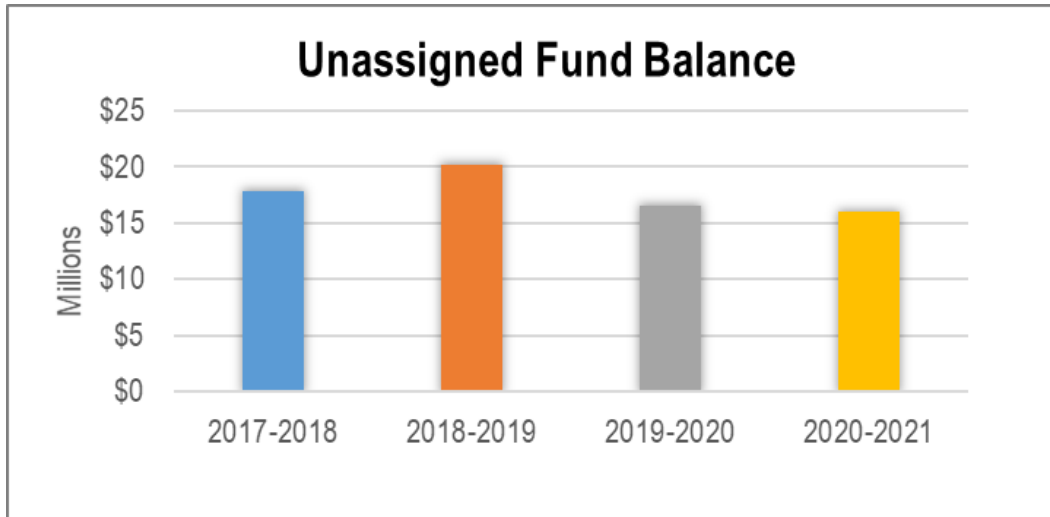
General Fund Expenditure by Category	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	31,904,023	35,185,986	36,423,639	3.5%
Operations	13,095,740	13,190,280	13,755,823	4.3%
Capital	4,651,396	3,956,210	4,011,151	1.4%
Contingency	-	700,000	700,000	0.0%
Board / Agency Funding	1,246,214	1,117,111	915,342	-18.1%
Debt Service	2,059,528	4,002,768	4,628,400	15.6%
Interfund Transfers	9,646,433	1,801,298	1,990,107	10.5%
Pro Rata Reimbursement	(3,392,644)	(3,469,808)	(3,564,947)	2.7%
Expenditure Total	\$ 59,210,690	\$ 56,483,845	\$ 58,859,515	4.2%
Per Capita	\$ 1,447	\$ 1,372	\$ 1,421	

General Fund

General Fund Balance

The unassigned General Fund Balance is projected to be \$15,957,039 on June 30, 2021. Going into FY 2021-2022, this is approximately 27.1% of the budgeted General Fund amount.

Unassigned Fund Balance	2017-2018	2018-2019	2019-2020	2020-2021
General Fund	17,872,210	20,116,901	16,495,086	15,957,039
Dollar Change	1,963,418	2,244,691	(3,621,815)	(538,047)
Percent Change	26.7%	42.6%	3.7%	-10.7%



Additional information about the City Council may be obtained by calling
The City Manager's Office at 828.323.7412

Functional Area: General Government

Mission Statement

To adopt ordinances, rules and regulations as may be necessary or appropriate to protect the health, life or property, or to preserve or promote the comfort, convenience, security, better government, or general welfare of the City and its inhabitants.

2020/2021 Accomplishments

- Adopted City Council's Goals and Objectives and a financial policy for the ensuing fiscal year
- Continued to support the recommendations from Hickory's master plans and initiatives in the areas of Environment, Culture and Recreation, Transportation, Economic Development, Public Safety, Public Properties, Administration, and Fiscal Policy
- Participated in extended sessions during the 5th Annual Council Staff Work Session

2021/2022 Goals and Objectives

- **Goal:** Grow current and new economic development opportunities for the City
 - **Objective:** Market and promote product development and economic growth, repurpose redevelopment with various programs and incentives, and support the recommendations from Hickory's Bond Commission
- **Goal:** Enhance special events and programs within the City
 - **Objective:** Promote and partner with the community and various organizations with City branded events
- **Goal:** Engage the community with more involvement opportunities and promote the City
 - **Objective:** Support community partnerships and community donors to specific projects in public spaces

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of Public Hearings	190	188	194	195
# of City Council Meetings	24	24	24	24
Efficiency				
General Fund Balance as a % total budget	34%	40%	49%	40%
Effectiveness				
# of years with no increase in property tax	2	1	1	1

Hickory City Council



The members of the City Council are the elected representatives of the City of Hickory. The City Council is the legislative and policy-making body of the City, and as such, is charged with making decisions and formulating public policy based on community needs. The City Council adopts an annual budget that is designed to allocate available funds as efficiently and effectively as possible in order to ensure that residents receive the highest levels of service at the lowest possible cost. The City Council meets on the first and third Tuesdays of each month and holds special planning sessions, as well as an annual Council-Staff Planning Session. Communications with the City Council can be directed to the City Manager's Office.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	510,462	509,977	523,141	2.6%
Operations	190,696	176,836	251,825	42.4%
Pro Rata Reimbursement	(200,030)	(204,031)	(208,112)	2.0%
Expenditure Total	\$ 501,128	\$ 482,782	\$ 566,854	17.4%
Per Capita	\$ 12.25	\$ 11.73	\$ 13.69	16.7%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	501,128	482,782	566,854	17.4%
Revenue Total	\$ 501,128	\$ 482,782	\$ 566,854	17.4%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Part Time	7	7	7	0.0%
Total	7	7	7	0.0%

Additional information about the City Manager's office may be obtained by calling Warren Wood, City Manager, at 828.323.7412 or wwood@hickorync.gov

Functional Area: General Government

Mission Statement

To conduct the overall administration of the City as prescribed by the North Carolina General Statutes. As administrative head of the City Government, the City Manager coordinates all city activities in accordance with the adopted City Council Goals and Objectives and carries out all policies and actions of the City Council.

2020/2021 Accomplishments

- Managed the implementation of City Council's Goals and Objectives
- Coordinated all activities associated with attracting and retaining jobs and people, economic growth and transportation, quality of life and natural environment, operational excellence, vision and leadership and communication and marketing
- Continued pursuit of mutually beneficial projects with the Hickory Metro local governments

2021/2022 Goals and Objectives

- **Goal:** Implement City Council's Priorities and Action Plan through effective and efficient operation of City Services
 - **Objective:** Oversee adoption and implementation of the City's budget in compliance with the Local Government Budget and Fiscal Control Act
 - **Objective:** Continue working with staff, City boards, commissions, and task forces to implement priorities and action plan

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of inquiries/concerns to the City Manager's Office per year	20	32	34	25
# of community presentations and speaking engagement by the City Manager per quarter	4	5	4	7
Efficiency				
% of presentations/speaking engagements per quarter	100%	100%	100%	100%
Effectiveness				
% of inquiries/concerns responded to / actioned within 3 business days per quarter	90%	90%	90%	95%

City Manager's Office



The City Manager's Office is located on the third floor of the Julian G. Whitener Municipal Building. It is the responsibility of the City Manager's Office to professionally manage all City operations and to execute policy as directed by the City Council and prescribed by the North Carolina General Statutes. The City Manager's Office advises City Council on issues related to municipal operations. In addition to daily interaction with department heads and staff, the City Manager's Office holds monthly functional meetings covering the following areas: Administrative Issues, Economic and Community Development, Environmental Issues, Transportation, Leisure Time Activities, Public Safety, Public Properties, Neighborhoods, and General Staff. In addition, the City Manager's Office plans the annual Council-Staff Work Session and special Council planning sessions during the budget development process.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	951,955	943,012	1,012,198	7.3%
Operations	120,126	122,544	183,101	49.4%
Capital	-	4,200	6,200	47.6%
Pro Rata Reimbursement	(210,973)	(215,825)	(220,142)	2.0%
Expenditure Total	\$ 861,108	\$ 853,931	\$ 981,357	14.9%
Per Capita	\$ 21.04	\$ 20.74	\$ 23.70	14.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	861,108	853,931	981,357	14.9%
Revenue Total	\$ 861,108	\$ 853,931	\$ 981,357	14.9%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
Total	7	7	7	0.0%

Additional information about the Office of Communication may be obtained by calling Dana Kaminske, Communication and Marketing Manager, at 828.261.2289 or dkaminske@hickorync.gov

Functional Area: General Government

Mission Statement

The Office of Communications provides information to citizens, businesses, and organizations about the City's day to day activities, as well as projects, events, and accomplishments. Information is posted on www.HickoryNC.gov and distributed to the public through media releases, e-newsletters, City Snippets, social media, videos, and various other outlets. This office oversees City websites, including MYHKY.com, and "Life. Well Crafted." brand activities/events and partnerships.

2020/2021 Accomplishments

- Redesigned www.HickoryNC.gov for better user ability and enhanced visual appeal
- Continued public information to citizens about bond project updates and City development via increasing social media reach, event notifications, www.HickoryNC.gov website, and through the use of videos about Hickory
- Marketed and measured www.MyHKY.com virtual tour of Hickory to external markets to recruit people to live, work, and visit

2021/2022 Goals and Objectives

- **Goal:** Bring awareness to the City of Hickory as a viable option for living, working, and visiting through www.MyHKY.com
 - **Objective:** Increase the overall impressions and clicks-throughs with marketing campaigns to external audiences across the United States and to local HR and business recruiters and developers
- **Goal:** Drive traffic to the Crafting Hickory section of www.HickoryNC.gov to bring additional awareness to the projects
 - **Objective:** Showcase all project updates through social media and e-newsletter links to that site
- **Goal:** Drive traffic to www.HickoryWellCrafted.com page to increase awareness to the City's overall marketing messages, as well as the Doers and Makers section for recruitment and quality of living messages to the public
 - **Objective:** Showcase Hickory's marketing and branding messages on www.HickoryWellCrafted.com with highlights of Doers and Makers, Hickory's Trending, Hickory videos, partnerships, presentations, and www.HickoryEventsCalendar.com

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of Facebook "Followers" (annually)	10,909	13,111	15,078	17,340
# of HickoryNC.gov unique visitors (annually)	295,508	310,176	315,000	320,000
Efficiency				
% increase of "Facebook Followers" (annually)	New Measure	20.2%	15%	15%
# of pages viewed per user on HickoryNC.gov (annually)	2.11	2.05	2.20	2.25
Effectiveness				
# of people viewing the MyHKY.com page (quarterly)	1,289 (Apr-Jun)	244 (Jul-Sept) 225 (Oct-Dec) 248 (Jan-Mar) 1607 (Apr-Jun)	2,400 Avg 3,133 (Jul-Sept) 2,510 (Oct-Dec)	2,600 Avg

Communications



The Communications Office provides citizens, businesses, organizations, visitors and employees with information about Hickory, its goals, projects, public awareness campaigns, programs, and events through various media venues, www.hickorync.gov, speaking engagements and more. The Communications Office also heads the Brand initiative for the City of Hickory. In addition to coordinating the Neighborhood College, this office conducts special projects, assists all City departments and boards and commissions with their communication needs, and maintains the City's websites.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	272,427	268,352	328,005	22.2%
Operations	38,825	45,853	58,496	27.6%
Capital	2,075	2,075	5,400	160.2%
Pro Rata Reimbursement	(45,191)	(46,095)	(47,017)	2.0%
Expenditure Total	\$ 268,136	\$ 270,185	\$ 344,884	27.6%
Per Capita	\$ 6.55	\$ 6.56	\$ 8.33	26.9%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	268,136	270,185	344,884	27.6%
Revenue Total	\$ 268,136	\$ 270,185	\$ 344,884	27.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	3	3	4	33.3%
Part Time/Seasonal	-	-	1	100.0%
Total	3	3	4	33.3%

Risk Management



Additional information about the Risk Management Division may be obtained by calling Mitch Friar, Risk Manager, at 828.323.7442 or mfriar@hickorync.gov

Functional Area: General Government

Mission Statement

To minimize local government risk by administering comprehensive and proactive, workers compensation, insurance, safety, education and ADA programs that are in compliance with local, state and federal laws and regulations.

2020/2021 Accomplishments

- Added a part-time safety liaison to conduct safety inspections and to assist with safety training
- Developed a Safety Committee and began monthly meetings to discuss safety issues/improvements and to enhance safety communication throughout the organization
- Continued development of the City's ADA transition plan and formed an in-house steering committee

2021/2022 Goals and Objectives

- **Goal:** Provide a safe and hazard free workplace for employees through proactive training and inspections
 - **Objective:** Provide support and expertise to City departments to develop and administer needed safety programs, education and policies
- **Goal:** Continue to reduce the number of accidents and injuries through departmental training, policy and procedural updates and revisions
 - **Objective:** Provide tailored training and education based on each department's accident and injury trends

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of recordable workers comp. claims	31	47	45	30
Efficiency				
# of safety trainings offered to City departments by Risk Division	New Measure	New Measure	New Measure	15-20
Effectiveness				
Cost of workers comp. claims	\$357,534	\$481,225	\$515,000	\$450,000
# of worksite inspections and % of worksite inspections in full safety compliance	26/97%	26/97%	50/98%	75/99%

Risk Management

The Risk Management Division is located on the third floor of the Julian G. Whitener Municipal Building. The Risk Manager assures the safety of all coworkers and also manages City property, insurance procurement and administration, the safety program, and ADA compliance. The Risk Manager chairs the Coworker Safety Committee.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	136,251	138,887	165,744	19.3%
Operations	17,124	124,750	126,348	1.3%
Capital	-	-	1,500	100.0%
Pro Rata Reimbursement	(49,137)	(24,882)	(51,123)	105.5%
Expenditure Total	\$ 104,238	\$ 238,755	\$ 242,469	1.6%
Per Capita	\$ 2.55	\$ 5.80	\$ 5.86	1.0%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Miscellaneous		100,000		-100.0%
General Fund	104,238	138,755	242,469	74.7%
Revenue Total	\$ 104,238	\$ 238,755	\$ 242,469	1.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Part Time	-	-	1	100.0%
Seasonal	-	-	-	0.0%
Total	2	2	3	50.0%

Additional information about the Budget Office may be obtained by calling Jonathan Rosales, Budget Analyst, at 828.261.2200 or jrosales@hickorync.gov

Functional Area: General Government

Mission Statement

Efficiently and effectively develop, implement and administer a balanced budget that clearly communicates City goals, objectives and priorities. Ensure that the budget document includes valid and reliable performance measures and quality management principles.

2020/2021 Accomplishments

- Earned the Government Finance Officers Association Distinguished Budget Presentation Award for fiscal year beginning July 1, 2020
- Processed budget amendments and transfers in a timely manner
- Coordinated and managed the City of Hickory’s data collection for the UNC School of Government NCPMP (North Carolina Performance Measurement Project)

2021/2022 Goals and Objectives

- **Goal:** Earn the Government Finance Officers Association Distinguished Budget Presentation Award.
 - **Objective:** Continue to create a budget document that serves as a policy document, financial plan, operations guide, and communications policy.
- **Goal:** Participate in the North Carolina Performance Measurement Project.
 - **Objective:** Meet all data collection deadlines as specified by the UNC School of Government.
- **Goal:** Evaluate the current budget process and develop an efficient method for producing the document
 - **Objective:** Streamline the budget development process through continuous feedback from internal/external customers and comparison to other units.

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of individual budget amendments/ transfers processed	244	250	250	250
Efficiency				
% of budget amendments submitted to Budget that require follow up with initiating departments	1%	1%	1%	1%
% of budget amendments sent to City Clerk’s Office without error	95%	100%	100%	100%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	n/a	n/a	n/a	n/a

Budget Office



The Budget Office assists the City Manager's Office in the preparation of the annual budget for adoption by the City Council. The budget is monitored throughout the fiscal year through budget reports, amendments and trend analysis. This office also compiles and reviews departmental performance measures, goals, objectives, and conducts special management studies.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	77,323	79,159	82,426	4.1%
Operations	28,748	40,965	41,091	0.3%
Capital	-	-	1,800	100.0%
Pro Rata Reimbursement	(73,090)	(74,551)	(76,043)	2.0%
Expenditure Total	\$ 32,981	\$ 45,573	\$ 49,274	8.1%
Per Capita	\$ 0.81	\$ 1.11	\$ 1.19	7.5%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	32,981	45,573	49,274	8.1%
Revenue Total	\$ 32,981	\$ 45,573	\$ 49,274	8.1%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Total	1	1	1	0.0%

Additional Information about the Human Resources Department may be obtained by calling Claudia Main, Human Resources Director, at 828.323.7421 or cmain@hickorync.gov

Functional Area: General Government

Mission Statement

To develop and support effective personnel systems which enable departments to recruit, select, and maintain a workforce committed to the City's quality principles at comparatively appropriate staffing levels.

2020/2021 Accomplishments

- Achieved Well Business designation for a fourth consecutive year
- Conducted numerous reclassification requests and job description revisions in partnership with City departments. Conducted salary studies. Conducted benefits research
- Throughout Covid-19, supported City departments, tracked Covid-19 leaves, assisted with employee recognition and thank you events (virtual), maintained regular in-person office hours to support all City staff
- Held successful United Way campaign with a significant increase in campaign contributions

2021/2022 Goals and Objectives

- **Goal:** To attract and retain qualified employees
 - **Objective:** Offer competitive and cost-effective salaries and benefits to current and prospective coworkers
- **Goal:** Work in consultation with City Manager's Office and department heads to maintain appropriate staffing levels
 - **Objective:** Seek to maintain employee per 1,000 population ratio at 20 or below
- **Goal:** Manage wellness program and on-site clinic to benefit City employees and the City
 - **Objective:** Monitor downward trends in risk factors using clinic and HRA data

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Number of Applications Received	3,907	2,256	2,750	2,500
Efficiency				
Percent of wellness program participants with four or more high risk factors who reduced at least one of their high risks.	100%	100%	No HRA due to Covid-19	100%
Percent of wellness program participants who improved one of their high risk factors	12.2%	10%	No data due to Covid-19	12%
Turnover rate (by fiscal year)	11.9%	14.3%	12%	11%
Effectiveness				
New Hire Retention Rate	83.3%	76%	80%	85%

Human Resources



The Human Resources Department is located on the third floor of the Julian G. Whitener Municipal Building. All employment applications and inquiries are processed in this division. This division also administers the benefits package for City employees and conducts employment searches for department heads and other staff positions.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	455,561	440,791	486,768	10.4%
Operations	81,462	108,229	109,079	0.8%
Capital	1,189	2,600	1,600	-38.5%
Pro Rata Reimbursement	(162,334)	(165,581)	(168,893)	2.0%
Expenditure Total	\$ 375,878	\$ 386,039	\$ 428,554	11.0%
Per Capita	\$ 9.18	\$ 9.38	\$ 10.35	10.4%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	375,878	386,039	428,554	11.0%
Revenue Total	\$ 375,878	\$ 386,039	\$ 428,554	11.0%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Total	6	6	6	0.0%

Finance Department



Additional Information about the Finance Department may be obtained by calling Melissa Miller, Finance Officer, at 828.323.7545 or mmiller@hickorync.gov

Functional Area: General Government

Mission Statement

The mission of the Finance Department is to administer and provide fiscally responsible control and guidance for all financial matters of the City while complying with all applicable City, State, and Federal mandates.

2020/2021 Accomplishments

- Received the Government Finance Officers Association (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting for FY 2019-2020 for the 25th consecutive year
- Travel cards were obtained from Bank of America to utilize for City staff travel purposes relating to schools, conferences, and daily travel needs
- Finance staff successfully maintained thousands of COVID utility payment arrangements pertaining to the Governor’s Executive Orders 124 and 142 prohibiting utility disconnections and late fees

2021/2022 Goals and Objectives

- **Goal:** Provide accurate financial information to the citizens of Hickory
 - **Objective:** Prepare the 2021 Comprehensive Annual Financial Report and submit to GFOA for Certificate of Achievement Award
- **Goal:** Implement electronic payroll software for all City personnel
 - **Objective:** Work with weekly employees to begin using Executime Timekeeping Software
- **Goal:** Provide citizens with additional payment options in Paymentus online payment center
 - **Objective:** Accept debit and credit card payments for all miscellaneous billings

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
% of Water/Sewer accounts collected	97.7%	97.5%	97.4%	97.0%
# of days required to process a new vendor application	1	1	1	1
Utility bills processed per Billing employee	9,127	9,240	9,330	9,200
Efficiency				
Financial Reports issued within 5 working days of the end of the month.	75.0%	83.3%	83.3%	83.3%
Effectiveness				
Average Response Rate-Annual Survey (1-5)	4.21	4.67	4.20	4.00

Finance Department



The Accounting and Purchasing Divisions of the Finance Department are located on the third floor of the Julian G. Whitener Municipal Building. The Billing and Collections Divisions are located on the second floor of the Julian G. Whitener Municipal Building. The Finance Department, in accordance with ordinances, handles all City-related financial matters and financial policies enacted by the City Council, as well as North Carolina statutes. The Finance Officer manages the City's investment program. The Finance Department also is responsible for the preparation of the Comprehensive Annual Financial Report.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	977,112	1,033,862	1,086,127	5.1%
Operations	415,795	416,819	419,722	0.7%
Capital	-	9,000	8,300	-7.8%
Pro Rata Reimbursement	(1,428,064)	(1,457,890)	(1,487,048)	-2.0%
Expenditure Total	\$ (35,157)	\$ 1,791	\$ 27,101	1413.2%
Per Capita	\$ (0.86)	\$ 0.04	\$ 0.65	1404.6%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Investment Earnings	617,395	300,000	100,000	-66.7%
General Fund	(652,552)	(298,209)	(72,899)	75.6%
Revenue Total	\$ (35,157)	\$ 1,791	\$ 27,101	1413.2%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	18	18	18	0.0%
Total	18	18	18	0.0%

Additional Information about the City Clerk's Office may be obtained by calling
Debbie Miller, City Clerk, at 828.323.7409 or dmiller@hickorync.gov

Functional Area: General Government

Mission Statement

To serve the City Council as Clerk by being responsible for preparation of agendas, minutes, and all documents relating to Council activities. The City Clerk is custodian of all official records of the City and is responsible for the disposition of these records in accordance with state law.

2020/2021 Accomplishments

- Scanned and filed all contracts, minutes, ordinances, and resolutions
- Posted all agendas, action agendas, minutes, and legal notices to the website
- Attended online courses for continuing education classes for Certified Municipal Clerk and North Carolina Certified Paralegal
- Completed all documents necessary for six annexation ordinances, including correspondence to the Secretary of State, et. al
- Maintained membership roster for all boards and commissions

2021/2022 Goals and Objectives

- **Goal:** Continue clerk and paralegal education
 - **Objective:** Maintain North Carolina State Bar Certified Paralegal and North Carolina Certified Municipal Clerk Certifications
- **Goal:** Maintain, scan, and file all documents into Laserfiche
 - **Objective:** Facilitate access to documents for public records requests by citizens or information needed by staff and to archive documents in accordance with the appropriate records retention schedule
- **Goal:** Maintain an Average Response Rate score of 5 based on Annual Survey
 - **Objective:** Continue to provide a high level of customer service

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Employee hours required to prepare City Council Agenda for regular meetings	3.77	3.57	4.0	5.0
Average # of days following a City Council meeting to obtain official signatures and return documents to the initiating department(s)	1.00	1.00	3.00	3.00
Efficiency				
% of Council minutes that are transcribed within 3 days of meeting without error	100%	100%	100%	100%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	5.0	5.0	5.0	5.0

City Clerk's Office



The City Clerk's Office is located on the third floor of the Julian G. Whitener Municipal Building. The City Clerk provides information about City Council meetings and minutes, City ordinances, applications for Boards and Commissions, and official City records. The orientation of all boards and commissions, as well as the publicizing of these groups' meetings, is also a role of the City Clerk's Office.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	94,247	95,533	99,294	3.9%
Operations	14,059	25,602	25,263	-1.3%
Capital	-	1,400	2,000	42.9%
Pro Rata Reimbursement	(62,795)	(64,051)	(65,333)	2.0%
Expenditure Total	\$ 45,511	\$ 58,484	\$ 61,224	4.7%
Per Capita	\$ 1.11	\$ 1.42	\$ 1.48	4.1%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	45,511	58,484	61,224	4.7%
Revenue Total	\$ 45,511	\$ 58,484	\$ 61,224	4.7%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	1	0.0%
Total	1	1	1	0.0%

Information Technology Department



Additional information about the Information Technology Department may be obtained by calling Mike Woods, IT Manager, at 828.323.7513 or mwoods@hickorync.gov

Functional Area: General Government

Mission Statement

To BE Customer Focused, Innovative, a Team Player, and our Best Self.
To provide and support information technology resources to internal and external customers of the City of Hickory.

2020/2021 Accomplishments

- Installed next-generation firewall
- Implemented intranet platform
- Domain upgrade and migration
- Built Enterprise GIS platform

2021/2022 Goals and Objectives

- **Goal:** Replace computer and data storage with HCI Platform.
 - **Objective:** Evaluate, review and replace computer and data storage for city network.
- **Goal:** Evaluate new ERP Solution
 - **Objective:** Provide Departments with improved efficiencies using current technologies

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Workstations supported	623	675	700	-
Monthly average service requests	82	98	105	-
Efficiency				
% of help desk requests with a contact from assigned technician within one business day	94%	95%	95%	95%
% of service requests resolved by due date	95%	93%	95%	95%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	4.18	4.22	4.5	4.5

Information Technology Department



The Information Technology Department is located on the third floor of the Julian G. Whitener Municipal Building. This department operates and installs the City's computer systems and networks, and provides technical support and training to City departments.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	666,671	735,405	753,991	2.5%
Operations	689,097	677,577	788,260	16.3%
Capital	21,972	246,000	718,020	191.9%
Pro Rata Reimbursement	(131,472)	(134,101)	(136,780)	2.0%
Expenditure Total	\$ 1,246,268	\$ 1,524,881	\$ 2,123,491	39.3%
Per Capita	\$ 30.45	\$ 37.04	\$ 51.28	38.5%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	199,368	200,000	200,000	0.0%
General Fund	1,046,900	1,324,881	1,923,491	45.2%
Revenue Total	\$ 1,246,268	\$ 1,524,881	\$ 2,123,491	39.3%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	9	8	9	12.5%
Total	9	8	9	12.5%

Legal Department



Additional information about the Legal Department may be obtained by calling
Arnita Dula, Deputy City Attorney, at 828.323.7564 or adula@hickorync.gov

Functional Area: General Government

Mission Statement

To provide in house counsel to all City Departments, City Council and various Boards and Commissions, and to serve as the Police Attorney to the Hickory Police Department

2020/2021 Accomplishments

- Reviewed and revised municipal forms
- Completed 100% of requested title searches within 10 days
- Coordinated litigation with outside counsel on various cases
- Handled multiple public records requests

2021/2022 Goals and Objectives

- **Goal:** Review and revise 50 municipal forms in a year
 - **Objective:** Complete initial review and revision of a municipal form within 7-10 days
- **Goal:** Research title opinions for various departments
 - **Objective:** Research 80% of requested title searches within 10 days

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of municipal forms reviewed/revised	108	78	75	100
Efficiency				
% of title opinions requested and researched w/in 10 days	100%	100%	100%	100%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	4.83	4.83	4.0	4.0

Legal Department



The Legal Department is located on the third floor of the Julian G. Whitener Municipal Building and provides in-house legal counsel to City departments. The Legal Department assists staff in answering questions about City ordinances and legal procedures. The Deputy City Attorney provides legal counsel and advice to the City Council, City Manager and City departments.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	194,653	199,780	208,358	4.3%
Operations	132,224	102,298	131,661	28.7%
Capital	4,750	1,500	2,000	33.3%
Pro Rata Reimbursement	(63,879)	(65,156)	(66,459)	2.0%
Expenditure Total	\$ 267,748	\$ 238,422	\$ 275,560	15.6%
Per Capita	\$ 6.54	\$ 5.79	\$ 6.65	14.9%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	267,748	238,422	275,560	15.6%
Revenue Total	\$ 267,748	\$ 238,422	\$ 275,560	15.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Total	2	2	2	0.0%

Engineering Division



Additional information about the Engineering Division may be obtained by calling
 Caroline Kone, P.E., Transportation & Engineering Manager, at 828.323.7500 or ckone@hickorync.gov

Functional Area: General Government

Mission Statement

To provide professional engineering, surveying, transportation planning, stormwater design and project management services for both internal city departments and external customers.

2020/2021 Accomplishments

- Completion of parking lot at Henry Fork Soccer Park Provided technical assistance for all bond projects
- Coordinated replacement of airport hangars
- Coordinated renovations of City Hall 2nd floor

2021/2022 Goals and Objectives

- **Goal:** Continue to work toward full compliance with stormwater regulations
 - **Objective:** Implement stormwater management program, good housekeeping, and illicit discharge protocols
- **Goal:** Continue to provide engineering assistance to other departments
 - **Objective:** Provide designs for Airport FBO addition, Public Safety buildings, and AME Zion Church parking lot at Bookwalk project
- **Goal:** Provide right-of-way acquisition maps for Sandy Ridge Road intersection improvement project
 - **Objective:** Maintain CMAQ funding and continue toward construction of project

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of plans reviewed	109	84	100	100
# of projects completed	13	28	20	20
Annual \$ spent on Stormwater	\$205,000	\$250,000	\$250,000	\$250,000
Efficiency				
% of site plans w/o Stormwater reviewed w/in five days	95%	95%	95%	95%
% of site plans w/ Stormwater reviewed w/in ten days	95%	95%	95%	98%
Effectiveness				
% of billable hours to total work hours	62%	70%	65%	70%

Engineering Division



The Engineering Division is located on the second floor of the Julian G. Whitener Municipal Building. The City Engineer and staff provide professional engineering and surveying services, transportation planning, and can answer questions related to street paving petitions, curb and gutter petitions, sidewalk petitions, driveway permits, city maps, and physical addresses. This division also prepares long-range plans for street and drainage improvements, and assists other City departments in construction and engineering efforts.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	377,659	437,682	468,747	7.1%
Operations	42,771	59,943	59,945	0.0%
Capital	-	5,000	2,000	-60.0%
Pro Rata Reimbursement	(137,723)	(134,358)	(137,045)	2.0%
Expenditure Total	\$ 282,707	\$ 368,267	\$ 393,647	6.9%
Per Capita	\$ 6.91	\$ 8.94	\$ 9.51	6.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	282,707	368,267	393,647	6.9%
Revenue Total	\$ 282,707	\$ 368,267	\$ 393,647	6.9%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
Total	7	7	7	0.0%

Office of Business Development



Additional information about the Office of Business Development may be obtained by contacting any of its three divisions at 828.323.7422. (Brian M. Frazier, Planning Director, bfrazier@hickorync.gov, David Leonetti, Business Services Manager, dleonetti@hickorync.gov, or John Marshall, Transportation Planning Manager, jmarshall@hickorync.gov)

Functional Area: Economic and Community Development

Mission Statement

The City's economic development goal is to foster economic growth, job creation and quality of life through attracting and retaining business and industry, providing resources to promote small business development, encouraging tourism and supporting community revitalization. The office focuses on collaborating with existing and new businesses in the development process and supporting orderly development.

2020/2021 Accomplishments

- Completed Union Square and City Walk projects. Riverwalk is currently under construction. All bond projects are now under construction or design
- Completed city-wide Bicycle and Pedestrian Master Plan
- Continued retail recruitment and retention strategy with Buxton Group. Continued support of existing businesses
- Completed annual revisions to Land Development Code
- Issued 290 building permits and 283 zoning permits
- Reviewed /approved and permitted 92 new housing units with a permit value of \$20,330,469
- Reviewed/approved and permitted commercial/industrial/institutional projects with a permit value of \$79,800,046

2021/2022 Goals and Objectives

- **Goal:** Increase business activity and promote economic development
 - **Objective:** Implement retail recruitment and retention strategy begun in 2019-2020
 - **Objective:** Continue promoting city, state, and federal programs along with public private partnerships that will lead to economic development along the Hickory Trail
- **Goal:** Increase bicycle and pedestrian connectivity and complete bond projects
 - **Objective:** Begin implementation of Bicycle and Pedestrian Master Plan
 - **Objective:** Have all bond projects under construction
- **Goal:** Enhance quality of life for all city residents through state of the art current and comprehensive planning strategies
 - **Objective:** Support neighborhood associations, boards and commissions
 - **Objective:** Perform annual update to Hickory by Choice 2030 (five-year revision) and Land Development Code revisions

Office of Business Development



Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Identify illegal signs and banners	1,254	1,700	1,500	1,500
Business Visits	New Measure	35	35	52
Efficiency				
Conduct field inspections within 24 hours	90%	90%	95%	100%
Small business and revitalization loans/grants awarded	New Measure	5	3	6
Effectiveness				
% of zoning compliance achieved within 30 days of written compliance notices	80%	95%	100%	100%
Investment in Hickory Trail Buffer Zone – Permit Value (Calendar Year)	New Measure	\$13,349,985	\$10,000,000	\$10,000,000

The Office of Business Development is located on the second floor of the Julian G. Whitener Municipal Building; this Office includes the functions of Planning, Community Development, and Transportation. Planning staff is responsible for enforcing zoning, subdivision regulations, property uses, assisting with thoroughfare plans and annexations, managing historic preservation, public art and community appearance, and maintaining watershed regulations. Both the Permit Assistance Center and Community Development Office are housed in the Office of Business Development. Marketing the City of Hickory to interested developers outside the area is also a key economic development function of this department. This department staffs the Hickory Regional Planning Commission and is also responsible for staffing and promoting the work of the Historic Preservation Commission, the Public Art Commission and Community Appearance Commission, as well as maintaining the City's historic resources inventory. The office also coordinates the City of Hickory's transportation systems and assists other departments, including the Airport and Transit departments, with transportation planning, grant applications, and contacts with outside agencies.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	849,478	856,464	887,338	3.6%
Operations	45,991	65,620	65,690	0.1%
Capital	2,953	6,000	6,000	0.0%
Pro Rata Reimbursement	(32,218)	(32,862)	(33,520)	2.0%
Expenditure Total	\$ 866,204	\$ 895,222	\$ 925,508	3.4%
Per Capita	\$ 21.17	\$ 21.74	\$ 22.35	2.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Miscellaneous	73,716	52,000	52,000	0.0%
Sales and Services	30,042	30,000	30,000	0.0%
General Fund	762,446	813,222	843,508	3.7%
Revenue Total	\$ 866,204	\$ 895,222	\$ 925,508	3.4%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	10	10	10	0.0%
Part Time	-	-	1	100.0%
Total	10	10	10	0.0%

Additional information about the Police Department may be obtained by calling Thurman Whisnant, Chief of Police, at 828.324.2060 or twhisnant@hickorync.gov

Functional Area: Public Safety

Mission Statement

The Hickory Police Department is committed to providing the highest quality service to customers: The citizens of and visitors to our city. Dedicated to improving the quality of life in the city, the department will work in partnership with the community to provide a high degree of effective and efficient public safety while maintaining respect for cultural diversity and individual rights and integrity.

2020/2021 Accomplishments

- Through the collaborative partnerships with both Kania Law Firm and Catawba County, Code Enforcement has been successful in establishing a path to resolution for 22 neglected properties. This year, almost half of these properties will be in a position through auction to be purchased by responsible owners and once again become a viable asset within the city.
- HPD applied for and received grant funding to purchase a UTV patrol vehicle as well as several specialized e-bikes to patrol the linear parks. Additionally, HPD has assigned three officers to permanent downtown patrols to allow for day and night dedicated coverage.
- Since the inception of the Community Navigator Program, HPD has received 128 individual referrals from officers and the community. 71 of those individuals have agreed to receive services and 30 individuals have been housed or reconnected with family.

2021/2022 Goals and Objectives

- **Goal:** Continue to train HPD staff with current and relevant training designed to encourage a positive organizational culture and promote public trust
 - **Objective:** Train entire staff in Blue Courage and Georgetown University's Active Bystandership for Law Enforcement (ABLE) Project
- **Goal:** Continue community policing strategies and innovative patrol techniques to reduce crime and quality of life issues
 - **Objective:** Utilize crime analysis tools and specialized equipment to efficiently address and solve problems
- **Goal:** Establish an Unmanned Aircraft Systems Unit to assist in the safety and efficiency of critical patrol and investigative programs, as well as code enforcement inspections
 - **Objective:** Work closely with Catawba County and a contracted law firm that specializes in tax and code fine lien foreclosures to address derelict properties

Police Department



Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of calls received	100,128	106,190	114,786	108,500
# of calls dispatched	43,190	44,725	47,213	45,500
# dispatched calls per Patrol Officer	576	596	629	600
Efficiency				
# of cases assigned to Criminal Investigations Division	643	651	550	600
Effectiveness				
Average call time from receipt to generated	01:19	01:23	1:21	1:23

The Hickory Police Department is located at 347 2nd Avenue SW. The administrative offices of the Chief of Police, Patrol Division, Support Services Division, Animal Control Unit, Criminal Investigations Division, and Code Enforcement are housed at this facility. The Hickory Police Department also offers a Victim Assistance Program and many other community education services. The Hickory Police Department uses a community policing approach in its daily work activities.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	10,056,146	10,728,159	11,229,598	4.7%
Operations	2,256,308	2,457,032	2,403,976	-2.2%
Capital	526,372	969,268	854,627	-11.8%
Pro Rata Reimbursement	2,769	2,824	2,880	2.0%
Expenditure Total	\$ 12,841,595	\$ 14,157,283	\$ 14,491,081	2.4%
Per Capita	\$ 313.78	\$ 343.87	\$ 349.97	1.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Unrestricted Intergovernmental	92,250	90,000	120,000	33.3%
Restricted Intergovernmental	242,366	90,724	54,784	-39.6%
Licenses and Permits	4,430	4,575	4,575	0.0%
Miscellaneous	(3,357)	-	-	0.0%
Sales and Services	30,659	27,200	223,200	720.6%
General Fund	12,475,247	13,944,784	14,088,522	1.0%
Revenue Total	\$ 12,841,595	\$ 14,157,283	\$ 14,491,081	2.4%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	152	157	157	0.0%
Part Time	22	22	22	0.0%
Seasonal	4	4	4	0.0%
Total	178	183	183	0.0%

Additional information about the Fire Department may be obtained by calling Matthew S. Hutchinson, Fire Chief, at 828.323.7501 or mhutchinson@hickorync.gov.

Functional Area: Public Safety

Mission Statement

Hickory Fire Department's mission is to provide our community with quality life safety, incident stabilization, and property conservation through professionalism and the continual pursuit of excellence.

2020/2021 Accomplishments:

- Awarded an ISO rating of 1 from the NC Office of the State Fire Marshal
- Maintained service levels and personal protective equipment levels during the COVID pandemic
- Obtained NC TR Certifications for Confined Space, Structural Collapse, Trench, and Swiftwater Rescue
- Increased service delivery through the County's CAD system with automatic vehicle locating for call response

2021/2022 Goals and Objectives

- **Goal:** Maintain the Hickory Fire Department Strategic Plan
 - **Objective:** Identify the core services provided by the fire department while focusing on innovation, communication, and customer service. Create attainable goals with realistic objectives from these core services. Review the Strategic Plan annually to determine progress and completion of goals
- **Goal:** Maintain registered status with the Center for Public Safety Excellence's accreditation program
 - **Objective:** Combine recognized standards of community risk analysis and master planning to create a comprehensive standard of cover document. Maintain this document annually in order to provide the best emergency services possible
- **Goal:** Collaborate with CVCC and City Departments to complete the training facility on Sweetwater Rd
 - **Objective:** Continue to build relationships with the community college to keep our personnel from traveling out of the county for training. Utilize the Public Safety Training Center to achieve service level objectives related to our Standard of Cover.

Fire Department



Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of Incident Responses	6,740	5,677	4,000	5,000
Community Risk Reduction Attendance (New)			84,414	44,204
# of Fire Inspector Activities	5,158	5,653	5,200	5,200
Department Training Hours	29,552.15	53,501.85	54,913	28,080
Efficiency				
% of fires with a cause and origin determination	99.7%	98.8%	99%	99%
Property Value Saved	\$38,828,324	\$22,341,395	\$14,000,000	\$11,000,000
% Mechanical Availability of Apparatus	97%	97%	99%	95%
Effectiveness				
90th Percentile Travel Time for the First Arriving Unit	5:07	5:04	5:05	5:10
% of Full Response within 8-minutes Travel Time	85.2%	86.5%	82.7%	80%
# Preventable Structure Fires in Inspectable Properties	7	4	7	10
# of fires extinguished before fire department arrival	38	25	37	30
% of total fires confined to room of origin	77%	61.2%	67%	70%

Fire Station 1, located at 19 2nd Street NE, is headquarters for Fire Administration. The Fire Chief's office is located at the headquarters station. Fire Education and Fire Prevention offices are located on the first floor of the Julian G. Whitener Municipal Building. The City of Hickory Fire Department operates out of six community-based locations along with one aircraft fire rescue station located at the Hickory Regional Airport. All fire stations are staffed with full time personnel working a twenty-four shift schedule. The Hickory Fire Prevention Bureau can assist with information on fire code, plan reviews and fire code inspections for all types of occupancy classification. Fire Prevention issues permits for installation of fire alarms, sprinkler systems, other related fire protection systems, storage tank installation and removal, including special events.

Fire Department



Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	8,889,742	9,242,493	9,596,478	3.8%
Operations	1,319,741	1,559,023	1,720,747	10.4%
Capital	848,972	1,262,973	441,001	-65.1%
Pro Rata Reimbursement	(37,266)	(64,383)	(65,671)	2.0%
Expenditure Total	\$ 11,021,189	\$ 12,000,106	\$ 11,692,555	-2.6%
Per Capita	\$ 269.30	\$ 291.47	\$ 282.38	-3.1%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Restricted Intergovernmental	684,074	673,400	693,400	3.0%
Sales and Services	183,378	168,000	171,000	1.8%
Other Financing Sources	-	800,000	-	-100.0%
General Fund	10,153,737	10,358,706	10,828,155	4.5%
Revenue Total	\$ 11,021,189	\$ 12,000,106	\$ 11,692,555	-2.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	137	138	139	0.7%
Part Time	2	2	1	-50.0%
Total	139	140	140	0.0%

Public Services: Building Services Division



Additional information about the Building Services Division may be obtained by calling Alex Brittain, Building Services Coordinator, at 828.323.7500 or abrittain@hickorync.gov

Functional Area: General Government

Mission Statement

To coordinate public service activities in such a way to maximize resources, while maintaining a healthy and pleasant environment for customers and coworkers.

2020/2021 Accomplishments

- Installed new gates at Hickory City Park, Glenn Hilton, Civitan, Kiwanis, Neill Clark and Stanford parks
- Wired new electric gate for hangar access at the Hickory Regional Airport
- Rebuilt “Duck Walk” at Glenn Hilton Park to tie into the new river crossing bridge
- Installed new gas heater in the Public Services greenhouse for Landscape Services
- Upgraded /installed new LED parking lot lighting and at the Police Department facility and firing range
- Began upgrading all City of Hickory Fire Department stations to LED lighting
- Wired the new HVAC system at Fire Station #5 maintenance shop
- Installed new High Bay LED light fixtures at Neill Clark Gym
- Installed Christmas decorations at City Hall, Union Square, and Highland and Ridgeview Recreation Centers
- Installed camera system for the garage / fleet facility at Public Services
- Installed new Plexiglas, new warmers and coolers at Stanford Park concession stand

2021/2022 Goals and Objectives

- **Goal:** Continue to update all City facilities to LED lighting
 - **Objective:** To continue partnering with all city divisions to upgrade each facility to LED lighting to reduce electricity consumption
- **Goal:** Union Square Events
 - **Objective:** To install 4 new 200-amp electrical services along City Walk for upcoming events such as Oktober Fest, Shuck and Peel event, Hickory Hops
- **Goal:** City Hall HVAC
 - **Objective:** To do all the wiring for the new HVAC systems to be installed on City Hall in the spring of 2021

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of service requests received, scheduled & serviced by the Building Services division	848	1157	1200	1300
Efficiency				
% of Building Division's service requests completed in 48 hours	92%	95%	95%	95%
Effectiveness				
Average labor cost per service request	\$54.74	\$57.59	\$59.25	\$61.25

Public Services: Building Services Division



The Building Services division is located and operates from the Public Services complex located at 1441 9th Ave NE. The division consists of ten staff personnel who perform a variety of internal citywide services for all city facilities. These services range from general and preventative maintenance, HVAC troubleshooting and repair work, remedial plumbing and small construction, extensive electrical maintenance and troubleshooting as well as awarded council directive projects and 24-hour on-call emergency services to ensure smooth operations of city facilities.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	316,580	543,972	565,511	4.0%
Operations	50,209	89,456	92,419	3.3%
Capital	41,597	39,400	2,800	-92.9%
Pro Rata Reimbursement	(324,984)	(332,115)	(338,756)	2.0%
Expenditure Total	\$ 83,402	\$ 340,713	\$ 321,974	-5.5%
Per Capita	\$ 2.04	\$ 8.28	\$ 7.78	-6.0%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	14,615	12,000	14,000	16.7%
General Fund	68,787	328,713	307,974	-6.3%
Revenue Total	\$ 83,402	\$ 340,713	\$ 321,974	-5.5%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	6	10	10	0.0%
Total	6	10	10	0.0%

Public Services: Central Services Division



Additional information about Central Services Division may be obtained by calling Steve Miller, Public Works Director, at 828.323.7500 or smiller@hickorync.gov

Functional Area: General Government

Mission Statement

To provide customer service that is accurate for both internal and external customers. This division provides daily assistance to all Public Services Divisions in their reporting and response activities.

2020/2021 Accomplishments

- Processed weekly and bi-weekly Payroll for Public Services
- Maintained data entry of work orders on a daily basis. This allows all divisions to accurately report quarterly and year with respect to Powell Bill, NCDOT Benchmarking and Performance Measures
- Streamlined VC3 to have important information pertaining to Public Service.
- Decreased errors on Work Orders to less than 1 percent
- Provided data and administrative help to meet each division's goals for all Public Services Divisions

2021/2022 Goals and Objectives

- **Goal:** Assist all Public Services Divisions in daily activities as needed
 - **Objective:** Provide data collection on service request for better service delivery
 - **Objective:** Produce reports as needed by division supervisors
 - **Objective:** Analyze time allocation by determining work order hours versus scheduled hours worked
- **Goal:** Maintain data entry of work orders on a daily basis
 - **Objective:** Provide work orders to office assistant on a daily basis
- **Goal:** Improve efficiency of office automation
 - **Objective:** Move to electronic filing program

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of work orders entered (annual)	23,646	23,306	-	-
Efficiency				
Average Response Rate-VC3 Service Request Days	7	4	5	5
Effectiveness				
% of time accounted for on work orders vs. actual time turned in for Public Services	94%	94%	94	97

Public Services: Central Services Division



This division provides office support to all divisions within Public Services. Customer inquiries, complaints, and service requests regarding Public Services divisions are fielded by this division and forwarded to the proper division for prompt response.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	513,377	539,930	522,573	-3.2%
Operations	120,187	166,928	166,827	-0.1%
Capital	527	39,440	20,000	-49.3%
Pro Rata Reimbursement	(275,903)	(281,421)	(287,049)	2.0%
Expenditure Total	\$ 358,188	\$ 464,877	\$ 422,351	-9.1%
Per Capita	\$ 8.75	\$ 11.29	\$ 10.20	-9.7%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	358,188	464,877	422,351	-9.1%
Revenue Total	\$ 358,188	\$ 464,877	\$ 422,351	-9.1%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	7	7	7	0.0%
Total	7	7	7	0.0%

Public Services: Traffic Division



Additional information about the Public Services Traffic Division may be obtained by calling Caroline M. Kone, P.E., Transportation & Engineering Manager, at 828.323.7500 or ckone@hickorync.gov

Functional Area: Transportation

Mission Statement

To provide and maintain a safe, effective, and efficient surface transportation system through appropriate and innovative traffic engineering solutions.

2020/2021 Accomplishments

- Installed approximately 22,000 linear feet of white edgeline
- Installed approximately 69,000 linear feet of yellow centerline
- Replaced approximately 138 stop signs
- Replaced approximately 89 LED traffic signal lenses
- Refreshed paint on approximately 600 parking spaces

2021/2022 Goals and Objectives

- **Goal:** Reduce travel time delays for drivers
 - **Objective:** Evaluate and maintain signals to ensure efficient operations
- **Goal:** Provide effective transportation system
 - **Objective:** Replace LED's in signal head on a 5-year schedule
- **Goal:** Enhance safety of roadways
 - **Objective:** Ensure minimum retro reflectivity standards are met on signs

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of intersection markings refreshed	105	119	123	125
Efficiency				
Reduce travel time delay at signalized intersections (average percent reduction)	4.19%	15.57%	5.3%*	20%
Effectiveness				
Average response time (VC3) to citizens	10 hrs 43 min	11 hrs 7 min	13hrs 23 min	24 hrs

*traffic patterns affected due to COVID making timing adjustments difficult

Public Services: Traffic Division



This division maintains all traffic signals within City limits for the North Carolina Department of Transportation (NCDOT). Traffic signals, traffic markings, and street signs also fall under the responsibility of this division.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	697,611	730,321	739,466	1.3%
Operations	1,082,788	1,276,703	1,282,152	0.4%
Capital	53,912	74,000	238,999	223.0%
Pro Rata Reimbursement	(15,315)	(15,621)	(15,934)	2.0%
Expenditure Total	\$ 1,818,996	\$ 2,065,403	\$ 2,244,683	8.7%
Per Capita	\$ 44.45	\$ 50.17	\$ 54.21	8.1%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Unrestricted Intergovernmental	366,082	370,000	370,000	0.0%
Sales and Services	40,489	56,000	44,000	-21.4%
General Fund	1,412,425	1,639,403	1,830,683	11.7%
Revenue Total	\$ 1,818,996	\$ 2,065,403	\$ 2,244,683	8.7%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Part Time	-	-	-	0.0%
Seasonal	4	4	4	0.0%
Total	15	15	15	0.0%

Public Services: Street Division



Additional information about the Public Services Street Division may be obtained by calling Caroline M. Kone, P.E., Transportation & Engineering Manager at 828.323.7500 or ckone@hickorync.gov

Functional Area: Transportation

Mission Statement

To provide an attractive and safe transportation system for pedestrians and vehicles by maintaining present facilities and constructing additional infrastructure where and when necessary.

2020/2021 Accomplishments

- Resurfaced approximately 8 lane-miles of streets
- Installed approximately 1,500 linear feet of new sidewalk
- Installed approximately 1,400 linear feet of new curb & gutter
- Installed approximately 1,250 linear feet of new storm drain pipe

2021/2022 Goals and Objectives

- **Goal:** Provide safe walkways for pedestrians
 - **Objective:** Construct all budgeted sidewalk projects by July, 2022
- **Goal:** Provide safe streets for the travelling public
 - **Objective:** Resurface approximately 10 lane miles of asphalt roadway and provide necessary maintenance within budget
- **Goal:** Provide safe and reliable storm drain system
 - **Objective:** Make necessary repairs and upgrades to storm drain system

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Linear feet of new sidewalk construction	2,526	1,785*	1,850*	2,500
NCDOT right of way miles maintained	4,700	4,700	4,700	4,700
Efficiency				
Tons of asphalt in place per lane mile maintained (annually)	580	580	580	580
Cost per ton of asphalt placed – contractor	\$83.00	\$77.00	\$77.00**	\$85.00
Effectiveness				
% of potholes repaired within 24 hours	87%	93%	92%	93%

* numbers lower than normal due to wet winter, however various repairs throughout the City also happened

** paving contract extended to FY 20-21 with same rates

Public Services: Street Division



This division is responsible for curb and gutter installation, sidewalks, driveway entrance construction, pothole repair, and street maintenance (sweeping, cleaning, and right of way mowing). This division also handles snow removal, storm drain repairs, and mowing of overgrown lots. Each year the City Council adopts a paving list that identifies all streets to be paved/resurfaced in the upcoming fiscal year. The Street Division assists the Engineering Division in preparation of the list and executes work as directed by Council.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	1,654,832	2,281,138	2,249,346	-1.4%
Operations	1,794,593	1,753,594	1,767,856	0.8%
Capital	484,605	960,000	702,400	-26.8%
Pro Rata Reimbursement	(61,571)	(62,802)	(64,058)	2.0%
Expenditure Total	\$ 3,872,459	\$ 4,931,930	\$ 4,655,544	-5.6%
Per Capita	\$ 94.62	\$ 119.79	\$ 112.43	-6.1%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Other Taxes	171,728	180,000	180,000	0.0%
Restricted Intergovernmental	1,317,850	1,324,000	1,270,000	-4.1%
Sales and Services	59,900	10,000	10,000	0.0%
General Fund	2,322,981	3,417,930	3,195,544	-6.5%
Revenue Total	\$ 3,872,459	\$ 4,931,930	\$ 4,655,544	-5.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	43	43	43	0.0%
Part Time	5	5	5	0.0%
Seasonal	6	6	6	0.0%
Total	54	54	54	0.0%

Public Services: Landscape Services Division



Additional information about the Public Services Landscape Services Division may be obtained by calling Jonathan Hogan, Parks and Public Properties Manager, at 828.323.7500 or jhogan@hickorync.gov

Functional Area: General Government

Mission Statement

To beautify and maintain all City properties in order for them to be aesthetically pleasing and functional in purpose for the benefit of citizens.

2020/2021 Accomplishments

- Designed and installed new landscaping, irrigation and turf at Hickory Airport
- Installed new landscaping and fountain at Shuford Gardens
- Designed and installed new landscaping/hardscape at entrance to Patrick Beaver Library
- Designed and installed new landscaping for Business and Development housing project
- Improved athletic fields through proper industry practices, verticutting, renovating and top dressing etc.
- Worked with UFO (Disc Golf) Club to relocate and install Hole #1 at Glenn Hilton Park
- Continued improving the overall aesthetics of our public parks through proper landscape practices and a thorough cleaning of grounds and facilities

2021/2022 Goals and Objectives

- **Goal:** Re-Landscape and update signage at the entranceways to Southside, Ridgeview and Fairview Cemeteries
 - **Objective:** To beautify the entranceways to our municipal cemeteries
- **Goal:** Re-landscape Highland Recreation building and parking lot
 - **Objective:** To update the overgrown landscape around Highland Recreation Center
- **Goal:** Develop a cool season turf program for athletic fields
 - **Objective:** To enhance the protection of our Bermudagrass in the dormant season while also making early/late cold season more playable

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of trees/shrubs planted annually	101 / 5,925	42/3,724	58/2,000	15/1,500
# of trees/shrubs maintained	545 / 4,036	350/8,252	802/8543	300/10,000
Efficiency				
Annual cost to maintain Oakwood Cemetery	78,842	75,089	79,947	76,000
Annual cost to maintain Ridgeview Cemetery	7,014	7,050	11,304	9,000
Annual cost to maintain Fairview Cemetery	9,760	12,786	14,859	11,000
Effectiveness				
% of Cemetery plots/graves repaired due to settling	1%	2%	2%	5%

Public Services: Landscape Services Division



This division is responsible for City cemetery maintenance, planting and landscaping of City properties, and maintaining City grounds and parks facilities.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	782,946	1,855,710	1,888,663	1.8%
Operations	448,314	1,253,760	1,269,123	1.2%
Capital	126,450	259,000	745,700	187.9%
Pro Rata Reimbursement	(130,179)	(132,783)	(135,439)	2.0%
Expenditure Total	\$ 1,227,531	\$ 3,235,687	\$ 3,768,047	16.5%
Per Capita	\$ 29.99	\$ 78.59	\$ 91.00	15.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	42,001	30,000	35,000	16.7%
General Fund	1,185,530	3,205,687	3,733,047	16.5%
Revenue Total	\$ 1,227,531	\$ 3,235,687	\$ 3,768,047	16.5%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	17	36	36	0.0%
Part Time	1	1	1	0.0%
Seasonal	8	15	15	0.0%
Total	26	52	52	0.0%

Parks, Recreation, & Sports Tourism Department



Additional information about the Parks, Recreation, and Sports Tourism Department may be obtained by calling Mark Seaman, Director of Parks, Recreation & Sports Tourism at 828.322.7046 or mseaman@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement

To provide quality leisure services and park facilities for the citizens of Hickory including preschool ages to senior citizens.

2020/2021 Accomplishments

- Sports Tourism Events
- Extended hours at recreation Centers
- Partnership with Catawba Valley Community College

2021/2022 Goals and Objectives

- **Goal:** Update the Parks, Recreation & Sports Tourism Master Plan
 - **Objective:** Guide us on how to meet the changing needs of our communities
- **Goal:** Evaluate existing facilities and parks
 - **Objective:** Make sure all of our facilities and parks are first rate and we are optimizing usage
- **Goal:** Expand Sports Tourism events
 - **Objective:** Bring more people into the area

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
% of residents/non-residents in athletic programs	80%, 20%	80%, 20%	80%, 20%	80%, 20%
Annual # of participants in athletic programs	1,798	1,432	367	1,500
# of drop-in users of recreation centers/month (Avg.)	15,629	11,292	1,187	9,000
Efficiency				
\$ profit/loss concessions	\$4,500	\$4,500	\$0	\$5,000
Effectiveness				
% increase in number of adult athletic programs	0%	0%	5%	5%
% recreation center programs planned that are actually held	98%	75%	95%	95%

Parks, Recreation, & Sports Tourism Department



The Parks, Recreation, and Sports Tourism Department is located at 1451 8th Street Drive NE. The City operates five general and two senior citizen recreation centers, eighteen parks (active and passive) consisting of 428 acres. Athletic league games, special events and instructional programs for youth, adult, and senior groups are provided in large numbers. The recreation centers offer classes in arts and crafts, ceramics and many other activities to all age groups.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	1,180,332	1,413,116	1,338,269	-5.3%
Operations	299,147	310,034	311,079	0.3%
Capital	288,992	49,354	205,804	317.0%
Pro Rata Reimbursement	45,672	46,585	47,517	2.0%
Expenditure Total	\$ 1,814,143	\$ 1,819,089	\$ 1,902,669	4.6%
Per Capita	\$ 44.33	\$ 44.18	\$ 45.95	4.0%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	153,249	195,500	191,000	-2.3%
Miscellaneous	111,749	11,000	11,000	0.0%
General Fund	1,549,145	1,612,589	1,700,669	5.5%
Revenue Total	\$ 1,814,143	\$ 1,819,089	\$ 1,902,669	4.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	18	19	19	0.0%
Part Time	15	15	15	0.0%
Seasonal	12	12	12	0.0%
Total	45	46	46	0.0%

Public Services Dept: *L.P. Frans Stadium*



Additional information about the Parks and Recreation Department may be obtained by calling Jonathan Hogan, Parks and Public Properties Manager, at 828.323.7584 or jhogan@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement

To maintain LP. Frans Stadium in accordance with the existing lease agreement between the City of Hickory and Hickory Baseball, Inc.

2020/2021 Accomplishments

- Installed extra drainage in dugouts due to water issue
- Designed and fabricated flooring system in dugouts to enhance player safety due to water issues
- Installed new LED lighting in ticket sales and team store
- Re-covered awnings at entranceways

2021/2022 Goals and Objectives

- **Goal:** Replace flooring in ticket sales area and team store
 - **Objective:** To enhance the quality and aesthetics of these locations
- **Goal:** Complete Phase II of the parking lot repaving
 - **Objective:** To update the driving and parking surfaces around the stadium
- **Goal:** Prep and re-paint handrails throughout the stadium
 - **Objective:** To enhance the aesthetics of elements within the stadium

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Average attendance at baseball games	2,084	1,361	2000	2100
Efficiency				
% of work order requests from Hickory Baseball completed within 72 hours	75%	86%	90%	92%
Effectiveness				
Cost to maintain stadium structure (Annual)	\$698,625	493,320	485,594	470,000

Public Services Dept: *L.P. Frans Stadium*



This division is responsible for the maintenance of L.P. Frans Stadium in accordance with professional baseball standards, and for minor league baseball games and other special events.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Operations	107,207	140,594	151,539	7.8%
Capital	502,108	-	-	0.0%
Expenditure Total	\$ 609,315	\$ 140,594	\$ 151,539	7.8%
Per Capita	\$ 14.89	\$ 3.41	\$ 3.66	7.2%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	23,381	22,500	22,500	0.0%
General Fund	585,934	118,094	129,039	9.3%
Revenue Total	\$ 609,315	\$ 140,594	\$ 151,539	7.8%

Public Library Department



Additional information about the Hickory Public Library system may be obtained by calling Sarah Greene, Library Director, at 828.304.0500 or sgreene@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement

Hickory Public Library promotes a high quality of life by providing empowering opportunities and excellent service.

2020/2021 Accomplishments

- Introduced Library To-Go curbside pickup options
- Renovated and expanded Ridgeview Branch Library facilities
- Offered virtual programs and classes

2021/2022 Goals and Objectives

- **Goal:** Support K-12 Learning
 - **Objective:** Increase the number and frequency of learning programs for school-aged children
- **Goal:** Provide welcoming library facilities
 - **Objective:** Reopen an improved and expanded Ridgeview Branch Library
- **Goal:** Support job-seekers with access to information and technology
 - **Objective:** Host classes and events to support job-seekers at least quarterly

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Circulation (raw number)	371,440	299,541	325,000	340,000
Items checked out through Library To-Go	New Measure	21,931	30,000	31,500
Efficiency				
% of items checked out using self-check stations	17%	16%	6%	10%
% of items checked out using digital resources	New Measure	15%	20%	20%
Effectiveness				
Program Attendance	20,863	12,509	8,000	12,000

Public Library Department



The City of Hickory operates two libraries, the Patrick Beaver Memorial Library and Ridgeview Library. The Patrick Beaver Memorial Library is a state-of-the-art facility that opened in January 1998. The Ridgeview branch opened in the Spring of 1998. The libraries are committed to providing timely and accurate information for the citizens of the community, enhancing the informational literacy of customers, and stimulating the interest of citizens in reading and learning. The libraries provide audiovisual collections, reference materials, children's collections and access to the internet. The libraries' patrons include residents of Hickory and at least four surrounding counties.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	1,275,770	1,366,120	1,448,475	6.0%
Operations	709,828	731,446	732,300	0.1%
Capital	126,780	25,000	45,000	80.0%
Pro Rata Reimbursement	18,171,890	1,853	1,890	2.0%
Expenditure Total	\$ 20,284,268	\$ 2,124,419	\$ 2,227,665	4.9%
Per Capita	\$ 495.64	\$ 51.60	\$ 53.80	4.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Restricted Intergovernmental	249,688	247,717	247,717	0.0%
Sales and Services	15,881	41,000	18,000	-56.1%
General Fund	20,018,699	1,835,702	1,961,948	6.9%
Revenue Total	\$ 20,284,268	\$ 2,124,419	\$ 2,227,665	4.9%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	17	17	18	5.9%
Part Time	18	19	18	-5.3%
Seasonal	2	2	2	0.0%
Total	37	38	38	0.0%

City Hall/Public Buildings



Additional information about the City Hall/ Public Buildings Division may be obtained by calling Alex Brittain, Building Services Coordinator, or abrittain@hickorync.gov

Functional Area: General Government

Mission Statement

To house and accommodate the operations of government in a cost-effective manner.

2020/2021 Accomplishments

- Shuford House: Contracted Calloway Plumbing to install a new 4” drain line and new hot and cold water lines from 2nd floor apartment restroom to the basement and tie into existing sewer and water supply
- Shuford House: Completely remodeled the 2nd floor apartment restroom due to water damage Installed new vanity cabinet and sink, new laminate flooring and a new commode. Building Services also installed a new sheetrock ceiling and new recess lighting in the butler’s pantry
- City Hall: Contracted Central Heat and Air to replace broken fan shaft in the Council Chambers HVAC system
- Union Square: Installed a 24 x 36 in ground junction box and hired Terra Design to bore under 3rd street for the Union Square fiber project
- Union Square: Building Services pulled in all the fiber for Sega on the Union Square Wi-Fi project
- Hickory Community Theater: Contracted Central Heat and Air to install a new 7.5 ton HVAC system to supply heating and cooling to the Theater auditorium

2021/2022 Goals and Objectives

- **Goal:** City Hall 3rd floor new HVAC system
 - **Objective:** Install 8 new HVAC units to supply heat and air to the entire 3rd floor. These new units will be replacing 20 plus year old units that are not working efficiently at this time
- **Goal:** City Hall aesthetic improvements
 - **Objective:** Pressure wash, paint, and make wall repairs to entire City Hall facility
- **Goal:** City Hall light improvements
 - **Objective:** Upgrade bollard lights and install new LED accent lighting around the City Hall facility

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of service requests received scheduled & serviced for City Hall & Union Square	254	285	300	315
Efficiency				
% of preventive maintenance program completed via internally or under contract	100%	100%	100%	100%
Effectiveness				
# of false security alarms requiring response in maintaining facility security	98%	95%	95%	98%

City Hall/Public Buildings



City Hall for the City of Hickory is located in the Julian G. Whitener Municipal Building in downtown Hickory and was built in 1977. This is where the City Manager's Office is located and where the administration of the City, as prescribed by the North Carolina General Statutes, coordinates all activities and carries out all policies and actions of the City Council. The Council Chambers are also located in this building where the Council holds their meetings on the first and third Tuesdays of the month. General information and service requests from citizens and businesses are also available at this site through the Action Center.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	21,809	28,123	28,123	0.0%
Operations	465,933	320,039	332,587	3.9%
Capital	645,541	-	-	0.0%
Pro Rata Reimbursement	(8,742)	(8,917)	(9,095)	2.0%
Expenditure Total	\$ 1,124,541	\$ 339,245	\$ 351,615	3.6%
Per Capita	\$ 27.48	\$ 8.24	\$ 8.49	3.1%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Fund	1,124,541	339,245	351,615	3.6%
Revenue Total	\$ 1,124,541	\$ 339,245	\$ 351,615	3.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Part Time	2	2	2	0.0%
Total	2	2	2	0.0%

Board and Agency Funding



The City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not currently provide. To qualify for funding, an organization must generally be non-profit with a policy of non-discrimination and submit multi-year plans, audited financial records, and a list of board of directors. The City Council also appoints several Boards and Commissions to assist the Council by providing recommendations on policies, enforcing regulations established by Council and promoting activities and programs that improve the quality of life in the City.

Board/Agency Funding by Functional Area	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
General Government					
Community Appearance Commission	1,298	728	2,800	2,800	0%
Public Art Commission	7,493	382	18,000	18,000	0%
<i>Subtotal</i>	\$ 8,791	\$ 1,110	\$ 20,800	\$ 20,800	0%
Public Safety					
Spay and Neuter Program	1,000	1,000	1,000	1,000	0%
<i>Subtotal</i>	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	0%
Economic and Community Development					
Catawba County EDC	140,587	124,499	128,587	131,824	3%
Catawba County Chamber of Commerce	2,000	0	0	0	0%
Downtown Development Association	50,000	65,000	65,000	65,000	0%
Economic Dev. - Miscellaneous	241,394	323,342	2,500	52,500	2000%
Economic Dev. Incentives	59,840	136,147	267,715	157,997	-41%
Façade/Landscape Grant	21,472	41,472	40,000	40,000	0%
Hickory Community Relations Council	16,226	10,925	17,000	17,000	0%
Hickory Convention/Visitors Bureau	20,000	20,000	25,000	20,000	-20%
Historic Preservation	2,350	10,706	9,000	9,000	0%
International Council	13,000	11,088	13,000	11,700	-10%
Tourism Development Authority	2,177,957	1,603,690	1,000,000	1,100,000	10%
University City Commission	12,590	7,570	12,000	12,000	0%
Vacant Building Revitalization	0	1,313	100,000	100,000	0%
Western Piedmont Council of Governments	39,601	45,364	49,013	52,278	7%
Youth Council	2,965	1,502	4,000	4,000	0%
<i>Subtotal</i>	\$ 2,799,982	\$ 2,402,618	\$ 1,732,815	\$ 1,773,299	2%
Culture and Recreation					
Hickory Community Theatre	71,400	0	0	0	0%
Sabre Society	0	6,214	20,000	25,000	25%
SALT Block Facility Improvement	100,000	100,000	100,000	100,000	0%
United Arts Council of Catawba County	40,567	40,611	40,925	41,359	1%
<i>Subtotal</i>	\$ 211,967	\$ 140,611	\$ 160,925	\$ 166,359	3%
Transportation					
Western Piedmont Regional Transit Authority	227,807	237,330	237,764	194,884	-18%
<i>Subtotal</i>	227,807	237,330	237,764	194,884	-18%
Total	\$ 3,249,547	\$ 2,782,669	\$ 2,153,304	\$ 2,156,342	0%

General Fund Debt Service



The debt service appropriations account for the payment of principal and interest on general obligation bonds and notes, and proceeds from debt instruments to finance major capital projects. General Statute 159-13 (b) (1) requires the full amount established by the finance officer for a budget year to be appropriated for debt service. A government unit will earmark respective fund revenues to meet debt service obligations.

General Fund Debt	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Bonded Debt					
2018 G.O. Bond Series - Interest	0	616,875	579,376	553,313	-4%
2018 G.O. Bond Series - Principal	0	750,000	750,000	750,000	0%
2019 G.O. Bond Series - Interest	0	175,950	602,250	583,500	-3%
2019 G.O. Bond Series - Principal	0	0	750,000	750,000	0%
2021 G.O. Bond Series - Interest	0	0	0	400,000	0%
2021 G.O. Bond Series - Principal	0	0	0	500,000	0%
Subtotal	0	1,542,825	2,681,626	3,536,813	32%
Installment Purchase					
Communications System	109,634	115,000	115,000	115,000	0%
General Government	561,400	310,000	200,000	700,000	250%
Interest	76,983	71,529	61,142	165,165	170%
Fire	0	20,175	165,000	60,089	-64%
Police		0		51,333	0%
Subtotal	748,017	516,704	541,142	1,091,587	102%
Grand Total	748,017	2,059,529	3,222,768	4,628,400	44%

Transfers/Other Financing Uses

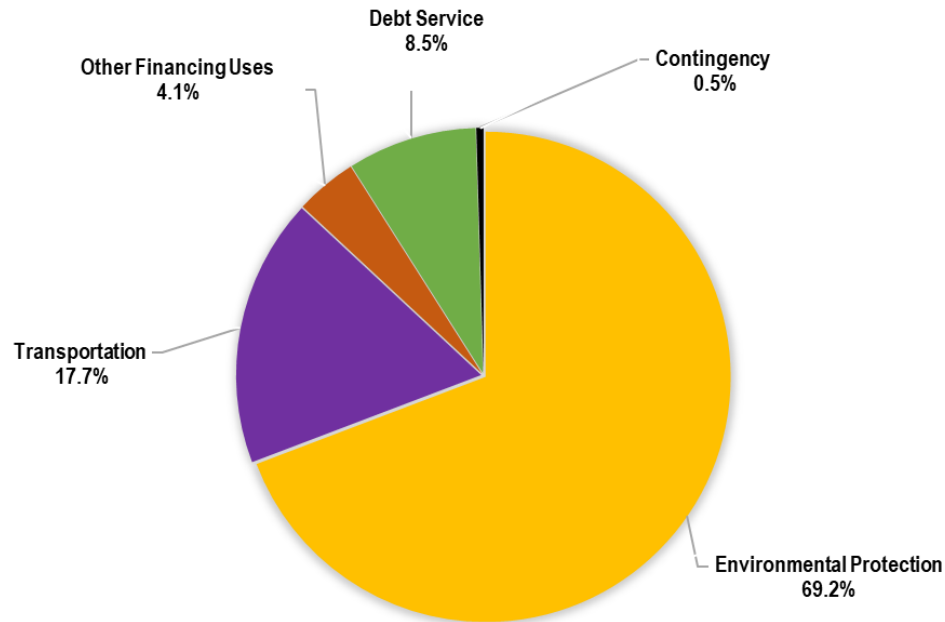
Interfund transfers are transfers between the fund(s) receiving sources and the fund(s) through which the resources are to be expended. The transfer to the Capital Reserve Fund, for example, reserves funds for future capital outlay needs as prescribed in Council's financial policy and Capital Improvement Plan.

Transfers from General Fund	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Capital Projects	1,822,018	6,951,620	0	0	0%
Capital Reserve Fund	997,458	1,263,089	1,424,000	1,624,000	14%
Internal Service Fund	200,000	209,863	0	0	0%
Multi-Year Grant Program Fund	18,138	23,196	0	0	0%
Solid Waste Fund	0	0	0	0	0%
Stormwater Fund	118,454	1,124,354	127,298	132,931	4%
Transportation Capital Projects Fund	0	51,311	0	0	0%
Transportation Fund	0	23,000	250,000	233,176	-7%
Total	3,156,068	9,646,433	1,801,298	1,990,107	10%

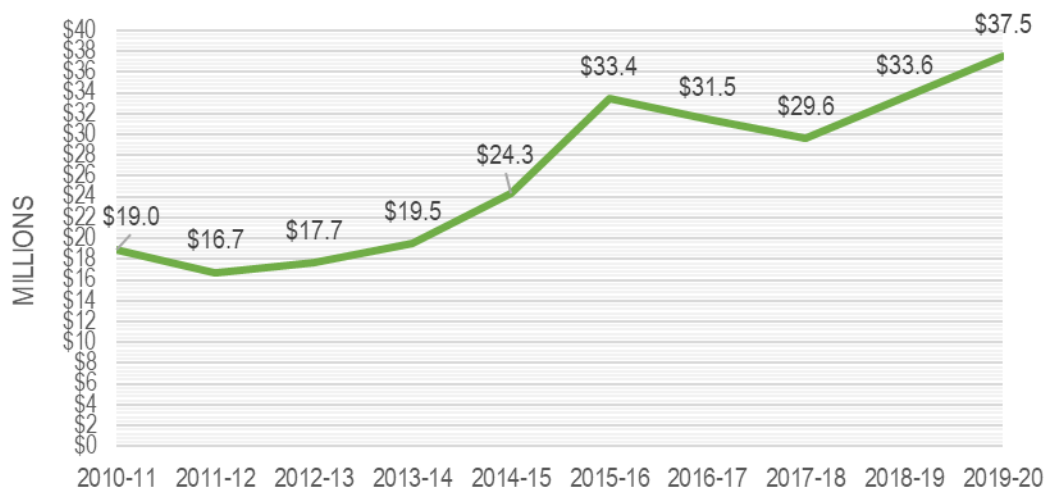
Enterprise Funds

The Enterprise Funds are comprised of the Water and Sewer, Stormwater, Sludge Compost, Transportation, and Solid Waste funds. The Water and Sewer and Solid Waste funds are financed through user charges. Hickory, Conover and Catawba County finance the Sludge Compost Fund through intergovernmental agreements and participation. The following functional areas are included in the Enterprise Funds: Environmental Protection, Transportation, Other Financing Uses, Debt Service and Contingency.

ENTERPRISE FUND EXPENDITURES BY FUNCTIONAL AREA



Water & Sewer Fund Balance History



Enterprise Funds



Enterprise Fund Revenue by Category	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	Percent Change
Other Taxes	31,438	25,000	25,000	0.0%
Restricted Intergovernmental	4,332,971	3,152,117	3,191,965	1.3%
Sales and Services	32,499,029	30,408,239	32,772,913	7.8%
Investment Earnings	981,495	87,000	75,000	-13.8%
Miscellaneous	1,164,519	342,000	612,000	78.9%
Other Financing Sources	3,345,203	7,202,624	5,237,954	-27.3%
Revenue Total	42,354,655	41,216,980	41,914,832	1.7%
Per Capita	1,034.93	1,001.12	1,012.26	

Enterprise Fund Expenditure by Category	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	Percent Change
Personnel	8,445,553	9,163,974	9,543,000	4.1%
Operations	15,245,557	14,915,938	15,372,235	3.1%
Capital	(4,952,793)	7,639,800	5,723,619	-25.1%
Contingency	-	200,000	230,000	15.0%
Special Appropriations	53,158	74,604	75,723	1.5%
Debt Service	606,542	3,577,711	4,160,971	16.3%
Interfund Transfers	7,069,363	1,267,298	1,988,034	56.9%
Pro Rata Reimbursement	4,664,357	4,377,655	4,821,250	10.1%
Expenditure Total	31,131,737	41,216,980	41,914,832	1.7%
Per Capita	760.70	1,001.12	1,012.26	

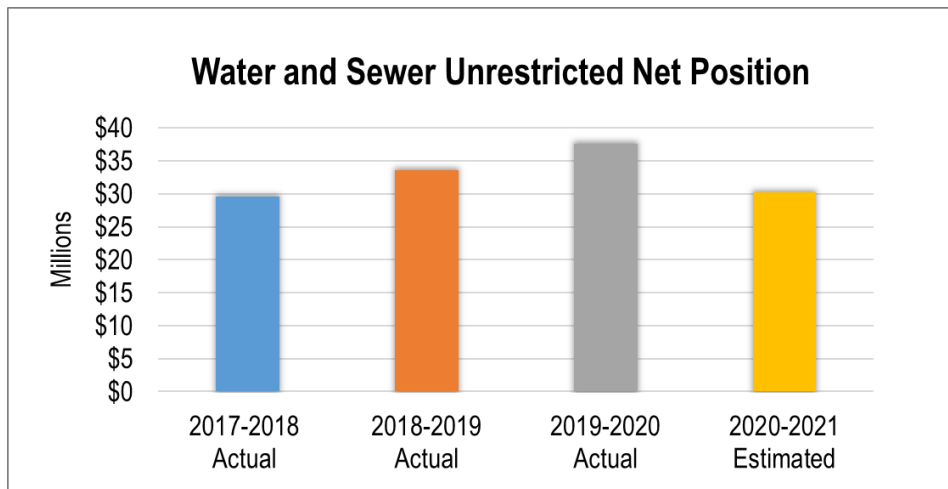
Water and Sewer Fund



Unrestricted Net Position Projection

The unrestricted net position in the Water and Sewer Fund was \$33,554,579 on June 30, 2020. This amount is expected to decrease by \$7,352,146 during FY2020-2021. Going into FY2021-2022, the unrestricted net position of the Water and Sewer Fund is expected to be \$30,170,676.

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Water and Sewer Fund	29,612,777	33,554,579	37,522,822	30,170,676
Dollar Change	(2,029,762)	3,941,802	3,968,243	(7,352,146)
Percent Change	-6%	13%	12%	-20%



Public Utilities Administration



Additional Information about the Public Utilities Administration Division may be obtained by calling M. Shawn Pennell, DS-A, CS-4, Public Utilities Director, at 828.323.7427 or spennell@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To respond to Federal, State, and Local requirements, to educate the community about public utilities, and to provide leadership in developing regional utility agreements in anticipation of becoming a regional provider.

2020/2021 Accomplishments

- Received SRF funding approval for bio-solids facility
- Completed Water System Risk & Resilience Assessment

2021/2022 Goals and Objectives

- **Goal:** Provide regional services
 - **Objective:** Partner with systems in the region to provide reliable, sustainable water and sewer services.
- **Goal:** Sustainably manage the City of Hickory utility system
 - **Objective:** Operate within budget to provide water and sewer services and improve the system.
- **Goal:** Improve system reliability
 - **Objective:** Plan for and complete budgeted projects to rehabilitate critical components of the system

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of publications produced per year	23	18	17	15
Efficiency				
% of meters read per month	99.8%	99.8%	99.7%	95.0%
Effectiveness				
% of construction plans reviewed within 10 days	100%	100%	100%	100%

Public Utilities Administration



Public Utilities Administration is responsible for ensuring proper management and operation of the Public Utilities Department. They are directly responsible for budget preparation and management, meter reading, capital projects/planning and development, plan review and permit writing. Public Utilities Administration manages the water and wastewater enterprise fund.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	712,556	909,536	999,771	9.9%
Operations	4,154,439	4,078,296	4,204,713	3.1%
Capital	(2,459,201)	247,800	134,800	-45.6%
Contingency	-	150,000	150,000	0.0%
Special Appropriations	53,158	74,604	75,723	1.5%
Pro Rata Reimbursement	3,993,358	3,693,235	4,123,140	11.6%
Expenditure Total	\$ 6,454,310	\$ 9,153,471	\$ 9,688,147	5.8%
Per Capita	\$ 157.71	\$ 222.33	\$ 233.97	5.2%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	3,960,387	8,753,471	9,018,147	3.0%
Investment Earnings	909,890	60,000	60,000	0.0%
Miscellaneous	1,584,033	340,000	610,000	79.4%
Revenue Total	\$ 6,454,310	\$ 9,153,471	\$ 9,688,147	5.8%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	11	11	13	18.2%
Seasonal	1	1	1	0.0%
Total	12	12	14	16.7%

Utilities Collections Division



Additional Information about the Collection System Division may be obtained by calling Kevin Hutchison, CS-4, Collections Manager, at 828.323.7427 or khutchison@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To maintain and timely repair water and wastewater facilities in order to protect the environment and natural resources of the community.

2020/2021 Accomplishments

- Replaced creek crossing at horse farm in Brookford
- Repair and armor creekbanks that were damaged during heavy rain events, causing damage to sewer lines: off Sandy Ford Rd, Hickory Motor Speedway, 100 block of 30th Ave NW & 3500 block of 5th St Dr NE
- Replaced approximately 440 feet of 8" sewer in the 900 block of 7th St NE
- Replaced approximately 480 feet of 8" sewer in the 1500 block of 7th St SE

2021/2022 Goals and Objectives

- **Goal:** To ensure the required sewer line amount is cleaned
 - **Objective:** To achieve minimum 10% of line cleaning
- **Goal:** To clear right-of-way to make accessible for cleaning and inspecting of sewer lines
 - **Objective:** To achieve 20% of clearing of right-of-way
- **Goal:** Perform inflow and infiltration study
 - **Objective:** Look for sources of inflow & infiltration into the sewer system to reduce high inflows from rain events

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Total linear feet of sewer line cleaned	455,829	110,684	171,549	260,000
Total # of sewer service requests	274	226	222	250
Efficiency				
Average cost per request for sewer maintenance	\$172.50	\$214.00	\$299.00	\$214.00
Effectiveness				
% of Right-of-Way maintained	10%	5%	11%	20%

Utilities Collections Division



This division is responsible for proper operation and maintenance of Hickory's 476 miles of collection system and 51 pump stations. This operation is staffed 24 hours a day with State Certified Operators on each crew that performs construction or maintenance.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	922,456	1,001,867	1,038,267	3.6%
Operations	937,657	855,769	952,330	11.3%
Capital	694,668	1,993,000	2,203,000	10.5%
Expenditure Total	\$ 2,554,781	\$ 3,850,636	\$ 4,193,597	8.9%
Per Capita	\$ 62.43	\$ 93.53	\$ 101.28	8.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund	2,554,781	3,850,636	4,193,597	8.9%
Revenue Total	\$ 2,554,781	\$ 3,850,636	\$ 4,193,597	8.9%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	16	16	16	0.0%
Seasonal	1	1	1	0.0%
Total	17	17	17	0.0%

Henry Fork Plant Division



Additional Information about the Henry Fork Division may be obtained by calling Robert Shaver, WWT-4, WWTF Superintendent, at 828.294.0861 or rshaver@hickorync.gov.

Functional Area: Environmental Protection

Mission Statement

To promote and protect the environment, health and natural resources of customers through responsible stewardship in the treatment of wastewater returned to streams and lakes.

2020/2021 Accomplishments

- The Henry Fork WWTP was 100% compliant with all NPDES permit requirements
- Completed inspection process by DWR, Mooresville Regional Office with no discrepancies noted

2021/2022 Goals and Objectives

- **Goal:** Maintain safe and effective workplace
 - **Objective:** To meet or exceed NPDES permit requirements and promote coworker safety
- **Goal:** Update standard operating procedures
 - **Objective:** To create a comprehensive manual for the daily operation of the facility and to aid in the training of new coworkers

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Tons of solids hauled to Compost Facility	1,242.1	959	975	1,500
Efficiency				
Chemical cost per thousand gallons wastewater treated	\$.06	\$0.07	\$0.075	\$0.08
Effectiveness				
% of solids removal through the facility	98%	98%	97%	90%

Henry Fork Plant Division



This division is responsible for ensuring wastewater is properly treated before discharge into the Jacob Fork River. This is a nine million gallons per day facility, staffed continuously with State Certified Operators. This facility receives wastewater flow generally from areas in South Hickory and Burke County.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	549,550	588,238	606,131	3.0%
Operations	521,913	615,708	628,509	2.1%
Capital	1,021	205,000	100,500	-51.0%
Expenditure Total	\$ 1,072,484	\$ 1,408,946	\$ 1,335,140	-5.2%
Per Capita	\$ 26.21	\$ 34.22	\$ 32.24	-5.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Restricted Intergovernmental	204,324	50,000	50,000	0.0%
Water and Sewer Fund	868,160	1,358,946	1,285,140	-5.4%
Revenue Total	\$ 1,072,484	\$ 1,408,946	\$ 1,335,140	-5.2%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	10	10	10	0.0%
Seasonal	1	1	1	0.0%
Total	11	11	11	0.0%

Northeast Plant Division



Additional Information about the Northeast Plant Division may be obtained by calling Keith Rhyne, WWT-4, WWTF Superintendent, at 828.322.5075 or krhyne@hickorync.gov.

Functional Area: Environmental Protection

Mission Statement

To promote and protect the environment, health and natural resources of customers through responsible stewardship in the treatment of wastewater returned to streams and lakes.

2020/2021 Accomplishments

- Maintained solids removal at 95% and chemical cost at \$0.025 per 1,000 gallons of treated wastewater
- The Northeast WWTP had a successful NC Division of Water Resources Compliance Evaluation Inspection

2021/2022 Goals and Objectives

- **Goal:** Meet the 2021-22 Performance Measure Goals
 - **Objective:** Maintain solids removal above 90% and chemical cost below \$.05 per 1000 gallons treated.
- **Goal:** Educate the public on the importance of wastewater treatment
 - **Objective:** Give tours of the wastewater plant. Assist in getting the article together about the Northeast WWTP, so it can be published in the national TPO "Treatment Plant Operator" Magazine

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Tons of solids hauled to Compost Facility	799	965	884	1,000
Efficiency				
Chemical cost per thousand gallons wastewater treated	\$0.03	\$0.031	\$0.025	\$0.05
Effectiveness				
% of solids removal through the facility	98%	97%	95%	90%

Northeast Plant Division



This division is responsible for ensuring wastewater is properly treated before discharge into the Catawba River/Lake Hickory. This is a six million gallons per day facility staffed continuously with State Certified Operators. This facility receives wastewater flow generally from North Hickory and Alexander County.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	588,295	611,175	613,884	0.4%
Operations	398,669	479,414	488,638	1.9%
Capital	3,825	38,000	104,000	173.7%
Expenditure Total	\$ 990,789	\$ 1,128,589	\$ 1,206,522	6.9%
Per Capita	\$ 24.21	\$ 27.41	\$ 29.14	6.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund	990,789	1,128,589	1,206,522	6.9%
Revenue Total	\$ 990,789	\$ 1,128,589	\$ 1,206,522	6.9%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	11	11	10	-9.1%
Seasonal	-	-	1	100.0%
Total	11	11	10	-9.1%

Water Plant Division



Additional Information about the Water Plant Division may be obtained by calling Wesley Boyd, SW-A, Water Treatment Plant Superintendent, at 828.323.7530 or wboyd@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To promote and protect the environment, health and natural resources of customers through responsible stewardship in the treatment of water.

2020/2021 Accomplishments

- Completed rehabilitation of filters 5 through 14 with new media and nozzles. Contracted with engineer to rehab filters 1 through 4 and install updated air/water backwash system
- Implemented new lab testing equipment to aid in the optimization of the treatment process
- Met all State and Federal drinking water standards to maintain compliance with no violations
- Updated chemical storage area as part of the ongoing commitment to the Facility Master Plan

2021/2022 Goals and Objectives

- **Goal:** Position the Water Treatment Facility to continue being a utility provider prepared for the future
 - **Objective:** Through continued commitment to the Facility Master Plan, provide for the appropriate replacement or renovation of equipment and facilities to improve the level of service to the communities we serve
- **Goal:** Continue to research options to increase facility performance and reduce expenses while maintaining compliance with water quality standards
 - **Objective:** Research new treatment and analytical methods to aid in providing superior water quality results
- **Goal:** Develop and train the facility staff to elevate employee performance as well as provide for advancement opportunities
 - **Objective:** Encourage and provide support for educational opportunities, training events, and continued professional development to all staff members

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Average million gallons treated per day	11.5	12.1	11.3	12.0
Million Gallons of Billed Water per all staff FTE	57.1	61.9	54.8	60
Efficiency				
Peak capacity daily demand as a percent of treatment	49.6%	49.7%	46.4%	48%
Billed water as % of finished water	85%	85%	85%	85%
Effectiveness				
Customer complaints about water quality per 1,000 meters	0.44	0.37	0.3	0.3

Water Plant Division



This division is responsible for providing safe drinking water for distribution to our customers. The City of Hickory's Water Treatment Facility is a 32 million gallon-per-day facility currently producing an average of 13.85 MGD.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	592,234	693,858	705,128	1.6%
Operations	1,829,846	2,077,004	2,078,117	0.1%
Capital	4,821	900,000	605,500	-32.7%
Expenditure Total	\$ 2,426,901	\$ 3,670,862	\$ 3,388,745	-7.7%
Per Capita	\$ 59.30	\$ 89.16	\$ 81.84	-8.2%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund	2,426,901	3,670,862	3,388,745	-7.7%
Revenue Total	\$ 2,426,901	\$ 3,670,862	\$ 3,388,745	-7.7%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	12	12	12	0.0%
Part Time	1	1	1	0.0%
Seasonal	1	1	1	0.0%
Total	14	14	14	0.0%

Pretreatment/Lab Division



Additional Information about the Pretreatment/Lab Division may be obtained by calling David Cox, WWLA-3, WWT-1, Pretreatment Coordinator, at 828-322-4821 or dcox@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To provide quality laboratory/pretreatment services in order to promote and protect public health, the environment, and natural resources.

2020/2021 Accomplishments

- Judged compliance for 13 SIU's based on City of Hickory monitoring results & industry self-monitoring results, issued notices of compliance/non-compliance accordingly, and submitted appropriate surcharges to Finance
- Renewed 8 Henry Fork SIU permits
- Assisted the City of Claremont with continued support of monitoring & reporting for their 2 NPDES permits
- Maintained major elements of our active pretreatment programs
- Administered Oil & Grease policy in accordance with the City of Hickory's SUO
- Maintained NC laboratory certification and conducted laboratory testing for 5 NPDES permits and 13 SIU's

2021/2022 Goals and Objectives

- **Goal:** Maintain the City of Hickory's Pretreatment Program
 - **Objective:** Monitor the City of Hickory's 13 SIU's & maintain the major elements of our active pretreatment programs
- **Goal:** Administer Oil & Grease policy in accordance with the City of Hickory's SUO
 - **Objective:** Monitor the City of Hickory's approximately 235 oil & grease contributors.
- **Goal:** Maintain the City of Hickory's laboratory certification
 - **Objective:** Conduct laboratory testing for 5 NPDES permits and 13 SIU's. Pass proficiency testing for each parameter on the City of Hickory's laboratory certified parameter list

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of industrial contacts for assistance of permits annually	744	826	700	525
Efficiency				
% of oil and grease contributors re-inspected	9.3%	8.0%	10%	≤15%
Effectiveness				
% of industrial permit non-compliant	1.3%	1.8%	3%	≤4%

Pretreatment/Lab Division



The Pretreatment/Lab Division performs laboratory services for the Henry Fork and Northeast Wastewater Treatment Facilities. This division also performs biological and chemical testing for industries that make up the City of Hickory's Pretreatment Program.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	428,640	429,748	440,104	2.4%
Operations	133,449	187,578	189,729	1.1%
Capital	13,777	24,500	20,400	-16.7%
Expenditure Total	\$ 575,866	\$ 641,826	\$ 650,233	1.3%
Per Capita	\$ 14.07	\$ 15.59	\$ 15.70	0.7%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund	575,866	641,826	650,233	1.3%
Revenue Total	\$ 575,866	\$ 641,826	\$ 650,233	1.3%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	7	7	7	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
Total	8	8	8	0.0%

Distribution Division



Additional Information about the Utilities Distribution Division may be obtained by calling Brent Icard, DS-A, Utilities Infrastructure Manager, at 828.323.7427 or bicard@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To provide premium quality water and sewer service to all existing and new customers as it relates to construction.

2020/2021 Accomplishments

- Completed 24" water main, increasing volume between the 9th Ave Tank and the F Ave Tank
- Completed Distribution system improvement on 9th Ave Dr. NW, increasing flow capacity to the Airport and Icard Water
- Completed watermain rehabilitation project in Westmont area

2021/2022 Goals and Objective

- **Goal:** Meet the requirement of the Safe Drinking Water Act
 - **Objective:** Maintain adequate chlorine residuals throughout the Distribution System.
- **Goal:** Improve utilities distribution record keeping
 - **Objective:** Update mapping on GIS Hickory Infrastructure Map

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Thousands of gallons of billed water per meter	136.21	139.99	140.0	140.5
Millions of gallons of billed water per water services FTE's	63.36	63.25	63.25	63.4
Miles of main line pipe per square mile of service area	2.89	2.89	2.90	2.90
Breaks and leaks per mile of main pipe line	0.0224	0.021	0.023	0.021
Efficiency				
Percent of existing pipeline replaced or rehabbed	1.647%	0.648%	1%	1.5%
Effectiveness				
Percent of water bills not collected	2.30%	2.50%	2.60%	3.0%

Distribution Division



This division is responsible for proper operation and maintenance of Hickory's 717 miles of distribution system. This operation is staffed with State Certified Operators on each construction crew that performs construction, maintenance or service connection installations.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	1,581,544	1,880,052	1,949,461	3.7%
Operations	1,305,455	877,051	934,128	6.5%
Capital	2,178,992	2,276,500	1,456,000	-36.0%
Expenditure Total	\$ 5,065,991	\$ 5,033,603	\$ 4,339,589	-13.8%
Per Capita	\$ 123.79	\$ 122.26	\$ 104.80	-14.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund	5,065,991	5,033,603	4,339,589	-13.8%
Revenue Total	\$ 5,065,991	\$ 5,033,603	\$ 4,339,589	-13.8%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	33	33	33	0.0%
Part Time	-	-	-	0.0%
Seasonal	4	4	4	0.0%
Total	37	37	37	0.0%



Sludge Composting Fund

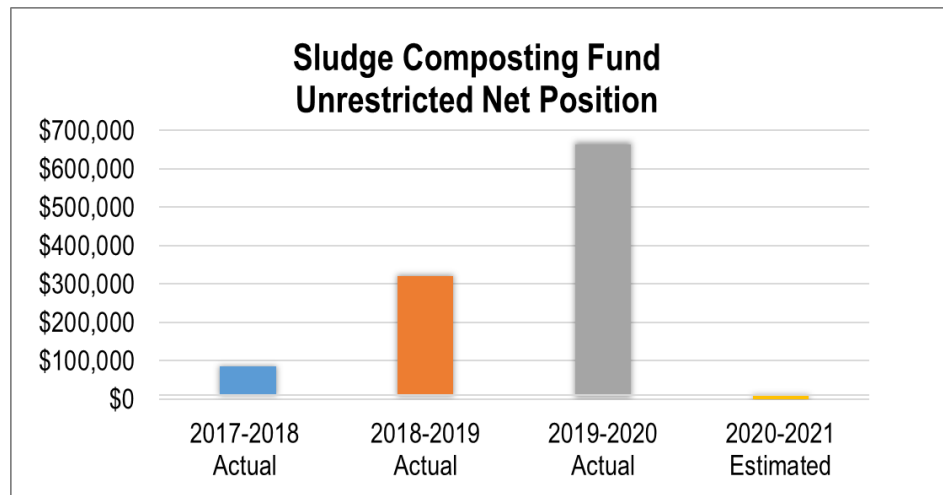


The Sludge Composting Fund consists of only one department, the Sludge Compost Facility of the Public Services Department. The fund exists because of the shared ownership of the facility between the cities of Hickory and Conover. Hickory serves as the lead agent. The original facility was built in the late 1980's through a grant from the Environmental Protection Agency (EPA).

Unrestricted Net Position Projection

The Sludge Composting facility is a regionally operated facility whose operating costs are funded by the participating units. The City of Hickory provides administrative support and retains title to all fund assets. The facility was originally constructed with an innovative technology grant received from the Federal Environmental Protection Agency. The updated facility has been in operation since 1993. Trend information related to Sludge Composting Fund retained earnings balance is presented below:

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Sludge Composting Fund	84,931	321,043	663,821	-
Dollar Change	152,868	236,112	342,778	(663,821)
Percent Change	225%	278%	107%	-100%



Sludge Composting Division



Additional Information about the Sludge Compost Facility of the Public Services Department may be obtained by calling Andrew Foy, Environmental Manager, at 828.323.7427 or afoy@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To accept and treat wastewater bio-solids generated in the region into a reusable product, which has a positive impact on the environment.

2020/2021 Accomplishments

- Facility was operated in compliance with 503 permit without violations.
- Produced Annual Report for EPA and NCDEQ.

2021/2022 Goals and Objectives

- **Goal:** Safely treat bio-solids received at facility.
 - **Objective:** Operate facility in compliance with 503 regulations
- **Goal:** Ensure sustainable long term operations
 - **Objective:** Complete long term plan for future facility operations
- **Goal:** To be a good neighbor to the surrounding community
 - **Objective:** Operate the facility with no odor complaints

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Average million gallons of sludge treated (annually)	15,191,200	16,996,700	16,761,400	16,750,000
Average dry tons treated (daily)	10.24	10.84	11.15	11.00
Cubic Yards of compost sold	9,005	6,348	4,500	6,000
Efficiency				
Avg. cost per dry ton produced	\$692.00	\$726.85	\$641.60	\$675.00
Effectiveness				
Percentage of weeks compliant with Residuals Permit	100%	100%	100%	100%

Sludge Composting Division



This facility is operated under contract with Veolia Water for the Sludge Consortium, of which Hickory is the lead agent. This facility is responsible for accepting biosolids from consortium participants and producing Class “A” residual compost.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Operations	1,833,406	1,678,937	1,723,058	2.6%
Capital	-	50,000	50,000	0.0%
Pro Rata Reimbursement	126,155	128,680	131,254	2.0%
Expenditure Total	\$ 1,959,561	\$ 1,857,617	\$ 1,904,312	2.5%
Per Capita	\$ 47.88	\$ 45.12	\$ 45.99	1.9%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Restricted Intergovernmental	2,046,478	1,857,617	1,904,312	2.5%
Revenue Total	\$ 2,046,478	\$ 1,857,617	\$ 1,904,312	2.5%

Stormwater Fund

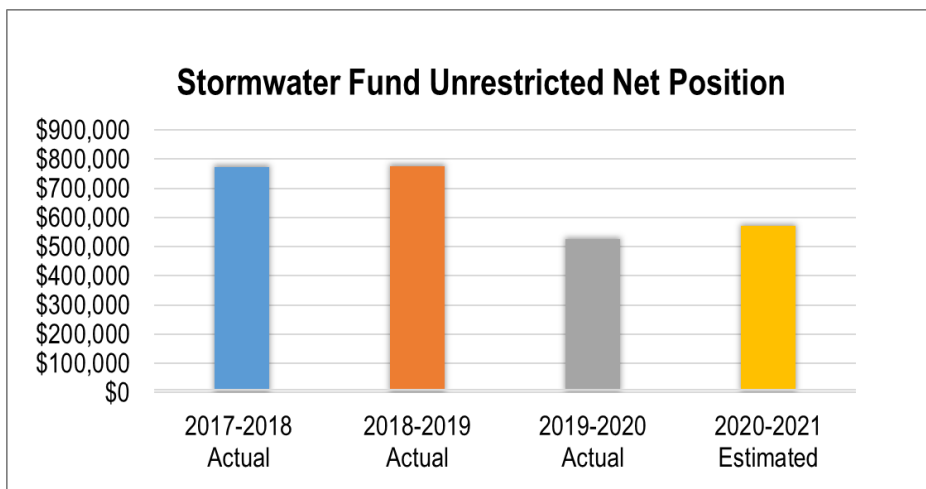


The Stormwater Fund consists of only one department.

Unrestricted Net Position Projection

The Stormwater Fund's unrestricted net position was \$524,234 on June 30, 2020. This amount is expected to increase by \$47,782 during FY2019-2020. The unrestricted net position of the Stormwater Fund is expected to be (\$613,151) going into FY2021-2022.

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Stormwater Fund	771,120	774,036	524,234	572,016
Dollar Change	82,017	2,916	(249,802)	47,782
Percent Change	12%	0%	-32%	9%



Stormwater Division



The Stormwater Fund was presented for the first time in the FY2007-2008 budget document. The City continues their efforts in the process of developing recommendations related to the implementation of new federal stormwater mandates. However, in order to gain a greater understanding of the amount of money the City is spending related to stormwater activities, we began tracking expenses in this area in FY2007-2008. The Stormwater Division is located on the second floor of the municipal building. The Stormwater Engineer works with the Engineering Division staff to provide engineering services related to the City's storm drainage system, and serves as the primary contact for compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II regulations.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	95,395	97,319	100,075	2.8%
Operations	536,942	157,277	165,787	5.4%
Capital	-	-	-	0.0%
Expenditure Total	\$ 632,337	\$ 254,596	\$ 265,862	4.4%
Per Capita	\$ 15.57	\$ 6.22	\$ 6.46	3.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Investment Earnings	7,533	-	-	0.0%
Other Financing Sources	1,818,945	254,596	265,862	4.4%
Revenue Total	\$ 1,826,478	\$ 254,596	\$ 265,862	4.4%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	1	0.0%
Total	2	2	2	0.0%



Transportation Fund

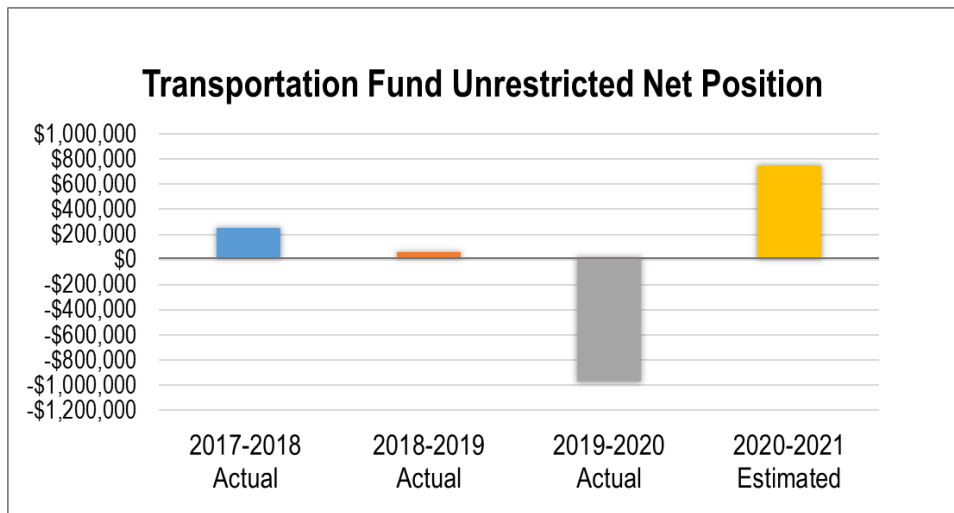


With the growth of Hickory Metro Area, no issue is more prominent than the very conduit that feeds that growth, the transportation system. The Transportation Fund includes the Hickory Regional Airport (including tower operations) and the FBO (Fixed Based Operations). The Transportation Fund was established to differentiate these divisions from General Fund departments due to the intergovernmental coalitions that fund its activities in conjunction with the City of Hickory.

Unrestricted Net Position Projection

The Transportation Fund's unrestricted net position was \$969,462 on June 30, 2020. During FY2020-2021 this amount is expected to increase by \$1,716,218. Going into FY2021-2022 the unrestricted net position of the Transportation Fund is expected to be (\$1,310,416). Trend information for the Transportation Fund is presented below:

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Transportation Fund	252,250	61,916	(969,462)	746,756
Dollar Change	(158,178)	(190,334)	(1,031,378)	1,716,218
Percent Change	-39%	-75%	-1666%	177%



Additional Information about the Airport may be obtained by calling Terry Clark, Airport Manager, at 828.323.7408 or tclark@hickorync.gov

Functional Area: Transportation

Mission Statement

Ensure the Hickory Regional Airport is managed in a safe and efficient manner consistent with federal, state and local laws and regulations and to ensure the airport meets the current and future needs of the aviation public.

2020/2021 Accomplishments

- Secured CARES Act Funds to assist with airport operational expenses
- Successful 139 Part Certification Inspection
- Successful full scale emergency plan drill with various City & County emergency services
- Continued progress on various NCDOT grant projects, i.e. on-airport obstruction removal, hangar reconstruction and Master Plan update
- Re-roofing of commercial terminal building
- Landscaping project completed - commercial terminal building center island
- Prepared/coordinated with various governmental agencies for the Trump rally
- Completed tree removal along runway 1/19 for future economic development

2021/2022 Goals and Objectives

- **Goal:** Continue to maintain Airport infrastructure
 - **Objective:** To position and ready the Airport for future commercial air service
- **Goal:** Explore additional hangar construction on airfield
 - **Objective:** To increase revenues and economic growth
- **Goal:** Increase aircraft operations
 - **Objective:** To position the airport for expansion of improvement projects using Grant funds
- **Goal:** Explore marketing Airport's assets
 - **Objective:** To utilize Airport's full potential to attract business/aviation development & increase revenues

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of airfield Inspections	730	732	730	730
Efficiency				
# of operations per year	25,980	24,375	26,500	26,800
Effectiveness				
# of airfield incursions	1	0	0	0

Airport Division



The Airport Department is responsible for the maintenance and operation of the City's airport according to City policy and Federal Aviation Administration (FAA) regulations. The Airport Director supervises general airport operations, Airport Tower operations and the FBO (Fixed Base Operations). Promotion of the services that are offered at the Hickory Regional Airport is the responsibility of this department. The airport features commercial air service, free parking, a café, a conference room for meetings, and several car rental agencies.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	266,370	240,352	239,151	-0.5%
Operations	259,667	167,932	203,081	20.9%
Capital	(2,619,914)	80,000	183,419	129.3%
Contingency	-	30,000	50,000	66.7%
Pro Rata Reimbursement	126,779	129,314	131,901	2.0%
Expenditure Total	\$ (1,967,098)	\$ 647,598	\$ 807,552	24.7%
Per Capita	\$ (48.07)	\$ 15.73	\$ 19.50	24.0%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Restricted Intergovernmental Revenue	9,130	6,365	6,365	0.0%
Sales and Services	36,904	35,368	38,368	8.5%
Investment Earnings	6,538	6,000	2,500	-58.3%
Transportation Fund	(2,019,670)	599,865	760,319	26.7%
Revenue Total	\$ (1,967,098)	\$ 647,598	\$ 807,552	24.7%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	3	3	3	0.0%
Part Time	1	1	-	-100.0%
Seasonal	-	-	-	0.0%
Total	4	4	3	-25.0%

Fixed Base Operations Division



Additional Information about the Fixed Based Operations Division may be obtained by calling Terry Clark, Airport Manager, at 828.323.7408 or tclark@hickorync.gov

Functional Area: Transportation

Mission Statement

The Hickory Regional Airport fixed based operations is dedicated in providing the best aviation fuel service and storage of aircraft possible to the aviation community while providing a safe workplace and maintaining an excellent on-time performance to meet the needs of our based and transient customers. Our staff are highly trained and experienced in airport fueling and towing operations. We are dedicated in expanding our operations while maintaining the same high level of services throughout.

2020/2021 Accomplishments

- Completion of Hangar N1 construction & opening
- Provided FBO services to Appalachian State University athletic teams
- Provided a safe environment to customers during COVID-19 pandemic
- Entered into commercial use permits with FMD Aviation, 10x Innovations, Saltair Aircraft Leasing, Carolina Aviation Center, and Appalachian Aero Group
- Preparation/coordination of presidential trump rally with various government agencies

2021/2022 Goals and Objectives

- **Goal:** Continue to provide aviation fuels at the lowest, most competitive prices possible
 - **Objective:** To increase fuel sales revenue
- **Goal:** Continue to provide professional and well-trained Line Crew Technicians and outstanding customer service
 - **Objective:** To be recognized as an exemplary FBO in the aviation community
- **Goal:** Increase our base customer numbers
 - **Objective:** To increase revenues, i.e. fuel sales, hangar rent & property tax revenues
- **Goal:** Continue to procure specialized aviation equipment, i.e. tugs, loading/unloading equipment
 - **Objective:** To provide specialized services with quality equipment to support the customer's needs.
- **Goal:** Continue to maintain and update FBO building and hangars as needed
 - **Objective:** To increase economic interest and growth

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Gallons of aviation fuel sold at Airport	497,923	474,900	613,200	650,000
# of based aircraft	72	74	78	85
Efficiency				
# of aircraft fueled	4,806	4,599	5370	5500
Effectiveness				
Value of based aircraft (annual)	45,110,113	40,917,555	43,000,000	43,200,000

Fixed Base Operations Division

Fixed Based Operations is a division of the Hickory Regional Airport. The City of Hickory assumed Fixed Based Operations at the Airport in December 2011, and the revenue and expenses associated with that operation continue to be included as its own cost center in this year's budget.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	435,460	416,066	433,638	4.2%
Operations	252,813	240,337	241,771	0.6%
Capital	5,950	130,000	105,000	-19.2%
Expenditure Total	\$ 694,223	\$ 786,403	\$ 780,409	-0.8%
Per Capita	\$ 16.96	\$ 19.10	\$ 18.85	-1.3%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Sales and Services	1,066,599	1,130,268	1,305,052	15.5%
Investment Earnings	6,538	6,000	2,500	-58.3%
Transportation Fund	(378,914)	(349,865)	(527,143)	50.7%
Revenue Total	\$ 694,223	\$ 786,403	\$ 780,409	-0.8%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	7	8	8	0.0%
Part Time	-	-	4	100.0%
Total	7	8	12	50.0%



Solid Waste Fund

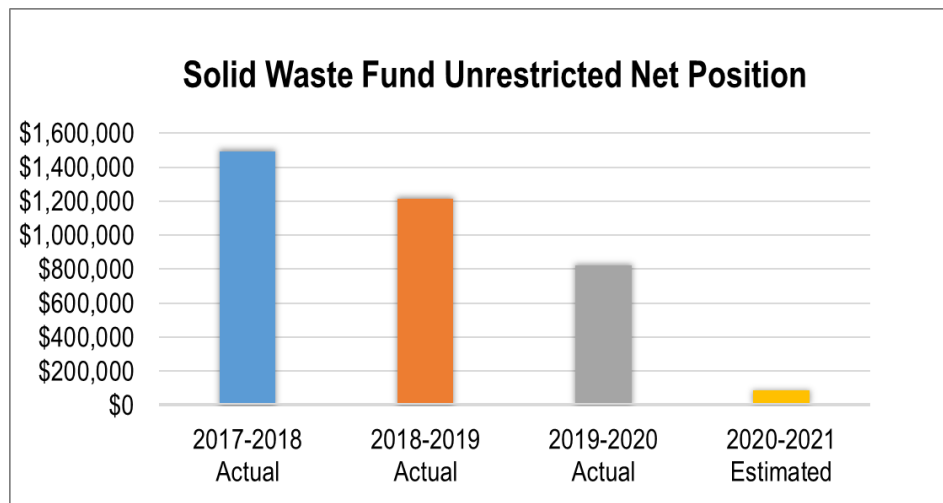


The Solid Waste Fund accounts for the City’s recycling operations, as well as commercial and residential sanitation services. This fund is considered an Enterprise Fund because it generates revenues through sales and services to support operations.

Unrestricted Net Position Projection

The unrestricted net position of the Solid Waste Fund was \$820,703 on June 30, 2020. That amount is expected to decrease by \$735,115 during FY2020-2021. Going into FY2020-2021, the unrestricted net position of the Solid Waste Fund is expected to be \$85,588. The fund’s income is derived primarily from user fees for commercial bulk services, residential service, and recycling fees. In previous years, the General Fund had also contributed operating funds to Solid Waste, with the goal of steering the Solid Waste Fund towards a one hundred percent (100%) self-sustaining status. FY 2021-22 marks the fifth consecutive year where the General Fund will *not* provide a financial contribution to the Solid Waste Fund. Trend information related to the Solid Waste Fund retained earnings is presented below:

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Solid Waste Fund	1,492,261	1,212,690	820,703	85,588
Dollar Change	(587,122)	(279,571)	(391,987)	(735,115)
Percent Change	-28%	-19%	-32%	-90%



Recycling Division



Additional Information about the Recycling Division may be obtained by calling Andrew Ballentine, Solid Waste Manager, at 828.323.7439 or aballentine@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To provide quality and timely waste reduction services to residential and business customers in order to continue to meet North Carolina's Solid Waste Management Act and to reduce Hickory's landfill waste.

2020/2021 Accomplishments

- 208,342 recycling rollouts were emptied in our Residential Single Stream Program resulting in over 6.5 million pounds of recyclable material
- We have maintained continued growth in our enhanced single stream recycling tonnage in our Residential Service and Business Service of 1% and 12% respectively
- Yard waste picked up over 12.5 million pounds
- Our grapple truck picked up over 6 million pounds of yard waste
- Our leaf crews picked up over 7 million pounds of leaves

2021/2022 Goals and Objectives

- **Goal:** Continue to educate residents and business about clean recycling opportunities available to them
 - **Objective:** Use media, Door hangers and other informational opportunities
- **Goal:** Improve recycling in our community through education and explaining benefits for their location by clean recycling, reducing and reusing
 - **Objective:** Use media, educational videos, Door hangers, direct contact and other informational opportunities.
- **Goal:** Continue to revitalize recycling programs throughout School System within the city
 - **Objective:** Partner with schools to help expand the recycling efforts and education, demonstrating the benefits of recycling, repurposing and reusing material to protect and keep our community beautiful

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Tons of curbside recyclables collected	3,264	3189.91	3250	3350
# of curbside collection points	12,200	12200	12200	12200
Efficiency				
Direct cost per ton of curbside recyclables collected (annual)	\$93.02	\$98.99	\$99.11	\$100.00
Direct cost per curbside collection point (annual contract amount)	\$24.89	\$25.88	\$26.40	\$27.00
Effectiveness				
% of residential solid waste diverted by curbside program	27.55%	24%	21.5%	20%
% of eligible curbside pick-up points participating	66%	68.9%	70%	71%

Recycling Division



The City of Hickory has an integrated waste reduction and recycling program in place. Services are provided curbside for the collection of appliances, yard waste, newspaper, catalogs and magazines as well as glass, plastic, and metal food and drink containers. The City also has two drop off recycling convenience centers for the public to use for the disposal of old corrugated cardboard, newspaper, plastic and all colors of food and drink glass bottling. The City has a permitted Yard Waste Composting Facility where mulch and compost is made from the collected yard waste. State law requires restaurants and bars with ABC permits to recycle. The Recycling Division is part of the City's enterprise Solid Waste Fund.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	785,461	726,457	765,842	5.4%
Operations	1,863,939	1,960,777	2,046,419	4.4%
Capital	1,450	351,000	413,000	17.7%
Pro Rata Reimbursement	507,431	517,580	527,932	2.0%
Expenditure Total	\$ 3,158,281	\$ 3,555,814	\$ 3,753,193	5.6%
Per Capita	\$ 77.17	\$ 86.37	\$ 90.64	4.9%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Other Taxes	18,586	12,949	14,610	12.8%
Sales and Services	3,056,140	2,822,574	3,455,620	22.4%
Restricted Intergovernmental Revenue	4,449	-	-	0.0%
Investment Earnings	39,402	7,769	5,844	-24.8%
Miscellaneous	74,255	1,036	1,169	12.8%
Other Financing Sources	-	711,487	275,951	-61.2%
Revenue Total	\$ 3,192,833	\$ 3,555,814	\$ 3,753,193	5.6%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	13	13	13	0.0%
Part Time	1	1	1	0.0%
Total	14	14	14	0.0%

Sanitation Division



Additional Information about the Public Services Sanitation Division may be obtained by calling Andrew Ballentine, Solid Waste Manager, at 828-323-7439 or aballentine@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To provide customers with a healthy and a sanitary environment through the collection, disposal and recycling of solid waste in the most productive manner while meeting the requirements of the North Carolina Solid Waste Management Act.

2020/2021 Accomplishments

- The Residential Division handled over 634,400 rollouts resulting in over 14 million pounds of residential waste being collected.
- The rear packer trucks loaded over 4.7 million pounds of garbage/junk by hand.

2021/2022 Goals and Objectives

- **Goal:** Reduce vehicle maintenance and repair expenses by 5%
 - **Objective:** Reduce vehicle maintenance and repair expenses by continuing to drive the importance of maintenance programs to ensure vehicles are properly maintained through training and inspection
- **Goal:** Operational Efficiency of the Sanitation Division
 - **Objective:** Track expenses quarterly through spreadsheet analysis and adjusting operations real-time.
- **Goal:** Continue to educate the public regarding proper disposal methods for solid waste
 - **Objective:** Continue to utilize personal contact, various media platforms, Snippets, Door hangers and other informational opportunities to increase and educate our customer base

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Tons collected per 1,000 population	296.10	331.98	366.92	393.75
Tons per 1,000 collection points	970.82	1,088.44	1,233.08	1,290.98
Efficiency				
Direct cost per ton collected (annual)	\$26.99	\$24.09	\$21.69	\$21.30
Direct cost per collection point (annual)	\$26.21	\$26.22	\$26.74	\$27.28
Effectiveness				
Repeated collection points per 1,000 population	.01%	.01%	.01%	.01%

Sanitation Division



This division manages routine garbage pickup in addition to several other waste removal services. Regular yard waste, such as leaves, grass clippings, and shrubbery trimmings, are collected curbside weekly on the same day as residential garbage pickup. Additional assistance is available for citizens with disabilities. A special pickup is available on Tuesdays and Thursdays for items such as appliances, furniture, yard waste, and bulky tree debris. Curbside leaf collections occur in the fall, and residents are notified in advance through the local media. Due to the City operating leaf vacuum trucks, the citizens do not need to bag their leaves for collection.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	570,820	650,985	669,012	2.8%
Operations	368,199	407,148	398,230	-2.2%
Capital	2,900	318,000	328,000	3.1%
Expenditure Total	\$ 941,919	\$ 1,376,133	\$ 1,395,242	1.4%
Per Capita	\$ 23.02	\$ 33.42	\$ 33.70	0.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Other Taxes	6,333	5,011	5,431	8.4%
Sales and Services	1,041,372	1,092,362	1,284,620	17.6%
Restricted Intergovernmental Revenue	1,516	-	-	0.0%
Investment Earnings	10,274	3,007	2,172	-27.7%
Miscellaneous	-	401	434	8.4%
Other Financing Sources	1,516	275,352	102,584	-62.7%
Revenue Total	\$ 1,061,011	\$ 1,376,133	\$ 1,395,242	1.4%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	12	12	12	0.0%
Total	12	12	12	0.0%

Commercial Bulk Services Division



Additional Information about the Public Services Commercial Bulk Services Division may be obtained by calling Andrew Ballentine, Solid Waste Manager, at 828.323.7439 or aballentine@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To provide customers with a commercial bulk service, meeting customers' requirements and performed in a cost efficient manner for the city.

2020/2021 Accomplishments

- We have approximately 1,185 dumpster boxes in use by our customers.
- We collected over 14,250 tons of commercial waste.
- To date in this fiscal year we have gained 15 new customers overall which translates into a 1.5% increase in our customer base thus far.

2021/2022 Goals and Objectives

- **Goal:** Increase customer base
 - **Objective:** Increase our customer base through advertising and promoting the services available through the City of Hickory through various means from media platforms, internal departments and personal contact
- **Goal:** Operational efficiency of the Commercial Bulk Division
 - **Objective:** To continue to investigate our operation to maximize efficiency and minimize cost through the use of technology
- **Goal:** Continue to educate the private sector businesses regarding proper disposal methods for solid waste.
 - **Objective:** Continue to utilize personal contact, educational videos, media, Snippets, Door Hangers, individual audits and other informational opportunities to increase and educate our customer base

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
# of boxes serviced per route	120	120	87	92
Efficiency				
Direct cost per ton collected	\$19.96	\$26.46	\$24.50	\$24.00
Effectiveness				
# of new permanent accounts	21	15	36	40

Commercial Bulk Services Division



To better provide solid waste collection to commercial waste generators, the City of Hickory provides dumpster service for a fee. Currently, Hickory services nearly 1,500 dumpsters per week, averaging over 100 boxes per route. The Commercial Bulk Collection Division operates as part of the enterprise Solid Waste Fund, whereby user fees support the operation of the service.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	560,421	598,235	636,926	6.5%
Operations	523,148	520,257	530,375	1.9%
Capital	3,391	511,000	-	-100.0%
Pro Rata Reimbursement	(89,366)	(91,154)	(92,977)	2.0%
Expenditure Total	\$ 997,594	\$ 1,538,338	\$ 1,074,324	-30.2%
Per Capita	\$ 24.38	\$ 37.36	\$ 25.95	-30.6%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Other Taxes	6,154	5,602	4,182	-25.3%
Sales and Services	1,012,906	1,221,119	989,146	-19.0%
Restricted Intergovernmental Revenue				
Investment Earnings	13,836	3,361	1,673	-50.2%
Miscellaneous	26,074	448	335	-25.3%
Other Financing Sources	-	307,808	78,989	-74.3%
Revenue Total	\$ 1,058,969	\$ 1,538,338	\$ 1,074,324	-30.2%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Total	11	11	11	0.0%

Board and Agency Funding



The City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the City's revenue base, or provide a necessary service that the City itself does not currently provide. To qualify for this type of funding, an organization must generally: a) be non-profit with a policy of non-discrimination, and; b) submit multi-year plans, audited financial records and a Board of Directors roster.

Special Appropriations by Functional Area	2018-2019 Actual	2019-2020 Budgeted	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Environmental Protection					
Catawba County EDC	40,196	41,500	42,862	43,941	3%
Habitat for Humanity	4,500	5,436	25,319	25,319	0%
Western Piedmont Council of Governments	6,081	6,222	6,423	6,463	1%
Total	\$ 50,777	\$ 53,158	\$ 74,604	\$ 75,723	1%

Special Appropriations by Functional Area	2018-2019 Actual	2019-2020 Budgeted	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Transportation					
Western Piedmont Regional Transit Authority	227,807	232,712	237,764	237,764	0%
Total	\$ 227,807	\$ 232,712	\$ 237,764	\$ 237,764	0%

Enterprise Debt Fund Service



Enterprise Fund Debt	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund					
NC Revolving Loan					
Cripple Creek	40,057	40,057	40,058	40,058	0%
Interest	441,256	372,751	351,369	321,701	-8%
Geitner Basin	163,616	163,616	163,617	149,018	-9%
Central Business District Sewer	68,205	68,205	68,205	68,205	0%
Northeast Plant	875,000	875,000	875,000	875,000	0%
<i>Subtotal</i>	\$ 1,588,134	\$ 1,519,629	\$ 1,498,249	\$ 1,453,982	-3%
Intergovernmental Agreements					
Catawba County Contracts	0	0	0	0	0%
Interest	0	0	0	0	0%
<i>Subtotal</i>	0	0	0	0	0%
Installment Purchases					
Area II Annexation- Sewer	99,738	0	0	0	0%
Henry Fork Sewer	475,000	475,000	475,000	475,000	0%
Hickory-Catawba Wastewater Treatment Plant	627,877	642,211	656,873	671,869	2%
Interest	272,296	233,791	203,543	146,319	-28%
Maiden Waterline	369,045	369,045	369,046	369,046	0%
<i>Subtotal</i>	\$ 1,843,956	\$ 1,720,047	\$ 1,704,462	\$ 1,662,234	-2%
Water and Sewer Fund Total	\$ 3,432,090	\$ 3,352,048	\$ 3,202,711	\$ 3,116,216	-3%

Solid Waste Fund	Percent Change				
Installment Purchases					
Replacement of four (4) Solid Waste vehicles	0	0	375,000	169,755	-55%
<i>Subtotal</i>	\$ -	\$ -	\$ 375,000	\$ 169,755	-55%
Solid Waste Fund Total	\$ -	\$ -	\$ 375,000	\$ 169,755	-55%

Special Appropriations by Functional Area	2014-2015 Actual	2015-2016 Actual	2016-2017 Budgeted	2017-2018 Budgeted	Percent Change
Transportation					
Western Piedmont Regional Transit Authority	155,702	155,702	213,062	219,542	3%
Total	155,702	155,702	213,062	219,542	3%

Transfers/Other Financing Uses



Transfers from Enterprise Funds	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Water and Sewer Fund					0%
Capital Reserve Fund	740,000	940,000	1,140,000	1,340,000	18%
General Capital Project	0	143,765	0	0	0%
General Fund	0	400,000	0	0	0%
Insurance Fund	0	146,438	0	0	0%
Sludge Composting Fund	0	229,268	0	0	0%
Stormwater Fund	118,454	694,591	127,298	132,931	4%
Water and Sewer Capital Projects Fund	290,500	2,176,583	0	0	0%
Total	\$ 1,148,954	\$ 4,730,645	\$ 1,267,298	\$ 1,472,931	16.23%

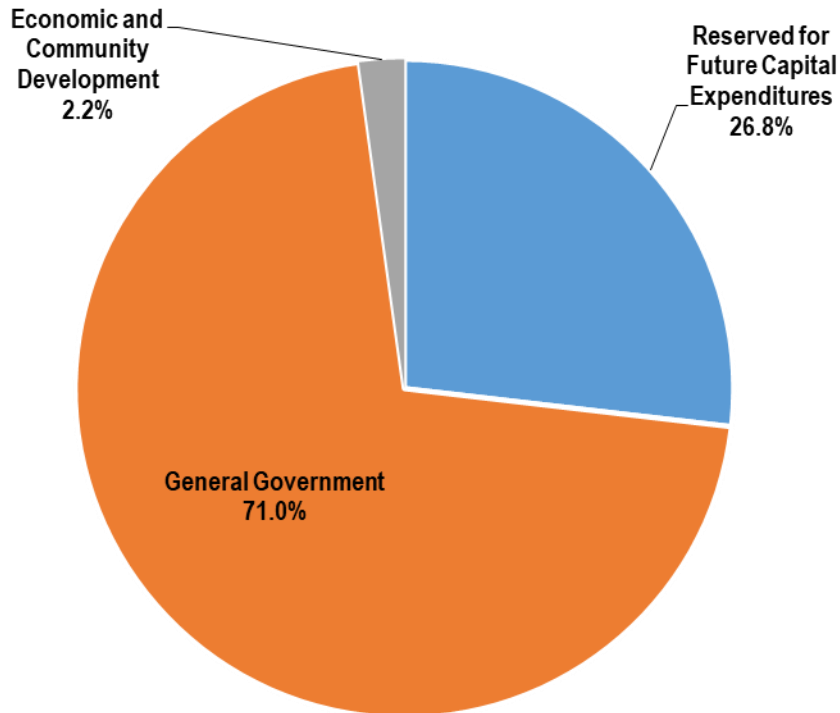
Transfer from Transportation Fund	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Enterprise Capital Project	50,173	1,719,766	0	0	0%
Total	\$ 50,173	\$ 1,719,766	\$ -	\$ -	0%

Transfers from Solid Waste Fund	2018-2019 Actual	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Insurance Fund	0	22,244	0	0	0%
Stormwater Fund	26,000	0	0	0	0%
Total	\$ 26,000	\$ 22,244	\$ -	\$ -	0%

Other Funds

The City of Hickory has four funds that serve special purposes. These “Other Funds” include the Fleet Maintenance Fund, the Insurance Fund, the Capital Reserve Fund and the *Community Development Block Grant* (CDBG) Fund. The Fleet Maintenance and Insurance Funds are internal service funds, which are used to consolidate financial activities associated with these programs, providing management with improved information about program results. The Capital Reserve Fund is set up to reserve funds for future capital expenditures. The CDBG Fund, which is technically a grant fund, administers housing funds allocated by the United States Department of Housing and Urban Development. Descriptions of these funds follow, along with the CDBG Budget Ordinance.

Other Fund Expenditures By Functional Area

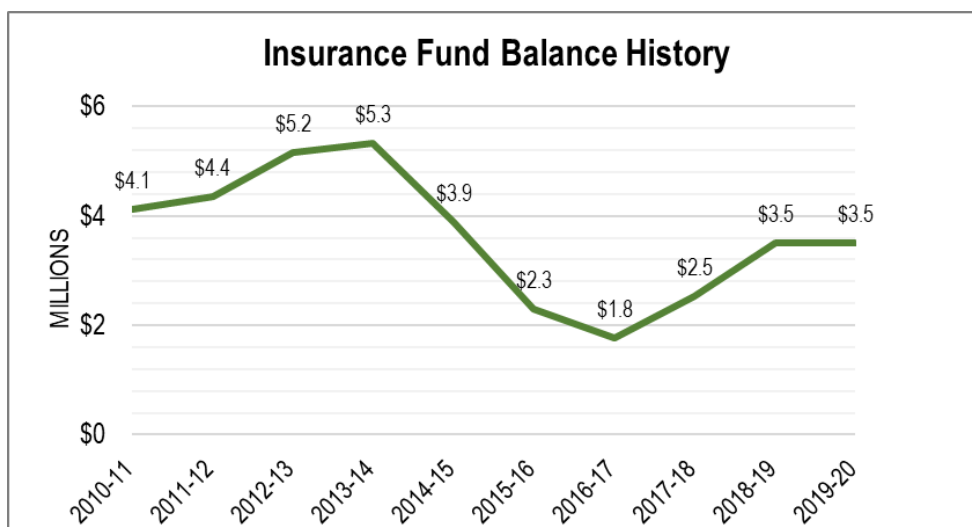
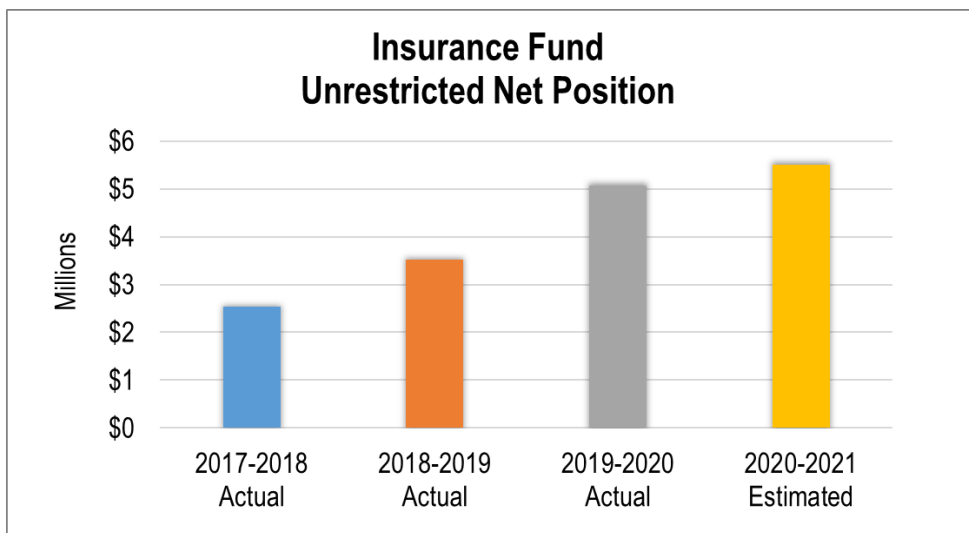


Other Funds

Insurance Fund Unrestricted Net Position Projection

The Insurance Fund was added to the budget in FY1999-2000 and accounts for all the insurance and risk management activities of the City. As of June 30, 2020, the unrestricted net position of this fund was \$5,071,066. This amount is expected to increase by \$439,131 in FY2020-2021. Going into FY2021-2022, the unrestricted net position of this fund is estimated to be \$5,510,197. The fiscal health of this fund is primarily determined by the City's experience with health insurance, property liability, and workers' compensation costs during the year. For greater context given the importance of this issue in contemporary times, a 10-year history is also included below.

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Insurance Fund	2,540,485	3,515,806	5,071,066	5,510,197
Dollar Change	767,964	975,321	1,555,260	439,131
Percent Change	43%	38%	44%	9%

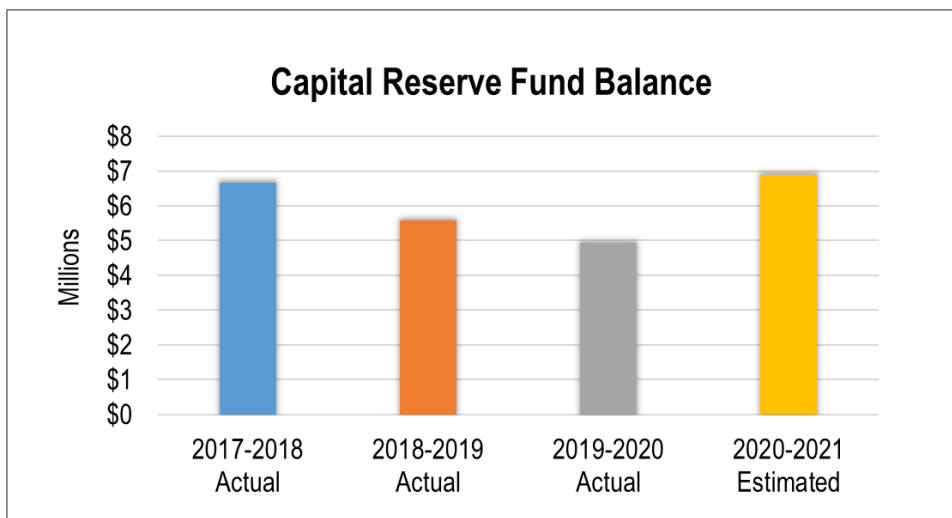


Other Funds

Capital Reserve Fund Balance

The Capital Reserve Fund includes funds set aside for future capital projects and equipment purchases. This fund's dollars are set aside into specific categories including Right-of-Way Acquisition, Future Parking, General Capital Reserve, General Water and Sewer Reserve, Water Plant Reserve, and District Court. The fund balance of the Capital Reserve Fund totaled \$4,925,613 at June 30, 2020. It is expected to increase by \$1,962,609 through FY2020-2021. Going into FY2021-2022, the Capital Reserve Fund Balance is expected to be \$6,888,222.

Capital Reserve Fund Balance	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Capital Reserve	6,666,331	5,584,238	4,925,613	6,888,222
Dollar Change	830,436	(1,082,093)	(658,625)	1,962,609
Percent Change	14%	-16%	-12%	40%



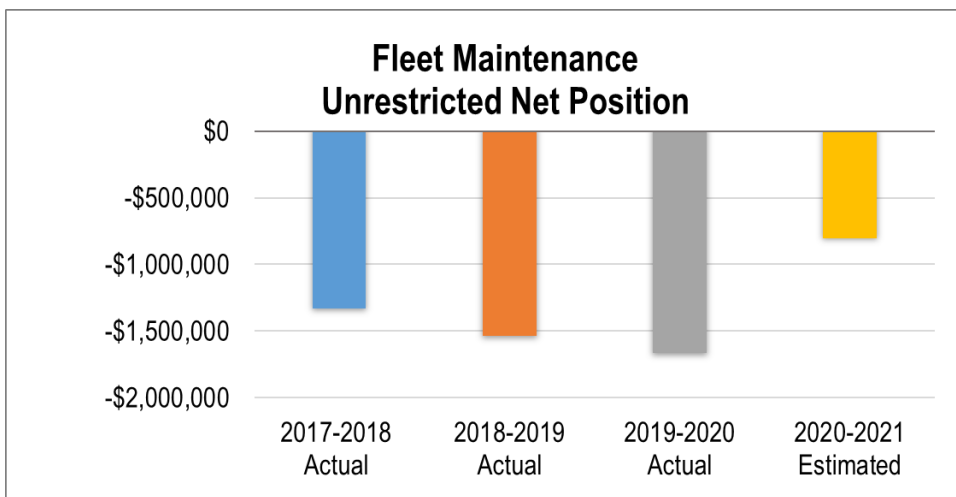
Other Funds



Fleet Maintenance Fund Unrestricted Net Position (Fund Balance) Projections

The Fleet Maintenance Fund was added to the budget in FY1998-1999. This fund provides vehicle and equipment maintenance services to all City departments and divisions and charges them for those services. As of June 30, 2020, the unrestricted net position of the Fleet Maintenance Fund was (\$1,663,090). It is expected to increase during FY2020-2021 by \$857,635. Entering FY2021-2022, the unrestricted net position of the Fleet Maintenance Fund is projected to be (\$805,455), a marked improvement from the prior year.

Unrestricted Net Position	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated
Fleet Maintenance Fund	(1,328,290)	(1,534,154)	(1,663,090)	(805,455)
Dollar Change	(415,107)	(205,864)	(128,936)	857,635
Percent Change	-45%	-15%	-8%	52%



Fleet Maintenance Division



Additional Information about the Public Services Fleet Maintenance Division may be obtained by calling Brad Abernathy, Fleet Services Manager, at 828.323.7500 or babernathy@hickorync.gov

Functional Area: General Government

Mission Statement

To meet the needs of internal and external (vendors) customers with respect and courtesy while conserving the value of the vehicles and equipment in an efficient and cost-effective manner.

2020/2021 Accomplishments

- Installed new MACK truck software that gives the ability to diagnosed problems better and faster
- Mechanic training on MACK garbage truck cab and chassis
- Installed new Fluid Management System which helps improve record keeping and tracking inventory
- Purchased new service truck to help us be more efficient on road calls and servicing other departments
- Assisted all departments with CIP budgets

2021/2022 Goals and Objectives

- **Goal:** Continue education and training for staff
 - **Objective:** To improve knowledge, skills, and efficiency to obtain individual development
- **Goal:** Continue to have fleet staff meetings
 - **Objective:** To expand beneficial relationships; meet daily/weekly/monthly as appropriate
- **Goal:** Garage renovation
 - **Objective:** Create a store front entrance into the parts room to improve the customers first point of contact with someone in garage like a Service Writer – this would improve our customer service

Performance Measures	2018-2019 Actual	2019-2020 Actual	2020-2021 Estimated	2021-2022 Goal
Work Load				
Total job orders completed	5,452	5,354	4,958	5000
Efficiency				
Job orders per mechanic	908	832	750	700
Effectiveness				
Unscheduled repairs per mechanic FTE	674	652	614	600
% of repairs that are unscheduled	74%	73%	86%	84%

Fleet Maintenance Division



The Fleet Maintenance Division is responsible for the maintenance of all City of Hickory vehicles. As the City implements cost accounting techniques, measuring the City's vehicle maintenance expenses through this fund will provide better data to manage garage services.

Expenditures by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Personnel	10,056,146	10,728,159	11,229,598	4.7%
Operations	2,256,308	2,457,032	2,403,976	-2.2%
Capital	526,372	969,268	854,627	-11.8%
Pro Rata Reimbursement	2,769	2,824	2,880	2.0%
Expenditure Total	12,841,595	14,157,283	14,491,081	2.4%
Per Capita	\$ 313.78	\$ 343.87	\$ 349.97	1.8%

Revenues by Type	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Unrestricted Intergovernmental	92,250	90,000	120,000	33.3%
Restricted Intergovernmental	242,366	90,724	54,784	-39.6%
Licenses and Permits	4,430	4,575	4,575	0.0%
Miscellaneous	(3,357)	-	-	0.0%
Sales and Services	30,659	27,200	223,200	720.6%
General Fund	12,475,247	13,944,784	14,088,522	1.0%
Revenue Total	12,841,595	14,157,283	14,491,081	2.4%

Authorized Personnel	2019-2020 Actual	2020-2021 Budgeted	2021-2022 Budgeted	Percent Change
Full Time	152	157	157	0.0%
Part Time	22	22	22	0.0%
Seasonal	4	4	4	0.0%
Total	178	183	183	0.0%

Community Development Block Grant



The Community Development Block Grant (CDBG) Fund was created to administer annual block grants from the United States Department of Housing and Urban Development (HUD). Hickory must use the funds for strictly defined HUD purposes, including income generated through loans made with CDBG funds. Specifically, the CDBG-eligible activities that are applicable to the City of Hickory's needs are:

- Acquisition of real property
- Disposition of real property
- Public facilities and improvements such as senior centers, neighborhood facilities, and street improvements
- Clearance and demolition
- Housing rehabilitation assistance
- Economic development
- Funding for neighborhood-based non-profit entities to accomplish neighborhood revitalization

The primary objective of the CDBG program is to develop viable urban communities by providing decent housing, creating a suitable living environment, and by expanding economic opportunities, principally for persons of low and moderate income. Hickory, which has been a CDBG Entitlement City since 1982, has long recognized the need to assist in community development. The City of Hickory completes a Consolidated Plan for Housing and Community Development every five years. This plan was most recently updated in spring 2020 for the 2020 through 2024 program years.

The City of Hickory's Community Development Office, which is part of the Planning and Development Department, is responsible for marketing the program, screening and determining project eligibility (generally based benefit to households earning less than 80% of the area median income).

The City's 2020-2024 Consolidated Plan for Housing and Community Development contains ten primary goals for the five-year Consolidated Plan:

1. **Preserve the City's Housing Stock** - Provide support for the rehabilitation and reconstruction of existing housing units to be used for owner and rental occupancy.
2. **Public Infrastructure and Facility Improvements** - Provide support for necessary improvements to public infrastructure in low to moderate income neighborhoods and provide support for necessary improvements to parks and neighborhood facilities in low to moderate income neighborhoods.
3. **Support Homeownership** – Support homeownership by providing assistance to housing counseling agencies.
4. **Provide Services to Persons Living with HIV and AIDS** - Provide funding to ensure persons living with HIV and AIDS are able to access case management services and housing services.
5. **Homelessness Services and Prevention** - Provide services to support the homelessness as well as services aimed at preventing households from becoming homeless.
6. **Youth Services** - Provide support for at risk youth to increase their chances of succeeding in academics and employment.
7. **Increase Entrepreneurship Opportunities** - Provide support to microenterprises as a means to increase economic opportunities for low and moderate income individuals.
8. **Increase Fair Housing Outreach and Awareness** - Provide support to increase awareness of fair housing rights in the community and affirmatively further fair housing.
9. **Demolish Dilapidated Structures** - Provide funding to demolish dilapidated structures to reduce blight.

Community Development Block Grant



Fund Balance Projection

One of the HUD stipulations for the Community Development Block Grant Fund is that an administering agency cannot profit from the use of grant funds. A fund balance of zero is maintained by grant reimbursements to offset program expenditures less program income.

Contacts

If you have any questions about this program, please call CDBG Manager Karen Dickerson at 828-323-7414.

Community Development Block Grant



CITY OF HICKORY 2021 COMMUNITY DEVELOPMENT ENTITLEMENT BLOCK GRANT PROJECT ORDINANCE

BE IT ORDAINED by the City Council of the City of Hickory that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted.

SECTION 1. The project authorized is the 2021 Community Development Entitlement Block Grant program.

SECTION 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the Department of Housing and Urban Development, and the budget contained herein.

SECTION 3. The following revenues are anticipated to be available to complete the project:

Restricted Intergovernmental Revenues	\$324,535
Miscellaneous	<u>85,000</u>
	\$409,535

SECTION 4. The following amounts are appropriated for the project:

Economic and Community Development	\$409,535
	\$409,535

SECTION 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement(s) and Federal and State regulations.

SECTION 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

SECTION 7. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

SECTION 8. The City Manager (Budget Officer) is directed to include a summary analysis of past and future costs and revenues on this grant project in every budget submission made to this board.

SECTION 9. Copies of this grant project ordinance shall be furnished to the Clerk of the Governing Board, the City Manager (Budget Officer) and the Finance Officer for direction in carrying out this project.



Capital Improvements/Grant Projects

The Capital Improvements/Grant Projects portion of the budget document contains information on the following areas:

5 Year CIP

The 5 Year Capital Improvement Plan (CIP) is the financial plan for the purchase or construction of capital assets. The CIP contains information on the upcoming budget year as well as five planning years beyond the upcoming year.

This section contains information on equipment purchases and construction projects that are listed in the City of Hickory's 5 Year CIP. This section is intended to provide a comprehensive look at all capital purchases and capital projects greater than \$5,000 which are either taking place or scheduled to take place within the City.

As part of the CIP requests, departments are asked to include estimates of how each project may affect future operating budgets. Examples of this include any new personnel, equipment, maintenance, or operating expenses that a capital purchase or project might necessitate.

Some of the purchases or projects listed in this plan will not occur in the year listed, or may never occur. To omit them would not give the reader a full understanding of the capital needs of the City. Decisions on proceeding with the purchases or projects listed in the 5 Year CIP are ultimately made by City Council.

Capital Projects

Capital projects are those projects which either acquire or construct an asset of a long term character such as land, buildings, improvements, machinery or equipment. Capital projects may be accounted for in any fund.

Grant Projects

Grant projects are those projects which are funded either in full or in part by federal or state funds. These funds may be for either capital or operating purposes. Grant projects may be accounted for in any fund.

Disclosure

The purpose of this section is not to describe the different funds, ordinances or accounting requirements for each capital purchase or capital project as much as it is to describe the purchases and projects themselves. Therefore, you will find less continuity related to individual funds than you found earlier in this document. This is by design and is necessitated due to the broad transcending nature of the subject.

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
GENERAL FUND EQUIPMENT						
Administration						
Computer Replacements/Software	\$ 6,200					
Communications						
Computer Replacements/Software	\$ 5,400		\$ 3,700	\$ 2,000	\$ 5,400	\$ 5,400
Human Resources						
Computer Replacements/Software	\$ 1,600	\$ 1,600	\$ 4,000	\$ 5,000	\$ 6,000	\$ 6,000
Budget						
Computer Replacements/Software	\$ 1,800		\$ 1,500			
Risk Management						
Computer Replacements	\$ 1,500					
Finance						
Computer Replacements/Software	\$ 8,300	\$ 7,500	\$ 7,800	\$ 9,000	\$ 8,300	\$ 7,500
Information Technology						
APC UPS Batteries						
Cisco Phones	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Cisco Webex Cloud Conversion	\$ 11,000					
Council Chamber Audio/Video Refresh		\$ 100,000				
Computer / Laptop Replacements	\$ 19,200	\$ 6,000			\$ 19,200	\$ 6,000
Data Center for Public Services		\$ 100,000				
Discretionary Funds	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Electronic Signature	\$ 10,600					
ERP Replacement		\$ 1,000,000				
Fiber Infrastructure for City Buildings					\$ 200,000	
Hyperconverged SAN / Compute	\$ 500,000					
iSeries Replacement / Update			\$ 80,000			
Managed SOC	\$ 65,000					
Network - LAN / WAN Infrastructure			\$ 270,000			
Phone System E911	\$ 11,600					
SAN Upgrade				\$ 175,000		
Security	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Switch Replacement / Upgrades	\$ 40,000					
Time Clocks		\$ 35,000				
Upgrade Office Suite / G3				\$ 100,000		
UPS Upgrade		\$ 75,000				
Vehicle replacement			\$ 26,000			
VMWARE VDI License Increase	\$ 6,000					
VMWARE VDI - Microsoft License	\$ 4,620					
City Clerk						
Computer Replacements	\$ 2,000		\$ 1,500	\$ 2,000		\$ 2,000
Legal						
Computer Replacements	\$ 2,000	\$ 3,000	\$ 4,000	\$ 3,000	\$ 4,000	
Engineering						
Computer Replacements	\$ 2,000	\$ 5,000	\$ 6,000	\$ 8,000	\$ 2,500	
Inkjet Plotter / Scanner			\$ 17,500			
F150 Survey Truck		\$ 35,000				
Truck Mounted Scanner		\$ 135,061				
Planning and Development						
Computer Replacements	\$ 6,000	\$ 5,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 5,000

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Police Department						
Police Vehicles	\$ 656,000	\$ 710,400	\$ 684,000	\$ 740,000	\$ 740,000	\$ 740,000
Radios-Vehicle				\$ 600,000		
Generator for Headquarters		\$ 130,000				
Marine Unit Boat, Trailer, & Upfitting		\$ 70,000				
LED lighting conversion - Police Station	\$ 22,533					
License Plate Reader		\$ 20,000				
Radio System Refresh - Phase I Viper Migration			\$ 500,000			
Handheld Radios		\$ 30,000	\$ 30,000	\$ 30,000		
Flashbangs and Simunition		\$ 6,850				
Tasers		\$ 35,000		\$ 35,000	\$ 35,000	\$ 35,000
Weapons	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Special Operations' Team Vests		\$ 57,585				
Space Saver System		\$ 28,000				
Batteries for UPS System	\$ 15,000		\$ 15,000			
Firing Range Maintenance		\$ 3,500			\$ 3,500	\$ 3,500
Computer / Laptop Replacements	\$ 72,000	\$ 70,000	\$ 70,000	\$ 85,000	\$ 85,000	\$ 70,000
Digital Records Archiving System	\$ 39,000					
Wi-Fi Infrastructure	\$ 30,000					
Combat Gauze replacement				\$ 5,000		
Furniture		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Fire Department						
Apparatus Replacement Engine 2			\$ 720,000			
Equipment for Engine 2			\$ 125,000			
Apparatus Replacement Engine 6		\$ 700,000				
Equipment for Engine 6		\$ 125,000				
Apparatus Replacement Tanker 5				\$ 600,000		
Equipment for Tanker 5				\$ 80,000		
Appliances & Furniture	\$ 27,000	\$ 261,000	\$ 26,000	\$ 152,000	\$ 27,000	\$ 27,000
Diesel Exhaust Removal System			\$ 65,000	\$ 45,000		
Computer Replacements	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Firefighting Equipment Replacement (various items including structural firefighting gear, fire attack hose, fire nozzles, hand tools, gas-powered cutting tools, thermal imaging cameras, gas detectors, etc)		\$ 200,000			\$ 200,000	\$ 200,000
Fitness Equipment Replacements	\$ 14,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Personal Protective Turn-out Gear	\$ 200,000					
SCBA Breathing Equipment/ Replacements			\$ 225,000	\$ 225,000		
Software - Staff Tracking, Scheduling/Timekeeping			\$ 24,000			
Software - Wireless Accountability System		\$ 28,000				
Station Alerting System		\$ 450,000				
Technical Rescue Equipment		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Vehicle Replacements (Operations and Administration)		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Mobile Portable Radio Upgrades		\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Building Services						
Air Compressor Replacement					\$ 15,000	
JLG 80 Boom Lift			\$ 80,000			
Pole/Auger Truck				\$ 65,000		
Service Truck						\$ 40,000
2-Ton Dump Truck					\$ 55,000	
Utility Trailer				\$ 10,000		
Bucket Truck		\$ 65,000			\$ 80,000	
Computer Replacements	\$ 2,800		\$ 1,600	\$ 3,200		\$ 1,600
iPads for Crews			\$ 3,200			\$ 3,400

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Central Services						
Computer / Laptop Replacements	\$ 5,000	\$ 2,000	\$ 4,000	\$ 13,400	\$ 4,000	
Color-printer replacement		\$ 4,500				
Digital Recorder Replacement			\$ 2,500			
Icemaker Replacement			\$ 4,000			
Building Renovations & Maintenance	\$ 15,000	\$ 135,000		\$ 5,000	\$ 5,000	
Vehicle replacement		\$ 35,000	\$ 40,000			
Traffic						
Arrowboard Replacement					\$ 5,000	
Computer Replacement / Software / Monitors	\$ 23,000	\$ 7,000	\$ 2,000	\$ 3,500	\$ 3,000	\$ 10,000
Core Network Switch for Signal System	\$ 5,000					
Fiber Optic Fusion Splicer replacement	\$ 31,000					
Fiber Optic Replacement	\$ 15,500	\$ 16,000	\$ 16,500	\$ 17,000	\$ 17,500	\$ 18,000
Generator for Sign Truck						\$ 4,300
Heat Pump - Paint Shop				\$ 6,500		
iPads		\$ 5,000				
Network Video Recorder					\$ 15,000	
Optical Fusion Cleaver replacement	\$ 2,000					
Paint Stripper	\$ 18,000					
Pavement Marking Eraser				\$ 7,500		
Rotary Hammer replacement	\$ 4,999					
Sign-Making Software Upgrade	\$ 2,500					
Sign Post Driver Unit				\$ 8,500		\$ 5,100
Signal Corridor Retiming (yearly per NCDOT request)	\$ 51,500	\$ 53,000	\$ 54,500	\$ 56,000	\$ 57,750	\$ 59,500
Signal System Program		\$ 750,000				
Signal Parts and Traffic Cameras			\$ 25,000	\$ 26,000		
Single-Axle Trailer replacement	\$ 3,500					
Traffic Counter replacement	\$ 4,000	\$ 4,000	\$ 7,000	\$ 5,000	\$ 5,000	\$ 5,000
Traffic Signal Equipment / Software				\$ 2,750		
Traffic Signal Video Equipment	\$ 23,000	\$ 27,000			\$ 27,000	\$ 28,000
Truck Replacement		\$ 45,000				
Upgrade Synchro						
Crew Cab 4x4 Replacements	\$ 55,000		\$ 45,000	\$ 80,000		
Ford Explorer/Ford Van E-150						\$ 80,000
Street						
Air Compressor replacement		\$ 35,000				
4x4 SUV / Pickup			\$ 35,000			
Backhoe						\$ 100,000
Bomag Roller						\$ 110,000
Brine Machine and Building						
Cargo Emergency Trailer			\$ 20,000			
Cement Mixer	\$ 4,000					
Computer Replacements	\$ 2,000		\$ 2,000	\$ 2,100		\$ 2,200
Concrete Saw replacement			\$ 20,000			
Crack Seal Machine replacement					\$ 40,000	
Crew Cab 4x4 Replacements	\$ 155,000			\$ 35,000	\$ 155,000	
Tandem Dump Truck				\$ 310,000		
International Crew Cab				\$ 100,000		
Dump Truck Replacement #2606						\$ 85,000
Dump Truck Replacement #2651	\$ 85,000					
Dump Truck Replacement #2763			\$ 85,000			
Front Deck Mower	\$ 16,500					
Grader for Skidsteer			\$ 5,500			
Hudson Trailer	\$ 17,000			\$ 15,000		
iPads					\$ 11,000	
Lowboy Trailer		\$ 55,000				
Road Tractor replacement					\$ 175,000	
Rubber Tire Loader	\$ 160,000					
Sidewalk Construction		\$ 170,000				
Track Hoe			\$ 300,000			
Tractor / Mower replacement					\$ 100,000	\$ 34,100
Salt Brine Tank					\$ 15,000	
Salt Brine Tank Sprayer						\$ 15,000
Salt spreader	\$ 22,000	\$ 22,000			\$ 23,500	
Small Pad Tamp	\$ 1,900					
Straw Blower & Trailer	\$ 15,000					
Street Flusher		\$ 150,000				
Street Sweeper		\$ 300,000	\$ 300,000			
Walk-behind Wacker Tamp	\$ 30,000		\$ 2,000			
Z-Mowers	14000					

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Landscape						
Mowers / Snowplows			\$ 61,500	\$ 65,600	\$ 39,000	
Building Repairs				\$ 200,000		
Bleachers at Taft Broome				\$ 42,438		
ATV replacement	\$ 17,000					
B&G Special Projects				\$ 4,335,400		
Concession Trailer					\$ 2,500	
Dump Truck Replacements	\$ 152,000		\$ 61,000		\$ 129,200	\$ 182,800
Crew Cab/Extended Cab/Pickup Trucks	\$ 65,500	\$ 179,400	\$ 171,600			
Civitan Park Basketball Court		\$ 46,200				
Boy Scout Cabin Restroom		\$ 74,200				
Bobcat Skid Steer w/Attachments					\$ 80,000	
Broome Ballfield Fence		\$ 34,000				
Bleachers for Kiwanis		\$ 109,210				
Bleachers at Jaycee Park			\$ 44,700			
Skid Steer with Track/Bucket		\$ 85,500				\$ 75,000
Computer Replacement	\$ 2,500		\$ 3,000	\$ 8,250		
EZ-Go Golf Cart replacement		\$ 10,000				
E-Van	\$ 40,000					\$ 42,000
Greenhouse Roof						\$ 20,000
Henry Fork Amenities					\$ 49,406	
Henry Fork Playground					\$ 240,590	
Henry Fork Park Lighting		\$ 385,000	\$ 192,500			
Hudson Trailer replacement	\$ 6,500			\$ 3,100		
Large Sprayer					\$ 12,000	
Lawn Tractor / Snow Plow replacement	\$ 11,500					
Mowers	\$ 30,000	\$ 84,000				\$ 26,600
Miracle of Hickory Park Play System			\$ 403,200			
Miracle of Hickory Amenities			\$ 13,524			
Neil Clark Play System						\$ 57,000
Neil Clark Park Amenities						\$ 14,000
City Park Amenities						\$ 8,629
Tractors	\$ 60,000	\$ 60,000		\$ 50,000	\$ 64,800	\$ 75,000
Snow Blower replacement					\$ 1,300	
Park Amenities				\$ 15,908		
Park Sign Replacements		\$ 22,000				
Pickup Trucks				\$ 178,900	\$ 80,500	\$ 107,400
Ridgeview Play System		\$ 209,869				
Sidewalk/Street Sweeper for Citywalk & Union Square areas	\$ 220,000					
Stanford Park Play System				\$ 126,500		
Taft Broome Tennis Upgrade			\$ 16,000			
Toro Deep-tire Aerator				\$ 10,000		
Trailer replacements	\$ 8,000		\$ 8,000		\$ 5,200	
UTV			\$ 15,000			
XRT Golf Cart replacement		\$ 10,000				
Parks and Recreation						
Batting Cage - Jaycee ballfield	\$ 5,579					
Cameras @ all centers and parks	\$ 15,000					
Ceramic Kiln Replacement		\$ 5,000				
Computer Replacements	\$ 9,500	\$ 7,500	\$ 4,500	\$ 7,500	\$ 6,000	\$ 7,500
Electronic Gate Replacements	\$ 20,000					
Fitness Center Equip. Replacement	\$ 30,000	\$ 32,586	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000
Indoor soccer padding @ Neil Clark gym	\$ 6,725					
Key Fob System @ Fairbrook Optimist	\$ 20,000					
Lightning Prediction and Warning System - Stanford Pk			\$ 8,075			
Lightning Prediction and Warning System - Neil Clark					\$ 8,075	
Lightning Prediction and Warning System - Henry Fork		\$ 8,075				
Scoreboard Replacement		\$ 6,000				
TRX Room	\$ 22,000					
Lighting Prediction and Warning System				\$ 8,075		

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Parks and Recreation Maint.						
HVAC System Replacement	\$ 6,200					\$ 20,000
Reel Mower Replacement	\$ 36,000					
Toro Sand-Pro replacement						
Library						
Computer Replacements	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000		
HVAC System Update	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Public Buildings						
Christmas Decorations		\$ 50,000				
GF Equipment Total	\$ 3,503,556	\$ 8,092,536	\$ 5,359,399	\$ 9,120,121	\$ 3,239,221	\$ 2,694,529
GENERAL FUND CONSTRUCTION						
Police Department						
Painting Int/Ext Building	\$ 10,094					
Fire Department						
FS #1 interior Improvements					\$ 40,000	
FS #1 Parking Lot Resurfacing	\$ 150,000					
FS #2 Replacement		\$ 4,000,000				
FS #3 Land Acquisition for Relocation				\$ 500,000		
FS #3 New Construction						\$ 5,000,000
FS #3 Interior Improvements						\$ 125,000
FS #5 Diesel Exhaust Removal System		\$ 63,000				
FS #7 Interior Improvements		\$ 40,000				
FS #8 New Construction				\$ 5,000,000		
FS #8 Property Acquisition	\$ 1	\$ 500,000				
Central Services						
Roof repairs			\$ 100,000			
Maintenance/Repair - Street Shed			\$ 5,000			
Repaving a portion of Public Services			\$ 10,000			
Street & Traffic						
Sidewalk Construction	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
Street Paving Study / Update Pavement Condition study				\$ 45,000		
Repaving - Paint Shop			\$ 15,000			
Landscape						
Int/Ext Painting Neil Clark			\$ 90,000			
Repave Henry Fork Park	\$ 70,500					
Parks and Recreation						
Bruce Meisner Park		\$ 1,652,223				
Parks and Recreation Maint.						
Dugouts - New for Stanford Park #3	\$ 22,000					
Lighting @ various parks and facilities (Hickory City Park tennis courts, Skatepark, and Hickory Optimist Pickleball courts)	\$ 75,000					
Painting - Highland Recreation Center		\$ 80,000				
GF Construction Total	\$ 507,595	\$ 6,515,223	\$ 400,000	\$ 5,725,000	\$ 220,000	\$ 5,305,000
GENERAL FUND TOTAL	\$ 4,011,151	\$ 14,607,759	\$ 5,759,399	\$ 14,845,121	\$ 3,459,221	\$ 7,999,529

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
FLEET FUND EQUIPMENT						
Fleet Maintenance						
Air Jack (10 ton)		\$ 5,500				
BTU Furnance						\$ 14,000
Computer Replacement	\$ 3,000	\$ 3,500	\$ 3,500		\$ 3,500	
Dewalt 3-phase replacement	\$ 5,500					
Exterior Door Replacement					\$ 5,500	
Forklift (Toyota) replacement	\$ 17,000					
Fluid Pumps, Reels and Tanks						\$ 8,000
Mobile Lifts				\$ 18,600	\$ 37,200	\$ 18,600
Garage Bay Expansion		\$ 76,000		\$ 383,000		
Rotary Lifts - 10 ton - qty 2		\$ 10,200	\$ 14,200			
Solar Fixed Jumpstarter replacement	\$ 3,000					
Tire Balancer		\$ 5,500				
Tire Truck replacement			\$ 35,000			
Transmission Jack	\$ 8,000					
Upgrade Facility	\$ 50,000		\$ 60,000			
Service Truck		\$ 29,600			\$ 27,000	
Spectrum Plasma Cutter	\$ 3,000					
Fleet Fund Equipment Total	\$ 89,500	\$ 130,300	\$ 112,700	\$ 401,600	\$ 73,200	\$ 40,600
FLEET FUND TOTAL	\$ 89,500	\$ 130,300	\$ 112,700	\$ 401,600	\$ 73,200	\$ 40,600
WATER AND SEWER FUND EQUIPMENT						
Administration						
Base Unit Radio Mount in Vehicle	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200
Computer Replacements	\$ 6,000	\$ 4,000	\$ 2,000		\$ 6,000	\$ 4,000
Network Firewall upgrade (cost-share with Gen Fund)						
Radio Read Meters	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600
Truck	\$ 23,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 26,000	\$ 26,000
Collection System						
ATV for accessing Sewer Rights-of-way			\$ 20,000			
Computers	\$ 3,000	\$ 2,000	\$ 6,000	\$ 5,000	\$ 3,000	\$ 2,000
Full-size 4x4 Trucks	\$ 80,000			\$ 110,000	\$ 40,000	\$ 40,000
Jett Trailer	\$ 75,000					\$ 75,000
Collections Manager Vehicle						\$ 40,000
Pickup Trucks		\$ 70,000				
Service Trucks		\$ 105,000	\$ 105,000			\$ 110,000
Skid Steer w/ Mulcher			\$ 100,000			
SUV/Truck for Environmental Manager			\$ 35,000			
Tractor Replacement	\$ 50,000					\$ 50,000
Unanticipated Sewer Line Installation	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Vac-All Jett Vac Truck					\$ 450,000	
Henry Fork Plant						
Aeration Basin Mixer	\$ 36,000					
Aeration Basin Drain Pump replacement					\$ 45,000	\$ 50,000
Barscreen Conveyor replacement	\$ 45,000					
Blower				\$ 95,000		
Computer Replacement			\$ 2,000			
Effluent Sampler		\$ 9,500				
EZ GO Electric Powered Cart replacement	\$ 12,500					
Influent Sampler	\$ 7,000				\$ 8,000	
Mower		\$ 10,000	\$ 10,000			
Paving at Facility			\$ 500,000			
Replacement Pumps (Various)		\$ 115,000	\$ 48,000			
Scum Pump				\$ 25,000		
Truck Replacements		\$ 30,000	\$ 30,000			\$ 34,000

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Northeast Plant						
Anoxic Mixer replacement		\$ 20,000				
Computer Replacement	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Effluent Flow Meter					\$ 4,000	
Effluent Sampler					\$ 11,000	
Influent Pumps	\$ 78,000	\$ 25,000		\$ 80,000		
Influent Sampler				\$ 10,000		
LED Lighting Upgrade	\$ 10,000					
Mower / Lawn Tractor	\$ 14,000	\$ 15,000			\$ 13,000	\$ 15,000
Oxidation Ditch Aerator				\$ 120,000		
Oxidation Ditch Mixer			\$ 60,000			
Pick-Up Truck		\$ 28,000		\$ 30,000		
Replacement Pumps (Various)		\$ 25,000	\$ 30,000		\$ 45,000	\$ 82,000
SCADA System Upgrades		\$ 30,000				
Security Cameras		\$ 35,000				
Sludge Road Tractor		\$ 100,000				
Thickened Sludge Pump				\$ 43,000		
Water Treatment Plant						
Airwash Actuator replacements	\$ 70,000					
Computer Replacements	\$ 2,000	\$ 2,000		\$ 2,000	\$ 2,000	\$ 2,000
Backwash Actuator replacements					\$ 75,000	
Backwash Blower				\$ 80,000		
Backwash VFD's		\$ 120,000				
Brine tank	\$ 90,000					
Chemical Feed Pumps	\$ 10,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	
Dechlorination System	\$ 20,000					
Electrical Panelboards replacement	\$ 10,000				\$ 15,000	\$ 17,000
Elevator upgrades	\$ 25,000					
Equalization and Sludge Basin Repairs				\$ 65,000		
Eyewash Stations/Safety Showers replacement	\$ 7,500					
Finish Water Pump (FWP6)		\$ 815,000			\$ 55,000	
Filter Control Consoles					\$ 25,000	
Fire Alarm System upgrade				\$ 15,000		
Flash Mixer	\$ 25,000					
Flocculators	\$ 60,000					
HVAC replacements - rooftop				\$ 30,000		
Lab Autoclave			\$ 15,000			
Lab Incubator	\$ 6,000					
Lab PH Meter					\$ 5,000	
Lab Quanti-Tray Sealer			\$ 6,000			
Lab Spectrophotometer				\$ 6,000		
2MG Clearwell Top replacement	\$ 100,000					
Raw Water Turbidimeter	\$ 70,000			\$ 50,000		
Raw Water VFD's			\$ 60,000			
Remote Water Quality Sensors					\$ 25,000	\$ 25,000
Replacement Pumps (Various)	\$ 50,000		\$ 110,000			\$ 122,000
Rewash Actuators						\$ 50,000
Scada Upgrade					\$ 50,000	
Sedimentation Basin Interior Sealing						\$ 580,000
Sludge Loading Station		\$ 70,000				
Streaming Current Monitor replacement			\$ 10,000			
Tube Settlers	\$ 40,000	\$ 40,000	\$ 40,000			
Van for Sample Tech					\$ 30,000	
Vehicle Replacement			\$ 30,000			
Wireless Telemetry upgrade	\$ 20,000				\$ 25,000	

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Pretreatment & Lab						
Computer Replacement	\$ 4,000			\$ 4,000	\$ 4,000	
Autoclave replacement					\$ 23,000	
Dishwasher #2 (Lab Supplies)					\$ 900	
Dishwasher #3 (Lab Supplies)				\$ 900		\$ 900
Electronic Balance Replacement				\$ 1,000		
Cargo Van				\$ 32,000		
Conductivity Meter	\$ 900					\$ 1,000
Heated Water Bath			\$ 1,200		\$ 1,200	
Hot Air Sterilizer replacement	\$ 4,900					
ISCO GLS Sampler	\$ 7,000	\$ 12,500	\$ 3,500	\$ 7,500	\$ 7,500	\$ 3,750
Low Temp Incubator		\$ 6,000				
Meters/Samplers/Storage Tank						
Muffle Furnace replacement			\$ 5,000			
PH/DO Meter	\$ 1,800	\$ 4,600	\$ 1,800		\$ 900	\$ 1,000
Sample Pump	\$ 1,800			\$ 2,000		
Sample Refrigerator						\$ 6,000
Spectrophotometer			\$ 6,000			\$ 4,800
Stainless Steel Manifold			\$ 1,400			
SUVs						\$ 30,000
Truck			\$ 32,000			
Vacuum Pump						\$ 1,000
Hickory Catawba Wastewater Plant						
Replacement Pumps (Various)				\$ 28,000		
Bisulphate Pump						\$ 12,000
Effluent Flow Meter replacement					\$ 5,000	
Effluent Sampler			\$ 10,000			
Influent Sampler					\$ 10,000	
Lawn Tractor replacement			\$ 14,000			\$ 14,000
Oxidation Ditch Mixer replacement		\$ 7,000				
OD Mixer (channel)			\$ 15,000			
RAS Pump					\$ 12,000	
SCADA Upgrade				\$ 30,000		
Sand Filter Cones 1-4 replacement	\$ 10,000					
Storage Building for Equipment	\$ 10,000					
Service Truck 4WD				\$ 35,000		
Sludge Pump Loading Rebuild		\$ 10,000				
Distribution						
Backhoe Replacements		\$ 89,000	\$ 91,000	\$ 91,000	\$ 89,000	
Boring Machine Replacement						
Computer Replacements	\$ 4,000	\$ 4,500	\$ 4,000		\$ 4,000	\$ 4,000
Dump Truck Replacement	\$ 120,000					
Mini Excavator	\$ 89,000					\$ 91,000
Piercing Tools, Tamps, Miscellaneous	\$ 15,000	\$ 17,000				\$ 18,000
Pipe Saw, Metal Detectors, Misc.	\$ 13,000	\$ 15,000	\$ 14,000	\$ 15,000	\$ 15,000	\$ 13,000
Pumps, Locators, Pipe Saws			\$ 18,000	\$ 17,000	\$ 18,000	
Service Truck Replacements / Vehicle SUV 4x4	\$ 150,000	\$ 120,000	\$ 131,000	\$ 72,000	\$ 63,000	\$ 73,000
Tractor Replacements					\$ 25,000	
Unanticipated Water Line Repairs	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
W & S Equipment Total	\$ 1,614,200	\$ 2,130,900	\$ 1,741,700	\$ 1,276,200	\$ 1,386,300	\$ 1,735,250
WATER AND SEWER CONSTRUCTION						
2nd Ave & 4th St PI SW waterline	\$ 200,000					
5th St SW Sewer Rehab		\$ 125,000				
6th Ave SW Sewer Rehab	\$ 100,000					
3rd St PI SW Aerial	\$ 70,000					
Clark Creek Pump Station Generator					\$ 200,000	
Education Center waterline	\$ 500,000					
Glen Hilton Park Sewerline				\$ 200,000		
Henry Fork Outfall Repl Engineering SSO Program	\$ 1,250,000					
Highland House pump station upgrade	\$ 85,000					
Hwy 321 Water and Sewer Improvements			\$ 4,000,000	\$ 4,000,000		
Lakeshore Forcemain	\$ 100,000					
Lakeshore Generator	\$ 125,000					
Manhole Rehab	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Moose Club pumpstation upgrade					\$ 200,000	
Moose Club Forcemain Relocation Design	\$ 150,000	\$ 350,000				
Old MDI Pump Station Rehab		\$ 85,000				
Old River Trails Generator						\$ 100,000
Pump Station Mission RTU Upgrade			\$ 225,000			
Radio-read Meters - AMI installation project		\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Shuford #1 pump station			\$ 250,000			
Shuford #4 pump station		\$ 85,000				
Spring Haven Subdivision	\$ 350,000			\$ 270,000		
South Side Pump Station Upgrade						\$ 200,000
Sulpher Springs Tie-In					\$ 806,000	
Ward Hosiery - SSO Program		\$ 300,000				
Water Lines		\$ 800,000				
W & S Construction Total	\$ 3,030,000	\$ 6,845,000	\$ 9,575,000	\$ 9,570,000	\$ 6,306,000	\$ 5,400,000
WATER AND SEWER FUND TOTAL	\$ 4,644,200	\$ 8,975,900	\$ 11,316,700	\$ 10,846,200	\$ 7,692,300	\$ 7,135,250

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
SLUDGE FUND EQUIPMENT						
Housing and Chains for Conveyors	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
SLUDGE FUND TOTAL	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
TRANSPORTATION FUND EQUIPMENT						
Airport						
Boom Mower		\$ 30,000				
Computer Replacements	\$ 3,000	\$ 1,500			\$ 3,000	\$ 1,500
Maintenance Truck		\$ 50,000	\$ 40,000			
Replace Snow Removal Truck & Plow						\$ 90,000
Replace Tractor				\$ 70,000		
Replace Airport Director's vehicle	\$ 35,000					
Security Improvements			\$ 20,000	\$ 20,000		
Rehab of West Ramp Access Road				\$ 150,000		
Replace Mowers					\$ 25,000	
Utility Terrain Vehicle	\$ 20,000					
Video Surveillance		\$ 20,000				
Tower						
Voice Logging Recorder replacement				\$ 6,000		
Security Improvements		\$ 10,000				\$ 10,000
Control Tower Repairs		\$ 10,000	\$ 10,000			
FBO						
Computer Replacements		\$ 1,500				
Golf Carts (6-8 passenger, and 4-passenger)	\$ 15,000					
Security Improvements		\$ 10,000	\$ 10,000			
TUG Replacement			\$ 45,000			
Transportation Equipment Total	\$ 73,000	\$ 133,000	\$ 125,000	\$ 246,000	\$ 28,000	\$ 101,500
TRANSPORTATION CONSTRUCTION						
Airport						
HVAC Main Terminal			75,000			
Construct Maintenance/Storage Building			100,000			
Refurbish Fire Station #4					150,000	
Replace Main Terminal Carpet						40,000
Renovate Main Terminal Restrooms						150,000
Renovate Control Tower Cab				25,000		
Terminal Renovation - Design Phase	\$ 125,419					
South Ramp Access Road Improvements						100,000
Tower						
HVAC Replacement					25,000	
Replace Roof					15,000	
Paint Interior of Control Tower			15,000			
Renovate Control Tower Chief Office and Restroom						20,000
FBO						
Carpet Replacement	\$ 10,000					
Computer replacement				4,500		1,500
FBO Roof Replacement			50,000			
Hangar Repairs	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 150,000
HVAC System Replacement	\$ 30,000	\$ 30,000	30,000			
Paint Exterior Hangar W1		\$ 45,000				
Renovate Pilot Shower/Bathroom		\$ 50,000				
Restroom refurbishment - Administrative Floor					75,000	
Restroom refurbishment - 1st Floor / Downstairs				75,000		
Transportation Construction Total	\$ 215,419	\$ 175,000	\$ 320,000	\$ 154,500	\$ 365,000	\$ 461,500
TRANSPORTATION FUND TOTAL	\$ 288,419	\$ 308,000	\$ 445,000	\$ 400,500	\$ 393,000	\$ 563,000

Capital Improvements/Grant Projects



5 Year CIP Items	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
SOLID WASTE EQUIPMENT						
Recycling						
Boom Truck replacement	\$ 165,000				\$ 202,500	
Computer replacement				\$ 1,750		
Front Loader / Automated Truck replacements				\$ 311,000		
Hook Lift Truck replacement			\$ 165,000			
Leaf Truck (automated) Replacements	\$ 248,000	\$ 253,000		\$ 263,000		
Pickup Truck Replacement			\$ 41,000			
Rear Packer		\$ 303,000	\$ 642,500			\$ 303,000
Trailblazer		\$ 42,500				
Residential Sanitation						
Automated Trucks	\$ 328,000	\$ 338,000	\$ 348,000	\$ 706,000	\$ 362,000	\$ 371,000
Computer replacement				\$ 3,000		
Pickup Truck / SUV			\$ 41,000			
Rear Packer		\$ 303,000				
Commercial Bulk Services						
Box Truck				\$ 129,250		
Compactor Trailer		\$ 78,000	\$ 80,000	\$ 84,750	\$ 180,000	\$ 95,500
Computer replacement			\$ 3,000			
Front Loader Replacement			\$ 321,250		\$ 361,000	\$ 329,000
Hook Lift Truck Replacement		\$ 161,000				
Pickup Truck Replacement						\$ 47,000
Paint Sprayer replacement					\$ 5,500	
Road Tractor Replacement		\$ 161,000	\$ 165,000	\$ 171,000	\$ 176,000	\$ 181,000
Steam Pressure Washer Replacement			\$ 5,100			
Transfer Station Renovation		\$ 100,000				
Solid Waste Equipment Total	\$ 741,000	\$ 1,739,500	\$ 1,811,850	\$ 1,669,750	\$ 1,287,000	\$ 1,326,500
SOLID WASTE FUND TOTAL	\$ 741,000	\$ 1,739,500	\$ 1,811,850	\$ 1,669,750	\$ 1,287,000	\$ 1,326,500
TOTAL FUNDS	\$ 9,824,270	\$ 25,811,459	\$ 19,495,649	\$ 28,213,171	\$ 12,954,721	\$ 17,114,879

Capital Improvements/Grant Projects

Citywalk

Project#B1C001
Total Project Cost: \$25,260,151
Project Start Date: 2016
Project End Date: 2021
Project Manager: Rick Beasley



Description

Presently under construction, Citywalk is a pedestrian link from Lenoir-Rhyne University through the downtown area and continues the mill redevelopments and corporate headquarter opportunities that have already taken place along this corridor. The goal of this project is to create destinations for jobs, service, and professional opportunities in the City's Central Business District. Locations along the Citywalk are viable for a number of activities including corporate headquarters, urban residential units, commercial services, and retail jobs.

Impact on Operating Budget

Approximately \$11.5 million of the 2014 General Obligation Bond issue has been allocated to Citywalk. To date, a total of \$30 million of the originally planned \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,681,626 of which Citywalk represents 38.5%.



Capital Improvements/Grant Projects

Riverwalk

Project # B1R001
Total Project Cost: \$10,987,923
Project Start Date: February 2017
Project End Date: 2021
Project Manager: Rick Beasley



Description

Another Bond project, the Riverwalk will be Hickory's first on-water boardwalk experience, along the shoreline of Lake Hickory. This will take the form of a mile-long ADA-accessible walkway extending from Highway 321 to Geitner-Rotary Park and is designed to let people view and experience the water through enhanced pedestrian access to Lake Hickory. Planning began during fall 2016, with a construction contract awarded in January 2020 to David E. Looper & Company for \$5,889,133. This project is further leveraged through private investment in the future Deidra Lackey Memorial Park for the same area.

Impact on Operating Budget

Approximately \$8.18 million of the 2014 General Obligation Bond issue has been allocated to Riverwalk. To date, a total of \$30 million of the originally planned \$40 million Bonds have been issued, resulting in annual Debt Service of \$2,681,626. Riverwalk represents 27.3% of this Debt Service.

Capital Improvements/Grant Projects

Trivium Corporate Center

Project # B1B001
Total Project Cost: \$22,622,761
Project Start Date: Spring 2017
Project End Date: TBD



Description

Trivium Corporate Center is a joint business-park venture between Catawba County and the City of Hickory. The property consists of some 200 acres located south of Catawba Valley Community College between Robinwood Road and Startown Road, placing it with excellent access to Interstate 40 and Highway 321. The Catawba County Economic Development Commission continues to market the property.

As of Spring 2021, the following tenants have already established or begun locating here: *Corning Incorporated*; *Isotopen Technologien München AG (ITM)*; *Cataler North America Corporation*; *Stonemont Financial Group* (192,000 square-foot speculative building); *American Fuji Seal*; and *Gusmer Enterprises*.

Impact on Operating Budget

Enhanced opportunities for international and upper-end business development will benefit not only the local property tax base but will also enhance the availability of quality, higher technology jobs in the local community. Approximately \$4 million of the 2014 General Obligation Bond issue has been allocated to Trivium. To date, a total of \$30 million of the originally planned \$40 million Bonds have been issued, resulting in annual Debt Service of \$2,681,626. Trivium represents 13.3% of this Debt Service.



Capital Improvements/Grant Projects

Streetscapes and Gateways

Project # B1G001
Total Project Cost: \$1,143,343
Project Start Date: 2016
Project End Date: 2021
Project Manager: Rick Beasley



Description

The current Gateway plan consists of an artistic leaf structure, along with landscaping, at Highway 321 and 70. The other Gateway will be placed at Lenoir-Rhyne Boulevard and Interstate 40. Amec Foster Wheeler was hired to design the gateway at Highway 321 and Highway 70. That design was completed in 2017 and approved by City Council. The LR Blvd. I-40 Gateway has not been designed yet. Construction contracts for the US Highway 321/70 Gateway were awarded to Southern Lawscapes and Sign Systems, Inc. and the project is now complete with backlighting and final landscaping. There are multiple Streetscape projects. One will be on Lenoir Rhyne Boulevard between Highway 70 and Tate Boulevard. Another Streetscape will be along Old Lenoir Road, which will connect the City Walk to the Riverwalk.

Impact on Operating Budget

Of the 2014 General Obligation Bond issue, \$396,260 has been allocated to Gateways and Streetscapes. To date, a total of \$30 million of the originally planned \$40 million Bonds have been issued, resulting in annual Debt Service of \$2,681,626. Gateways & Streetscapes represents 1.3% of this Debt Service.

Capital Improvements/Grant Projects

Bookwalk

Project # B1L001
Total Project Cost: \$6,500,000
Project Start Date: 2019
Project End Date: 2021
Project Manager: Rick Beasley



Description

Book Walk is part of the larger Hickory Trail multiuse path system and bond program that seeks to increase quality of life for residents and spur economic revitalization by providing pedestrian and bicycle connectivity throughout the City. Book Walk will specifically provide this connectivity within the Ridgeview community and connect the Ridgeview community to Downtown Hickory and U.S. 70. Book Walk proposes to construct a 1.2-mile, 10-foot wide multiuse path for pedestrians and bicyclists of all ages and abilities, connecting residents to community amenities.

In addition to utilizing \$1.3 million of Bond proceeds, the City was awarded \$5.2 million of federal Surface Transportation Block Grant – Direct Attributable (STBG-DA) funds towards the Book Walk project by the Greater Hickory Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation (NCDOT).

Impact on Operating Budget

Of the 2014 General Obligation Bond issue, \$1.3 million has been allocated to Book Walk. To date, a total of \$30 million of the originally planned \$40 million Bonds have been issued, resulting in annual Debt Service of \$2,681,626. Book Walk represents 4.3% of this Debt Service.

Capital Improvements/Grant Projects

BUILD 9th/11th Street Bike/Pedestrian Grant Project

Project # B1N001
Total Project Cost: \$19,337,971
Project Start Date: Spring 2020
Project End Date: TBD



Description

On December 6, 2018, the City of Hickory was awarded a \$17 million *Better Utilizing Investments to Leverage Development (BUILD)* Transportation Discretionary Grant from the U.S. Department of Transportation (USDOT).

In addition to funding a 1.2-mile complete streetscape loop in Downtown Hickory as part of the Hickory Trail, the BUILD grant will fund a pedestrian bridge over U.S. 321 and an approximately 1.7-mile bicycle and pedestrian trail that will travel by L.P. Frans Stadium, home of the Hickory Crawdads baseball team, and up to the Hickory Regional Airport. This multiuse path will be called the Aviation Walk. It is currently under design and anticipated to go out to bid by early 2021, with construction slated to begin in spring 2021.

Impact on Operating Budget

Enhanced physical improvements and amenities for the traveling public will aid in encouraging increased development of the tax base to occur in the critical economic areas between downtown, the Riverwalk along Lake Hickory, Crawdads stadium, and Hickory Regional Airport.



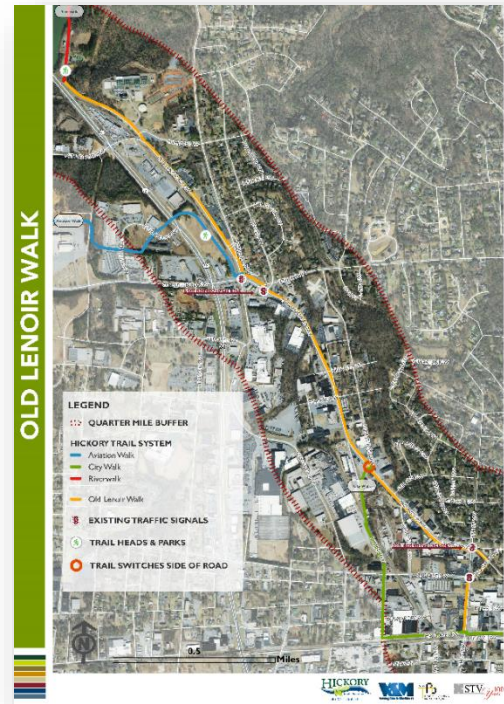
Capital Improvements/Grant Projects

Old Lenoir Walk

Project # B10001
Total Project Cost: \$10,600,000
Project Start Date: Spring 2020
Project End Date: TBD

Description

Old Lenoir Road is about to get a makeover, thanks to an \$8.48 million grant from the Greater Hickory Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation (NCDOT). At its May 7, 2019 meeting, Hickory City Council unanimously approved an agreement with NCDOT to receive the federal funds to construct a multiuse trail and make streetscape improvements along Old Lenoir Road, which will be known as the Old Lenoir Walk. Hickory City Council is moving this project forward by matching the federal funding, which covers 80 percent of the cost. The 20 percent local match will be met with local bond funds from the Crafting Hickory initiative.



Impact on Operating Budget

Of the 2014 General Obligation Bond issue, \$2.12 million has been allocated to Old Lenoir Walk. To date, a total of \$30 million of the originally planned \$40 million Bonds have been issued, resulting in annual Debt Service of \$2,681,626. Old Lenoir Walk represents 7.1% of this Debt Service.

Debt Service

Like most municipalities, the City of Hickory utilizes debt as a means to finance long-term capital projects. Hickory has traditionally maintained a conservative position regarding the use of debt while simultaneously benefiting from its use to fund projects such as water plants, libraries, and police stations. Because of its critical importance to the City's financial solvency, debt is regulated not only by Council policy, but also by North Carolina statutes. The *Debt Service* section examines the specifics of the City's debt **and includes only that debt which the City has outstanding at the time of the printing of this document.**

Discussion

The City of Hickory's bond rating is AA+ from Standard & Poor's, and Aa1 from Moody's. These ratings were upgraded during October 2019, from a previous rating of Aa2 from Moody's. In the future, these bond ratings will continue to allow the City to borrow money at lower interest rates than what we have been able to achieve previously.

As we move into FY2021-2022 we continue to service the debt on both the 2018 and 2019 General Obligation Bond issues. The third and final planned Bond issue of \$10 million is expected to occur during Fall 2021. The current payments on the 2018 and 2019 Bonds comprise 41.2% of all debt service for the year.

Debt service payments on State Revolving Loan funds borrowed from the State of North Carolina for the Northeast Wastewater Treatment Plant, Geitner Basin, Central Business District, and Cripple Creek sewer projects will make up 21.4% of all debt service requirements. The Cripple Creek Interceptor replacement is a revolving loan funded by the American Recovery and Reinvestment Act (ARRA).

Debt service payments on Installment Purchase Agreements will make up 37.4% of all debt service requirements for the City of Hickory in FY2021-2022. Funds borrowed through this means of financing were for the Hickory Metro Convention Center, the Henry River Basin area sewer, upgrades to the Police radio system, and upgrades to the Hickory-Catawba Wastewater Treatment Plant. For FY2021-2022, this total also includes new debt service on a \$7.5 million combined lump-sum loan for various projects within the General Fund during FY2020-2021: Fire training facility, artificial turf soccer field, Ridgeview Library expansion, Lackey Park project, and a local match towards an Appalachian Regional Commission Grant for road improvements along 9th Ave Dr NW.

Debt Service



DEBT SERVICE		FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
General Obligation Bonds						
Purpose	G.O. Bond Series 2018					
Interest Rate	3%-5% variable					
Issued	8/28/2018					
Due	Annually to 2038					
Outstanding	\$17,986,875					
Principal		750,000	750,000	750,000	750,000	750,000
Interest		541,875	504,375	466,875	429,375	391,875
Purpose	G.O. Bond Series 2019					
Interest Rate	2.55%-5% variable					
Issued	11/19/2019					
Due	Annually to 2039					
Outstanding	\$19,819,500					
Principal		750,000	750,000	750,000	750,000	750,000
Interest		564,750	527,250	489,750	452,250	414,750
Purpose	G.O. Bond Series 2021					
Interest Rate	2.55%-5% variable					
Issued	11/19/2021					
Due	Annually to 2039					
Outstanding	\$14,200,000					
Principal		500,000	500,000	500,000	500,000	500,000
Interest		200,000	250,000	250,000	250,000	250,000
Subtotal		\$ 3,306,625	\$ 3,281,625	\$ 3,206,625	\$ 3,131,625	\$ 3,056,625
State Revolving Loan						
Purpose	S-SRF-T-0900181 Northeast Plant					
Interest Rate	2.48%					
Issued	1/20/2013					
Due	Annually to 2033					
Outstanding	\$12,192,600					
Principal		875,000	875,000	875,000	875,000	875,000
Interest		260,400	238,700	217,000	195,300	173,600
Purpose	Central Business District					
Interest Rate	1.66%					
Issued	11/4/2017					
Due	semi-annual through 2038					
Outstanding	\$1,332,712					
Principal		68,205	68,205	68,205	68,205	68,205
Interest		19,247	18,115	16,983	15,851	14,719
Purpose	Geitner Basin Sewer					
Interest Rate	1.66%					
Issued	12/24/2017					
Due	semi-annual through 2038					
Outstanding	\$2,911,774					
Principal		149,018	149,018	149,018	149,018	149,018
Interest		42,053	39,579	37,105	34,632	32,158
Purpose	Cripple Creek ARRA Loan					
Interest Rate	0%					
Issued						
Due	Annually to 2031					
Outstanding	\$360,516					
Principal		40,057	40,057	40,057	40,057	40,057
Interest						
Subtotal		\$ 1,453,980	\$ 1,428,674	\$ 1,403,368	\$ 1,378,062	\$ 1,352,757

Debt Service



Installment Purchase Agreements						
Purpose	Hky Metro Conv. Center Parking Deck					
Interest Rate	2.94%					
Issued	10/22/2014					
Due	Semi-annually to 2030					
Outstanding	1.98% Reduced Interest Rate 04/22/21 \$2,040,359					
Principal		200,000	200,000	200,000	200,000	200,000
Interest		29,866	25,906	21,946	17,986	14,026
Purpose	Henry River Basin Sewer					
Interest Rate	3.55%					
Issued	4/5/2005					
Due	Semi-annually to 2025					
Outstanding	3.19% Reduced Interest Rate 03/21/2012 1.67% Reduce Interest Rate 11/30/2020 \$1,971,393					
Principal		475,000	475,000	475,000	475,000	
Interest		29,747	21,814	13,882	5,949	
Purpose	Radio System Upgrade					
Interest Rate	2.92%					
Issued	10/9/2018					
Due	Semi-annually to 2023					
Outstanding	\$300,093					
Principal		115,000	115,000	57,500		
Interest		7,556	4,198	840		
Purpose	Hickory-Catawba WWTP Upgrade					
Interest Rate	2.27%					
Issued	2/1/2013					
Due	Semi-annually to 2028					
Outstanding	\$5,477,025					
Principal		671,868	687,205	702,894	718,940	735,352
Interest		110,565	95,227	79,539	63,492	47,080
Purpose	Truist-Combined Debt					
Interest Rate	1.69%					
Issued	12/16/2020					
Due	Semi-annually to 2035					
Outstanding	\$8,168,938					
Principal		500,000	500,000	500,000	500,000	500,000
Interest		120,413	111,963	103,513	95,063	86,613
Purpose	Dell Financial - Police Laptops					
Interest Rate	7.14%					
Issued	12/16/2020					
Due	Semi-annually to 2023					
Outstanding	\$165,000					
Principal		51,333	51,333	51,333		
Interest		3,667	3,667	3,667		
Purpose	Delage Landen - Sanitation Trucks					
Interest Rate	0.00%					
Issued	2/1/2021					
Due	Monthly to 2024					
Outstanding	\$452,680					
Principal		169,755	169,755	113,170		
Interest						
DEBT SERVICE		FY2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Purpose	Flex Financial - Fire Medical Equipment					
Interest Rate	0.00%					
Issued	1/24/2020					
Due	Annually to 2022					
Outstanding	\$60,088					
Principal		60,088				
Interest						
Subtotal		\$ 2,544,857	\$ 2,461,068	\$ 2,323,283	\$ 2,076,430	\$ 1,583,071
Grand Total		\$ 7,305,461	\$ 7,171,367	\$ 6,933,276	\$ 6,586,117	\$ 5,992,452

LEGAL DEBT MARGIN

What is the borrowing capacity of the City? This is a key question whenever local governments consider financing large projects and committing tax dollars towards the Debt Service over a period of years. From a legal standpoint, the City is subject to the Local Government Bond Act of North Carolina, which limits the amount of net bonded debt the City may have outstanding to 8% of the assessed value of property subject to taxation.

Since 2014 when the voters approved a \$40 million General Obligation Bond plan to construct various public improvements, an analysis of the City of Hickory's borrowing capacity is crucial. As of the beginning of FY2021-2022, \$30 million of the \$40 million G.O. Bonds approved by voters has been issued, as well as the \$7.5 million installment financing package during FY2020-2021. With these measures now in place, the City's current outstanding debt is 1.2% of assessed value.

Below is a detailed history of the City's outstanding debt over the last ten years:

CITY OF HICKORY, NORTH CAROLINA										Schedule 12	
LEGAL DEBT MARGIN INFORMATION											
LAST TEN FISCAL YEARS											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Debt limit	\$ 379,065,660	\$ 375,580,028	\$ 377,581,017	\$ 383,754,992	\$ 379,528,028	\$ 363,175,123	\$ 372,328,057	\$ 384,391,327	\$ 391,766,805	\$ 409,658,607	
Total net debt applicable to limit	37,650,123	37,998,427	45,103,768	-	-	-	31,172,053	32,420,573	43,026,003	58,591,268	
Legal debt margin	\$ 341,415,537	\$ 337,581,601	\$ 332,477,249	\$ 383,754,992	\$ 379,528,028	\$ 363,175,123	\$ 341,156,004	\$ 351,970,754	\$ 348,740,802	\$ 351,067,339	
Total net debt applicable to the limit as a percentage of debt limit	9.93%	10.12%	11.95%	0.00% ✔	0.00% ✔	0.00%	8.37%	8.43%	10.98%	14.30%	
Legal Debt Margin Calculation for Fiscal Year 2020											
Assessed value of taxable property							\$ 5,120,732,590				
Debt limit - 8 percent of assessed value							\$ 409,658,607				
Debt applicable to limit:											
Gross debt							58,591,268				
Less - water bonds							-				
Total net debt applicable to limit							58,591,268				
Legal debt margin							\$ 351,067,339				



Five Year Financial Forecast

FIVE YEAR FINANCIAL FORECAST 2021-2022 THROUGH 2026-2027

The City of Hickory recognizes the importance of long-range planning throughout the organization. No effective plan, however, can exist without an understanding of the resources and obligations anticipated in the coming years. The City develops its Five-Year Budget Forecast to establish a reasonable basis for the budget planning process.

This Five-Year Budget Forecast includes the General Fund, Water and Sewer Fund, Stormwater Fund, Sludge Composting Fund, Transportation Fund, Solid Waste Fund, Fleet Maintenance Fund and Insurance Fund.

To complete this Five-Year Budget Forecast, we consider:

1. City Council's Priorities and Action Plan
2. Five Year CIP
3. Five Year Debt Schedule
4. Master Plans
5. Past budgetary trends
6. Current economic conditions
7. Projected economic conditions

In that we are projecting into the future based on what we know today and what we have experienced in the past, the last consideration of projected economic conditions can be extremely volatile, particularly as it relates to future revenue growth. We have a level of control over future expenditure growth, but economic conditions will ultimately dictate future revenue growth. You will see that our forecasted revenue growth has been estimated at what we believe to be achievable levels, but there are no guarantees.

You will also notice that projected expenditures may exceed projected revenues. Every Annual Budget adopted by City Council is statutorily required to be balanced, so these unbalanced projected numbers reflect the work which must be done every year to get expenditures in line with revenues. To present balanced budget projections would not provide an accurate accounting of the budgetary challenges faced every year. Improved economic conditions will translate into revenue growth that exceeds what is being forecast in this document. That generally translates into fewer cuts on the expenditure side or less pressure to increase revenue through new or increased taxes to provide the same level of service or new services.

The following projections present the budget framework around which planning for the City's next five fiscal years can begin.

General Fund Revenue

- **Ad Valorem:** Anticipated growth in the City's property tax base will produce 2.0% growth in property tax revenues annually.
- **Other Taxes:** This category of revenue is highly impacted by both local and state-wide economic conditions. On average, these revenues will increase by 2% annually through FY2026-2027. Sales Taxes and Utility Franchise Taxes are the largest sources of revenue in this category.
- **Unrestricted Governmental Revenue:** These are revenues received from other governmental jurisdictions for which there are no restrictions on use. There is no growth forecasted in this category of revenue through FY2026-2027. The Beer & Wine Tax is the single largest source of revenue in this category.
- **Restricted Governmental Revenue:** These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. We project 2% annual growth in this category of revenue due to most of these revenues coming from the State of North Carolina, an unstable financial partner with structural budgetary problems. The single largest source of revenue in this category is Powell Bill revenues, which are used solely for road maintenance.

Five Year Financial Forecast

- **Licenses & Permits:** These revenues are driven by local economic conditions and are derived from fees approved by City Council in the City's Fee Schedule. Fees are normally increased annually by the Consumer Price Index, but this gauge does not necessarily correspond to increases in revenue.
- **Sales & Services:** These revenues are also driven by local economic conditions, but to a lesser degree, and are derived from fees approved by City Council in the City's Fee Schedule. Many, but not all of the fees related to Sales and Services are increased annually by the Consumer Price Index. Examples of revenue in this category are TDA Convention Center Rental, Parking Rentals, and Recreational Program fees. TDA Convention Center Rental Revenue is tied to the debt service payments the City makes on this facility. Most sources of revenue in this category are expected to increase by 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- **Miscellaneous:** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2%.
- **Other Financing Sources:** This category of revenue reflects the appropriation of fund balance for designated purposes and transfers from the Capital Reserve Fund for capital purchases. It is anticipated that this source of revenue will increase by 2% annually over the next five years.

General Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees which is anticipated to grow 5% annually. Longevity pay, part-time salaries, overtime and holiday pay are projected to stay flat. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by an average of 1% annually.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most major construction projects are budgeted outside of the Annual Budget.
- **Contingency:** City Council's adopted policy calls for General Fund Contingency funding of up to 1.5% of recurring General Fund Revenues. Projected increases in Contingency funding mirror projected increases in budgeted revenue.
- **Special Appropriations Funding:** City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not provide. In that such organizations operate regular services to achieve these public objectives, growth in Special Appropriations funding is anticipated at 2% annually.
- **Debt Service:** Debt service appropriations account for the payment of principal and interest on proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will increase approximately 2% annually over the next five years.
- **Interfund Transfers:** Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. This category of expenditures is projected to grow by 2% annually.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Water and Sewer Fund reimbursing the General Fund for the cost to bill and collect utility accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

Five Year Financial Forecast

Water and Sewer Fund Revenue

- **Restricted Governmental Revenue:** These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. Among the largest sources of revenue in this category are from the Town of Longview and Burke County related to their past participation in the Henry Fork Wastewater Treatment Plant, the Town of Maiden's purchase of capacity in the City's Water Plant, and the Town of Claremont for operational services provided by the City of Hickory to their utility system. Growth is projected to increase 2% annually.
- **Sales & Services:** This category of revenue comprises the vast majority of revenue received by the Water and Sewer Fund. Revenue generated from water sales and sewer sales make up the majority of the revenue received in this category. Growth in this category of revenue is greatly impacted by the weather, economic activity and growth in the utility system. Growth overall is projected at 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- **Miscellaneous:** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected to increase 2% annually over the next five years.
- **Other Financing Sources:** This category of revenue reflects the transfer of funds from the Capital Reserve Fund for capital purchases. It is anticipated that this source of revenue will increase 2% annually over the next five years.

Water and Sewer Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing full health insurance coverage to employees which is anticipated to grow 5% annually. Longevity pay, part-time salaries, overtime and holiday pay are projected to stay flat. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase, on average, by 1% per year.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- **Contingency:** Contingency is budgeted in the Water and Sewer Fund to provide funding for unanticipated, unbudgeted, nonrecurring expenses that may occur during the year. Projected increases in Contingency funding in the Water and Sewer Fund are based on the projected average annual Consumer Price Index.
- **Special Appropriations Funding:** City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not provide. In the Water and Sewer fund, the extent of this type of funding is to Habitat for Humanity for water and sewer taps related to new homes they construct each year, as well as water quality funding to the Western Piedmont Council of Government. 2% growth is projected annually in this category of expenditures.
- **Debt Service:** Debt service appropriations account for the payment of principal and interest on general obligation bonds and notes, and proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will generally be expected to increase 1% annually over the next five years.
- **Interfund Transfers:** Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. Two Interfund Transfers are made by the Water and Sewer Fund, one to the Capital Reserve Fund and another to the Stormwater Fund. These expenditures are expected to increase by 2% annually over the next five years.

Five Year Financial Forecast

- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Water and Sewer Fund reimbursing the General Fund for the cost to bill and collect utility accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

Sludge Composting Fund Revenue

- **Restricted Governmental:** As of 2020, Catawba County is no longer part of the regional Sludge Consortium. This leaves only the cities of Conover and Hickory as the participating entities. It is anticipated that this fund will continue to receive funding from the City of Conover and City of Hickory at the agreed upon percentages for the operation of this facility. Revenues are received at a level to support operations and are projected to increase by 2% annually.

Sludge Composting Fund Expenditures

- **Operational:** Operational expenditures are projected to increase slightly less than the projected annual Consumer Price Index.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget. There are minimal capital purchases anticipated with the Sludge Composting Facility over the next five years.
- **Pro-Rata Reimbursements:** Pro-Rata Reimbursements are projected to increase by the Consumer Price Index, or 2% annually.

Stormwater Fund Revenue

- **Other Financing Sources:** This category of revenue reflects the transfer of funds from both the General Fund and the Water and Sewer Fund which both support this fund financially.

Stormwater Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing health insurance coverage to employees which is anticipated to grow 5% annually. Longevity pay, part-time salaries, overtime and holiday pay are projected to stay flat. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by the annual Consumer Price Index.

Solid Waste Fund Revenue

- **Other Taxes:** This is the Solid Waste Excise Tax the City receives from the State of North Carolina. It is related to Tipping Fees the City pays and is a partial rebate. Growth in this revenue source is projected at 2% annually.
- **Sales & Services:** This category of revenue comprises the vast majority of revenue received by the Solid Waste Fund. Revenue generated from the Solid Waste Fee, Dumpster Rentals and Tipping Fees make up the majority of the revenue received in this category. Growth in this category of revenue is greatly impacted by economic activity and growth of the customer base within the City and is projected at 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- **Miscellaneous:** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2% annually.

Five Year Financial Forecast

- **Other Financing Sources:** Although the General Fund is no longer subsidizing Solid Waste operations, the Solid Waste Fund does appropriate fund balance each year primarily for capital needs. Also of note, the fund during FY2020-21 began financing the purchase of vehicle and equipment replacements which will result in the receipt of lump-sum loan proceeds during frequent, select years. On the corresponding expenditure side, the Solid Waste Fund will now maintain Debt Service payments on the outstanding loans. Due to these anticipated ongoing needs, we project average annual increases of 2% in this category.

Solid Waste Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by the annual Consumer Price Index.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Solid Waste Fund reimbursing the General Fund for the cost to bill and collect on accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

Transportation Fund Revenues

- **Sales & Services:** This category of revenue comprises the vast majority of revenue received by the Airport. Growth in this category of revenue is greatly impacted by local economic activity and air travel, and is projected at 2% annually.
- **Investment Earnings:** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% annual growth is estimated over the next five years.
- **Other Financing Sources:** Beginning last year (FY2020-21), the General Fund transferred to the Transportation Fund an amount equal to the property tax revenues received for aircraft stationed within the City's jurisdiction. Growth is projected at 2% per year for the next five (5) years.

Transportation Fund Expenditures

- **Personnel:** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.
- **Operational:** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenditures is projected to increase by the annual Consumer Price Index.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Transportation Fund reimbursing the General Fund for the cost to bill and collect on accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditures is projected to increase by the annual Consumer Price Index.

Five Year Financial Forecast

Fleet Maintenance Fund Revenue

- **Sales and Services:** Sales and Services are the only source of revenue for this fund. As this fund is classified as an internal service fund, the fee structure for this fund is set to produce sufficient revenue to meet the vital expenditure needs of the service provided. Revenue is expected to increase an average of 2% annually.

Fleet Maintenance Fund Expenditures

- **Personnel:** Personnel expenditures increase by an annual average of 2%. This increase is driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to the employee.
- **Operational:** Operational expenditures are projected to increase generally by the Consumer Price Index, or about 2% annually.
- **Capital:** Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- **Pro-Rata Reimbursements:** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Fleet Maintenance Fund reimbursing the General Fund for the cost of billing fleet charges to the various departmental users of Fleet services. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

Insurance Fund Revenue

- **Sales and Services:** Sales and Services is the major source of revenue for this fund. As this fund is classified as an internal service fund, the fee structure for this fund is set to produce sufficient revenue to meet the vital expenditure needs of the service provided. Revenue is expected to increase an average of 2% annually.
- **Investment Earnings:** A conservative 2% annual growth is estimated over the next five years.

Insurance Fund Expenditures

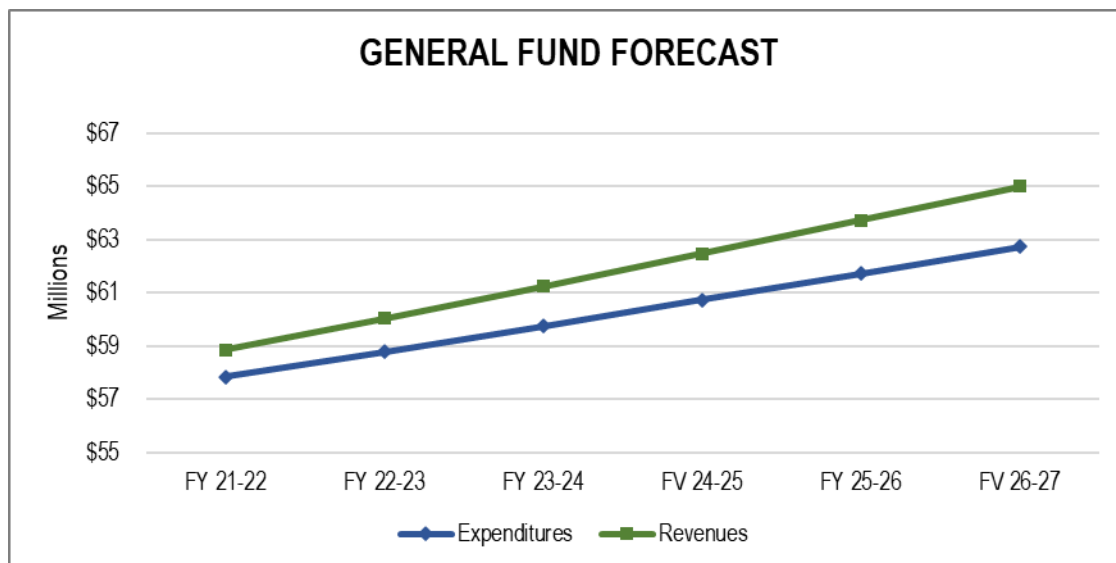
- **Operational:** While the insurance markets are defined by various fluctuations among the health and property/liability sectors, the City projects average annual increases in these expenditures of 1.5% overall.

Five Year Financial Forecast

General Fund Forecast

Revenues	FY 21-22	FY 22-23	FY 23-24	FV 24-25	FY 25-26	FV 26-27
Ad Valorem Taxes	\$ 33,548,000	\$ 34,218,960	\$ 34,903,339	\$ 35,601,406	\$ 36,313,434	\$ 37,039,703
Other Taxes	18,178,727	18,542,302	18,913,148	19,291,411	19,677,239	20,070,784
Unrestricted Intergovernmental	675,000	688,500	702,270	716,315	730,642	745,255
Restricted Intergovernmental	2,265,901	2,311,219	2,357,443	2,404,592	2,452,684	2,501,738
Licenses and Permits	4,575	4,667	4,760	4,855	4,952	5,051
Sales and Services	1,193,227	1,217,092	1,241,433	1,266,262	1,291,587	1,317,419
Investment Earnings	100,000	105,000	110,250	115,763	121,551	127,628
Miscellaneous	322,000	328,440	335,009	341,709	348,543	355,514
Other Financing Sources	2,572,085	2,623,527	2,675,997	2,729,517	2,784,108	2,839,790
Total	\$ 58,859,515	\$ 60,039,705	\$ 61,243,649	\$ 62,471,830	\$ 63,724,739	\$ 65,002,881

Expenditures	FY 21-22	FY 22-23	FY 23-24	FV 24-25	FY 25-26	FV 26-27
Personnel	\$ 35,220,168	\$ 35,924,571	\$ 36,643,063	\$ 37,375,924	\$ 38,123,443	\$ 38,885,911
Operational	16,140,480	16,301,885	16,464,904	16,629,553	16,795,848	16,963,807
Capital	4,011,151	4,051,263	4,091,775	4,132,693	4,174,020	4,215,760
Contingency	700,000	700,000	700,000	700,000	700,000	700,000
Debt Service	3,336,813	3,403,549	3,471,620	3,541,053	3,611,874	3,684,111
Interfund Transfers	1,990,107	2,029,909	2,070,507	2,111,917	2,154,156	2,197,239
Pro-Rata Reimbursements	(3,539,204)	(3,609,988)	(3,682,188)	(3,755,832)	(3,830,948)	(3,907,567)
Total	\$ 57,859,515	\$ 58,801,189	\$ 59,759,681	\$ 60,735,308	\$ 61,728,392	\$ 62,739,261

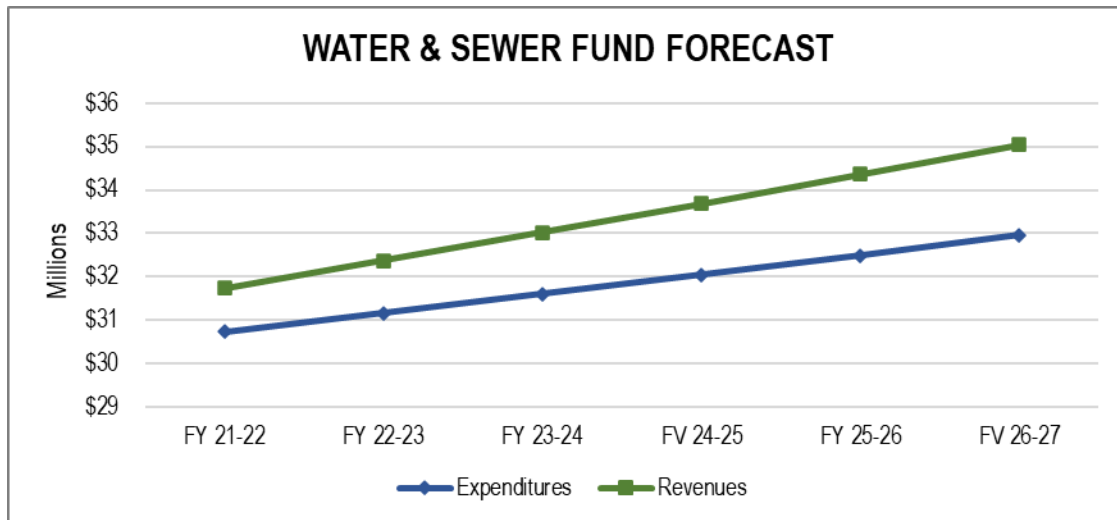


Five Year Financial Forecast

Water and Sewer Fund Forecast

Revenues	21-22	22-23	23-24	24-25	25-26	26-27
Restricted Intergovernmental	\$ 1,281,288	\$ 1,306,914	\$ 1,333,052	\$ 1,359,713	\$ 1,386,907	\$ 1,414,645
Sales and Services	\$ 25,516,190	\$ 26,026,514	\$ 26,547,044	\$ 27,077,985	\$ 27,619,545	\$ 28,171,936
Investment Earnings	\$ 60,000	\$ 63,000	\$ 66,150	\$ 69,458	\$ 72,930	\$ 76,577
Miscellaneous	\$ 610,000	\$ 622,200	\$ 634,644	\$ 647,337	\$ 660,284	\$ 673,489
Other Financing Sources	\$ 4,266,705	\$ 4,352,039	\$ 4,439,080	\$ 4,527,861	\$ 4,618,419	\$ 4,710,787
Total	\$ 31,734,183	\$ 32,370,667	\$ 33,019,970	\$ 33,682,354	\$ 34,358,085	\$ 35,047,434

Expenditures	21-22	22-23	23-24	24-25	25-26	26-27
Personnel	\$ 6,381,914	\$ 6,509,552	\$ 6,639,743	\$ 6,772,538	\$ 6,907,989	\$ 7,046,149
Operational	\$ 9,455,679	\$ 9,550,236	\$ 9,645,738	\$ 9,742,196	\$ 9,839,617	\$ 9,938,014
Capital	\$ 4,644,200	\$ 4,690,642	\$ 4,737,548	\$ 4,784,924	\$ 4,832,773	\$ 4,881,101
Contingency	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Debt Service	\$ 3,991,216	\$ 4,031,128	\$ 4,071,439	\$ 4,112,154	\$ 4,153,275	\$ 4,194,808
Interfund Transfers	\$ 1,988,034	\$ 2,027,795	\$ 2,068,351	\$ 2,109,718	\$ 2,151,912	\$ 2,194,950
Pro-Rata Reimbursements	\$ 4,123,140	\$ 4,205,603	\$ 4,289,715	\$ 4,375,509	\$ 4,463,019	\$ 4,552,280
Total	\$ 30,734,183	\$ 31,164,956	\$ 31,602,535	\$ 32,047,038	\$ 32,498,586	\$ 32,957,301



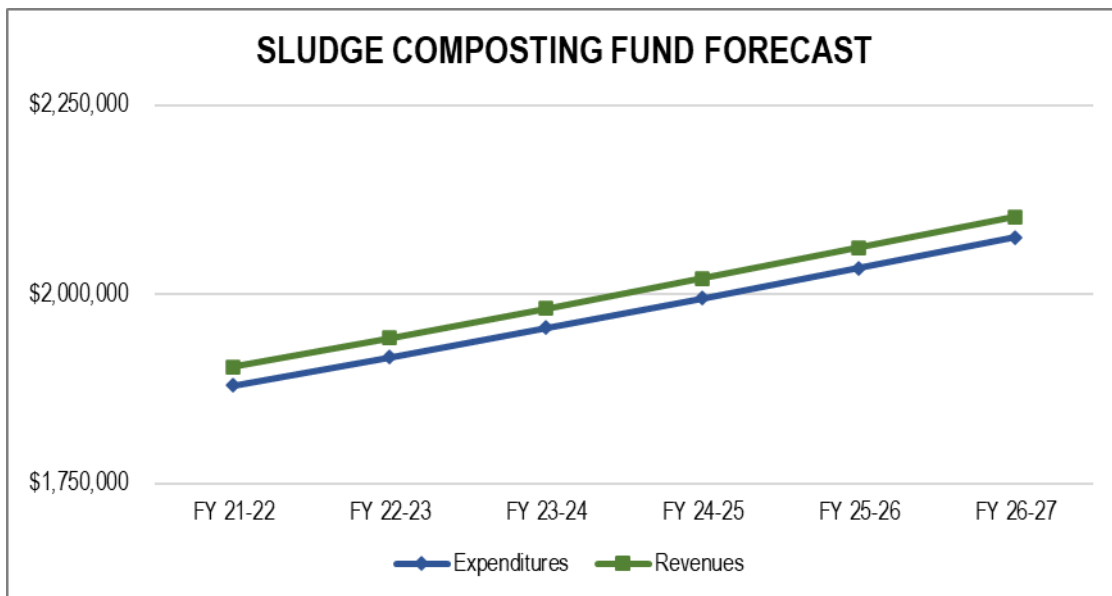
Five Year Financial Forecast



Sludge Composting Fund Forecast

Revenues	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Restricted Intergovernmental	\$ 1,904,312	\$ 1,942,398	\$ 1,981,246	\$ 2,020,871	\$ 2,061,289	\$ 2,102,514
Total	\$ 1,904,312	\$ 1,942,398	\$ 1,981,246	\$ 2,020,871	\$ 2,061,289	\$ 2,102,514

Expenditures	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Operational	\$ 1,698,058	\$ 1,732,019	\$ 1,766,660	\$ 1,801,993	\$ 1,838,033	\$ 1,874,793
Capital	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,122	\$ 55,204
Pro-Rata Reimbursements	\$ 131,254	\$ 133,879	\$ 136,557	\$ 139,288	\$ 142,074	\$ 144,915
Total	\$ 1,879,312	\$ 1,916,898	\$ 1,955,236	\$ 1,994,341	\$ 2,034,228	\$ 2,074,912



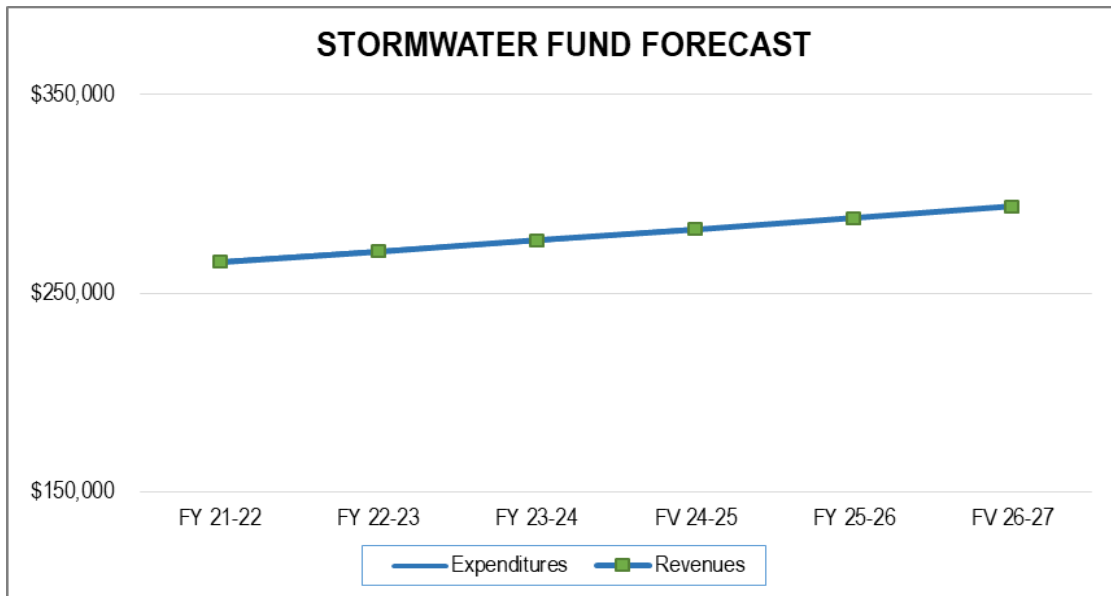
Five Year Financial Forecast



Stormwater Fund Forecast

Revenues	21-22	22-23	23-24	24-25	25-26	26-27
Other Financing Sources	\$ 265,862	\$ 271,179	\$ 276,603	\$ 282,135	\$ 287,778	\$ 293,533
Total	\$ 265,862	\$ 271,179	\$ 276,603	\$ 282,135	\$ 287,778	\$ 293,533

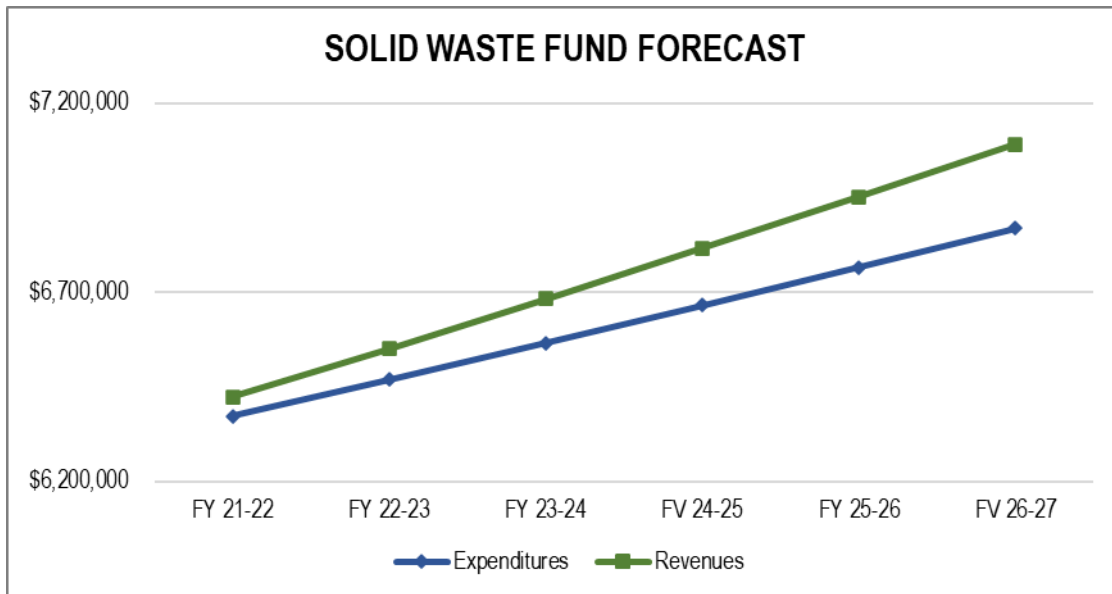
Expenditures	21-22	22-23	23-24	24-25	25-26	26-27
Personnel	\$ 100,073	\$ 102,074	\$ 104,116	\$ 106,198	\$ 108,322	\$ 110,489
Operational	\$ 165,789	\$ 169,105	\$ 172,487	\$ 175,937	\$ 179,455	\$ 183,044
Total	\$ 265,862	\$ 271,179	\$ 276,603	\$ 282,135	\$ 287,778	\$ 293,533



Five Year Financial Forecast

Solid Waste Fund Forecast

Revenues	21-22	22-23	23-24	24-25	25-26	26-27
Other Taxes	\$ 25,000	\$ 25,500	\$ 26,010	\$ 26,530	\$ 27,061	\$ 27,602
Sales and Services	\$ 5,913,303	\$ 6,031,569	\$ 6,152,200	\$ 6,275,244	\$ 6,400,749	\$ 6,528,764
Investment Earnings	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824	\$ 11,041
Miscellaneous	\$ 2,000	\$ 2,040	\$ 2,081	\$ 2,122	\$ 2,165	\$ 2,208
Other Financing Sources	\$ 472,211	\$ 481,655	\$ 491,288	\$ 501,114	\$ 511,136	\$ 521,359
Total	\$ 6,422,514	\$ 6,550,964	\$ 6,681,984	\$ 6,815,623	\$ 6,951,936	\$ 7,090,974
Expenditures						
Personnel	\$ 2,071,780	\$ 2,113,216	\$ 2,155,480	\$ 2,198,590	\$ 2,242,561	\$ 2,287,413
Operational	\$ 3,094,779	\$ 3,125,727	\$ 3,156,984	\$ 3,188,554	\$ 3,220,439	\$ 3,252,644
Capital	\$ 741,000	\$ 755,820	\$ 770,936	\$ 786,355	\$ 802,082	\$ 818,124
Contingency	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Pro-Rata Reimbursements	\$ 434,955	\$ 443,654	\$ 452,527	\$ 461,578	\$ 470,809	\$ 480,225
Total	\$ 6,372,514	\$ 6,468,416	\$ 6,565,928	\$ 6,665,076	\$ 6,765,892	\$ 6,868,406

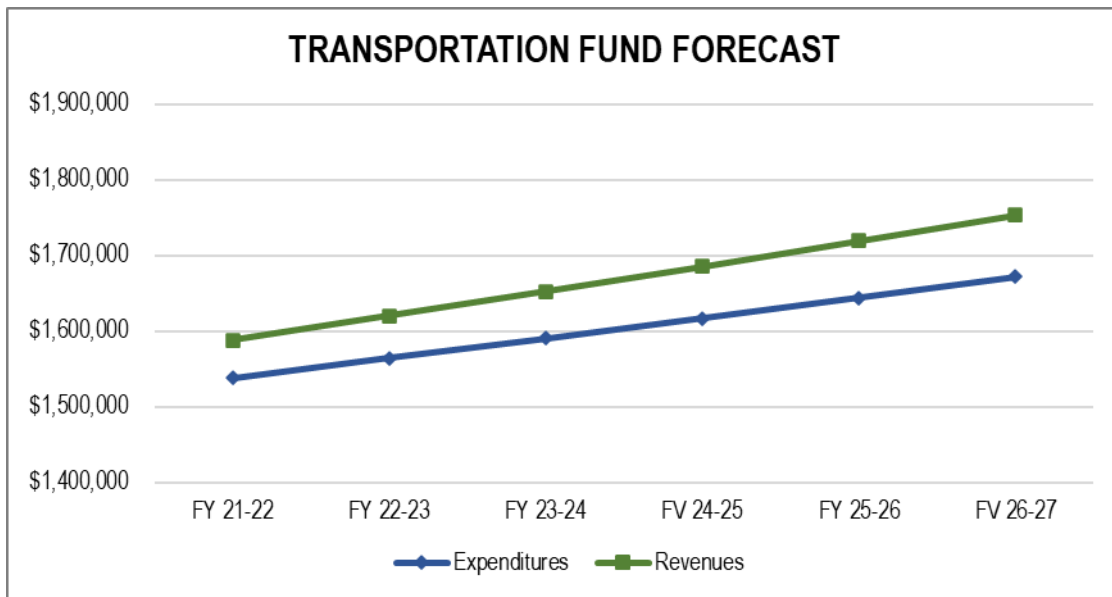


Five Year Financial Forecast

Transportation Fund Forecast

Revenues	21-22	22-23	23-24	24-25	25-26	26-27
Sales and Services	\$ 1,343,420	\$ 1,370,288	\$ 1,397,694	\$ 1,425,648	\$ 1,454,161	\$ 1,483,244
Restricted Governmental	\$ 6,365	\$ 6,492	\$ 6,622	\$ 6,755	\$ 6,890	\$ 7,027
Investment Earnings	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 5,520
Other Financing Sources	\$ 233,176	\$ 237,840	\$ 242,596	\$ 247,448	\$ 252,397	\$ 257,445
Total	\$ 1,587,961	\$ 1,619,720	\$ 1,652,115	\$ 1,685,157	\$ 1,718,860	\$ 1,753,237

Expenditures	21-22	22-23	23-24	24-25	25-26	26-27
Personnel	\$ 672,789	\$ 686,245	\$ 699,970	\$ 713,969	\$ 728,248	\$ 742,813
Operational	\$ 394,852	\$ 398,801	\$ 402,789	\$ 406,816	\$ 410,885	\$ 414,993
Capital	\$ 288,419	\$ 294,187	\$ 300,071	\$ 306,073	\$ 312,194	\$ 318,438
Contingency	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Pro-Rata Reimbursements	\$ 131,901	\$ 134,539	\$ 137,230	\$ 139,974	\$ 142,774	\$ 145,629
Total	\$ 1,537,961	\$ 1,563,772	\$ 1,590,059	\$ 1,616,832	\$ 1,644,101	\$ 1,671,874

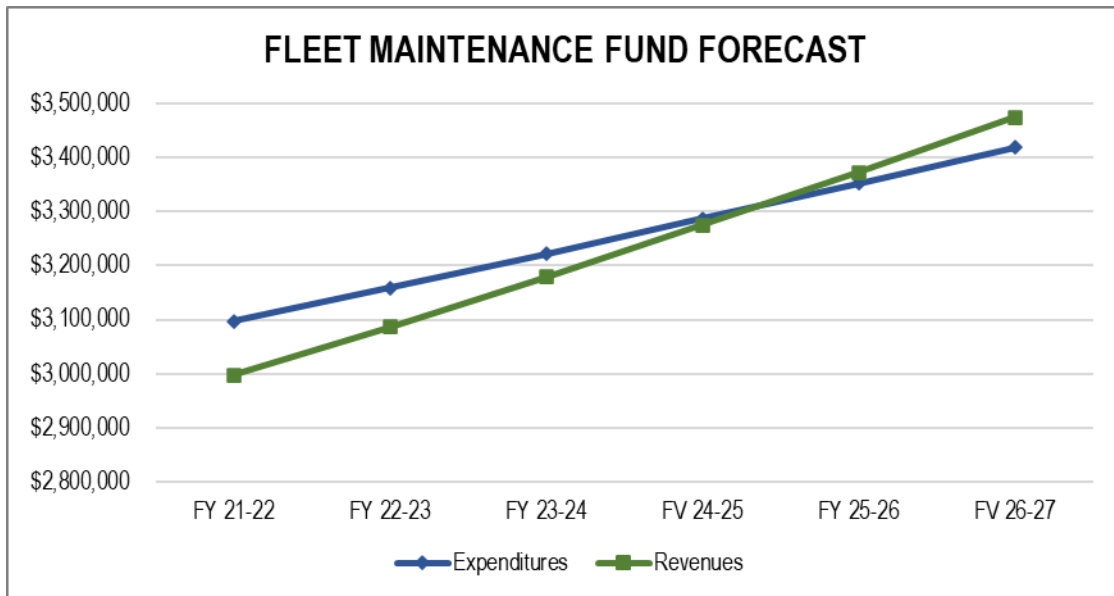


Five Year Financial Forecast



Fleet Maintenance Fund Forecast

Revenues	21-22	22-23	23-24	24-25	25-26	26-27
Sales and Services	\$ 2,997,000	\$ 3,086,910	\$ 3,179,517	\$ 3,274,903	\$ 3,373,150	\$ 3,474,344
Total	\$ 2,997,000	\$ 3,086,910	\$ 3,179,517	\$ 3,274,903	\$ 3,373,150	\$ 3,474,344
Expenditures	21-22	22-23	23-24	24-25	25-26	26-27
Personnel	\$ 705,324	\$ 719,430	\$ 733,819	\$ 748,495	\$ 763,465	\$ 778,735
Operational	\$ 2,016,141	\$ 2,056,464	\$ 2,097,593	\$ 2,139,545	\$ 2,182,336	\$ 2,225,982
Capital	\$ 89,500	\$ 91,290	\$ 93,116	\$ 94,978	\$ 96,878	\$ 98,815
Pro-Rata Reimbursements	\$ 286,035	\$ 291,756	\$ 297,591	\$ 303,543	\$ 309,614	\$ 315,806
Total	\$ 3,097,000	\$ 3,158,940	\$ 3,222,119	\$ 3,286,561	\$ 3,352,292	\$ 3,419,338



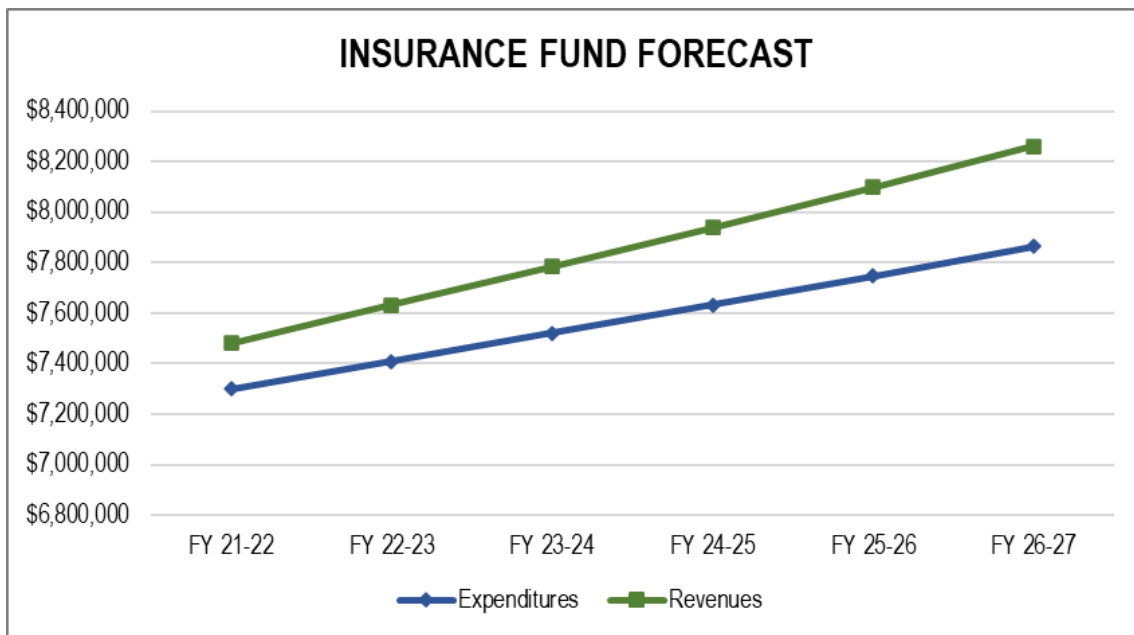
Five Year Financial Forecast



Insurance Fund Forecast

Revenues	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Sales and Services	\$ 7,399,486	\$ 7,547,476	\$ 7,698,425	\$ 7,852,394	\$ 8,009,442	\$ 8,169,630
Investment Earnings	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082
Other Financing Sources	\$ 62,000	\$ 63,240	\$ 64,505	\$ 65,795	\$ 67,111	\$ 68,453
Total	\$ 7,481,486	\$ 7,631,116	\$ 7,783,738	\$ 7,939,413	\$ 8,098,201	\$ 8,260,165

Expenditures	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Operational	\$ 7,300,000	\$ 7,409,500	\$ 7,520,643	\$ 7,633,452	\$ 7,747,954	\$ 7,864,173
Total	\$ 7,300,000	\$ 7,409,500	\$ 7,520,643	\$ 7,633,452	\$ 7,747,954	\$ 7,864,173





Performance Measurement

The City of Hickory places a strong emphasis on quality improvement through performance measurement. Performance measures identify the results achieved and the benefits delivered to citizens and indicate how well government resources are being used.

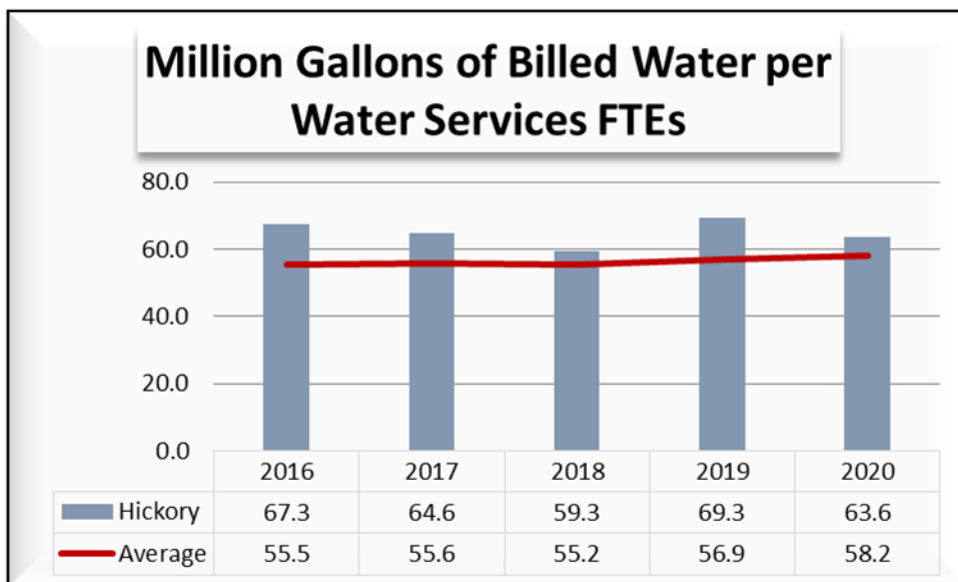
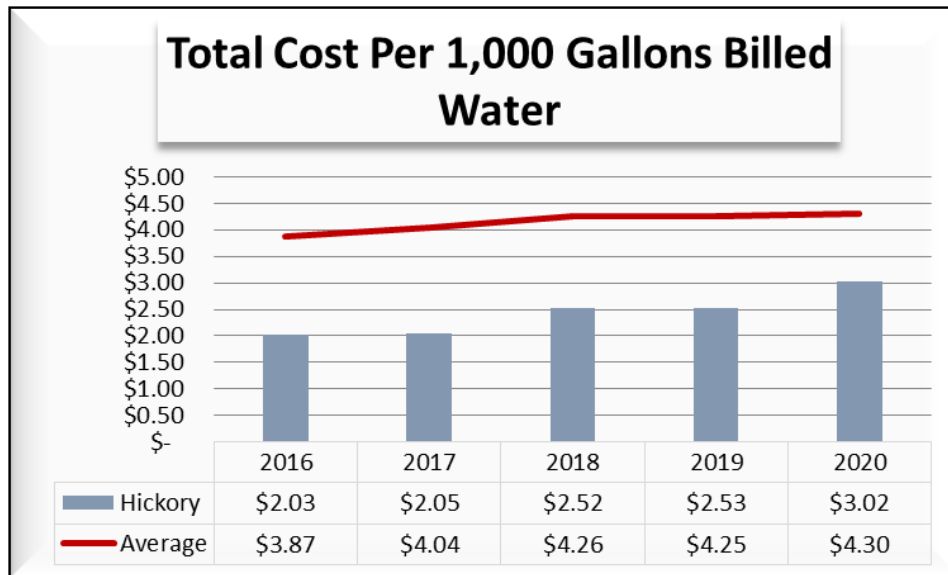
Since FY1998-1999 the City has participated in the North Carolina Local Government Performance Measurement Project (NCPMP). The primary purpose of the project is to develop a model that North Carolina cities can duplicate and use to support ongoing efforts in performance measurement and benchmarking. One of the greatest benefits of the project is the annual "Benchmarking Meetings," in which the participating cities convene to discuss their service-area processes. This interactive method among peers allows the appropriate city staff an opportunity to learn and explore possible avenues towards enhancing efficiency and effectiveness in their own jurisdictions. Hickory representatives from the Budget Office and representative departments typically attend and participate in these sessions held at the UNC School of Government in Chapel Hill.

The City of Hickory reports on the following service areas:

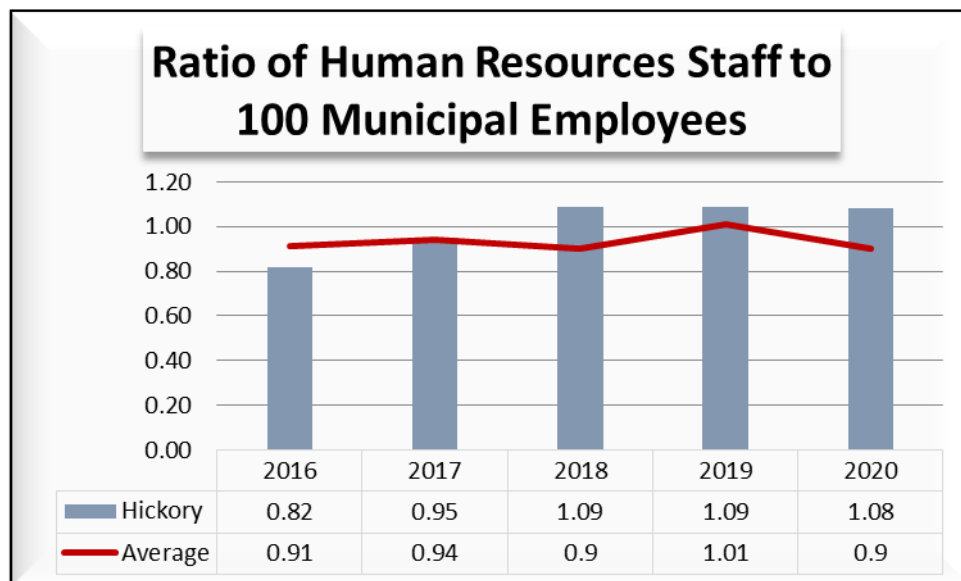
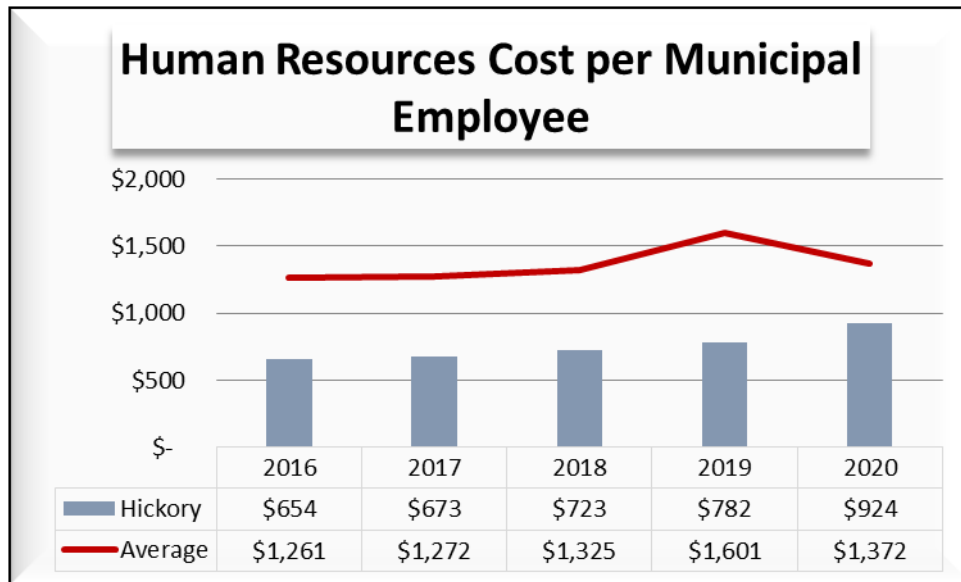
- Residential Refuse Collection
- Household Recycling
- Yard Waste & Leaf Collection
- Police Services
- Emergency Communications
- Asphalt Maintenance and Repair
- Fire Services
- Fleet Maintenance
- Central Human Resources
- Water Services
- Wastewater Services
- Core Parks and Recreation

Current participants in the NCPMP include the cities of: Apex, Asheville, Chapel Hill, Charlotte, Concord, Goldsboro, Greensboro, Greenville, Hickory, Mooresville, Raleigh, Wilson, and Winston-Salem. The following are the most recent services measured (FY2019-20) and a sampling of the results.

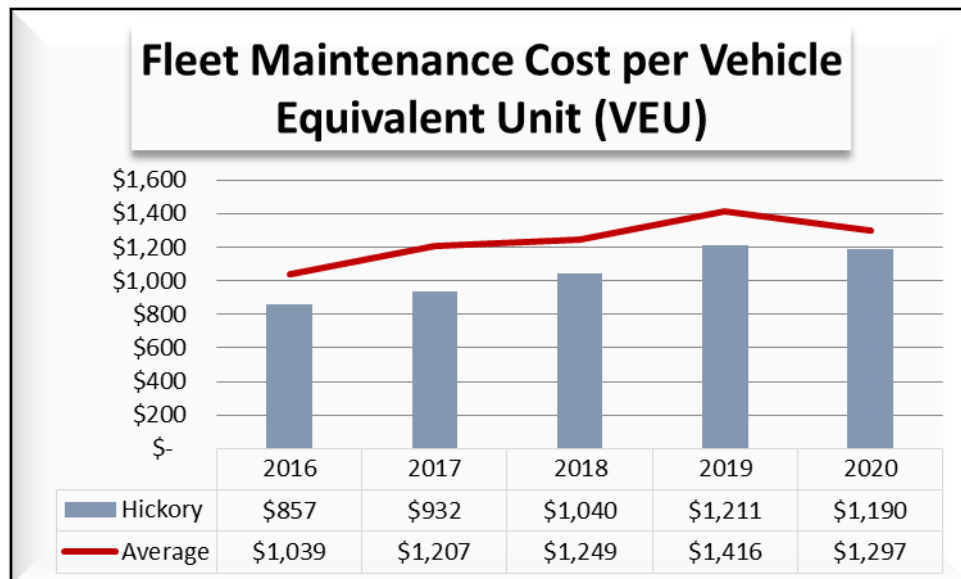
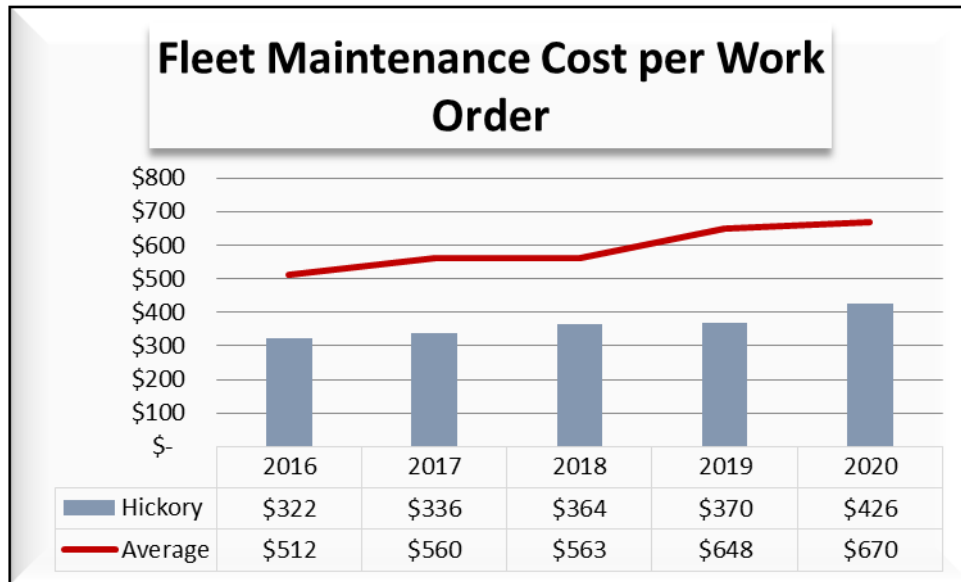
Water Services



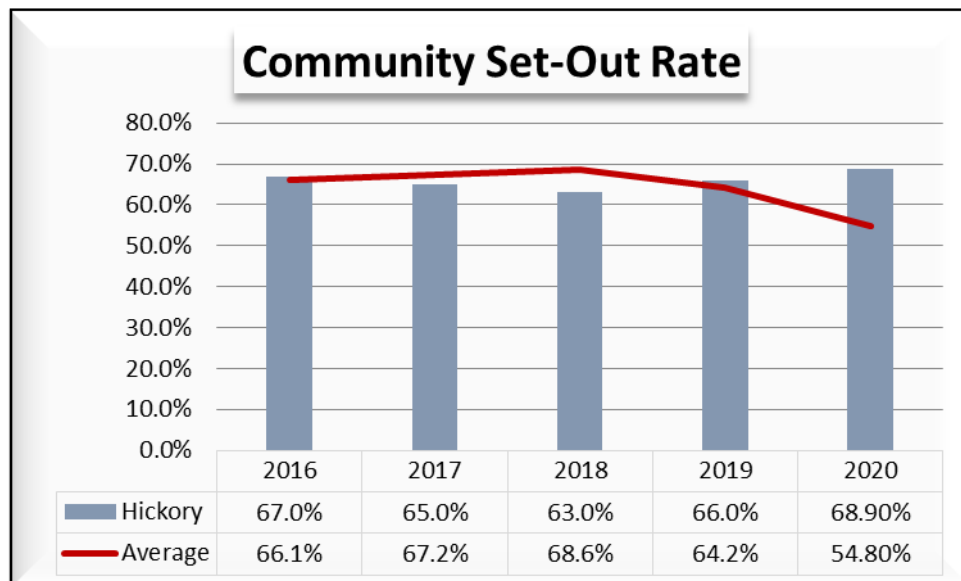
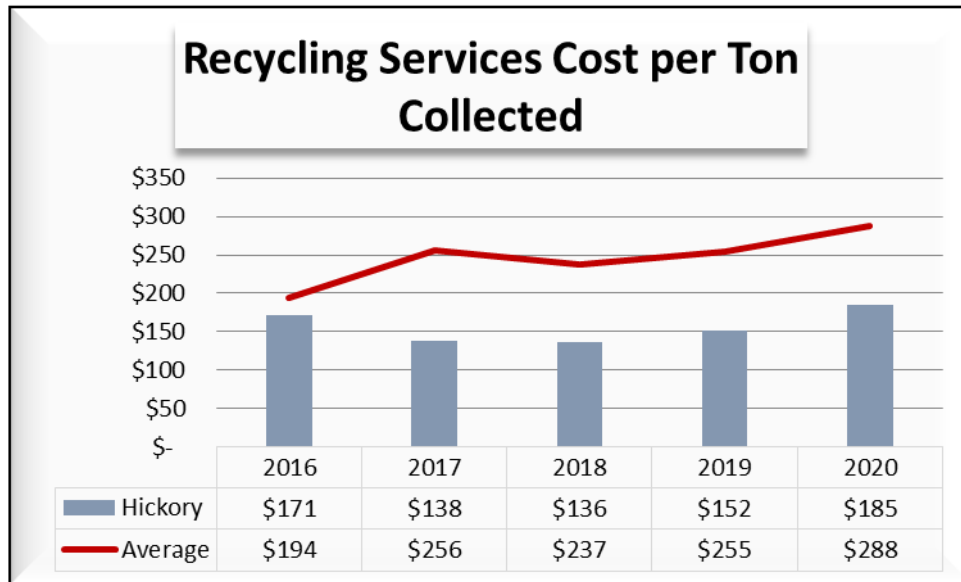
Human Resources



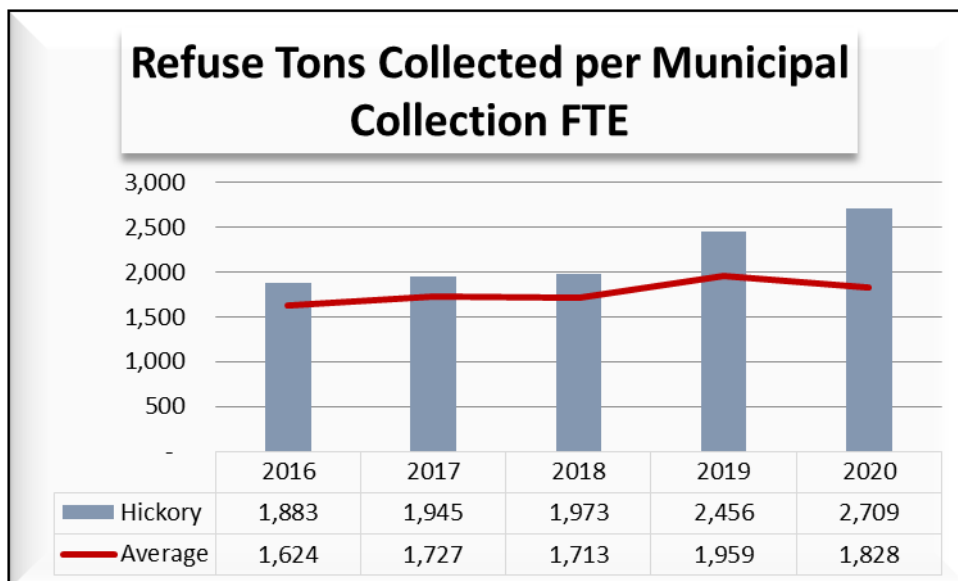
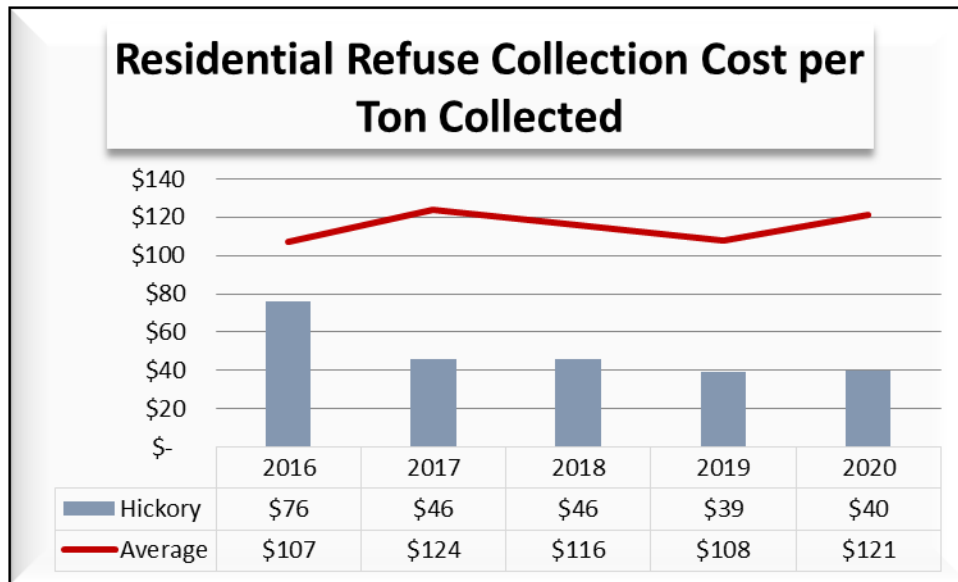
Fleet Maintenance



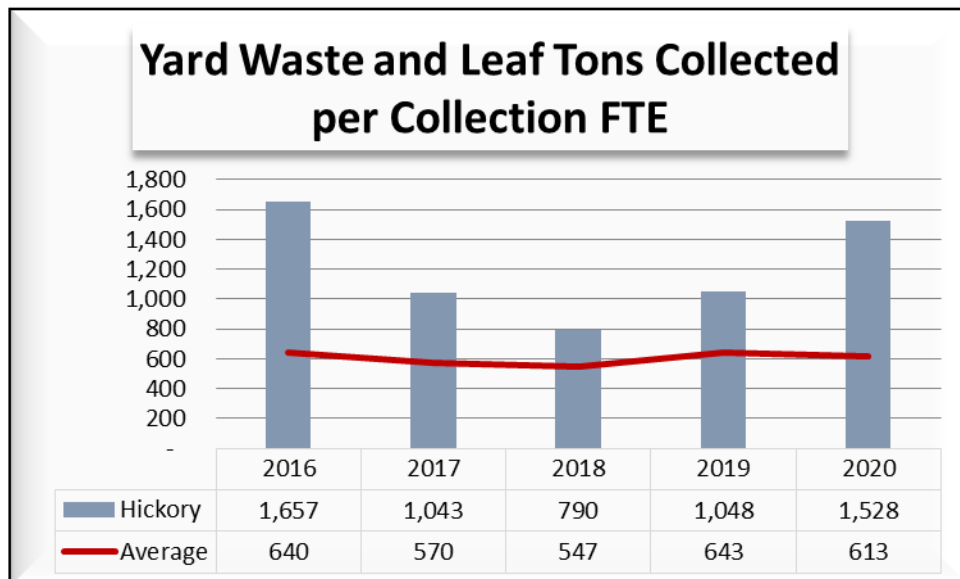
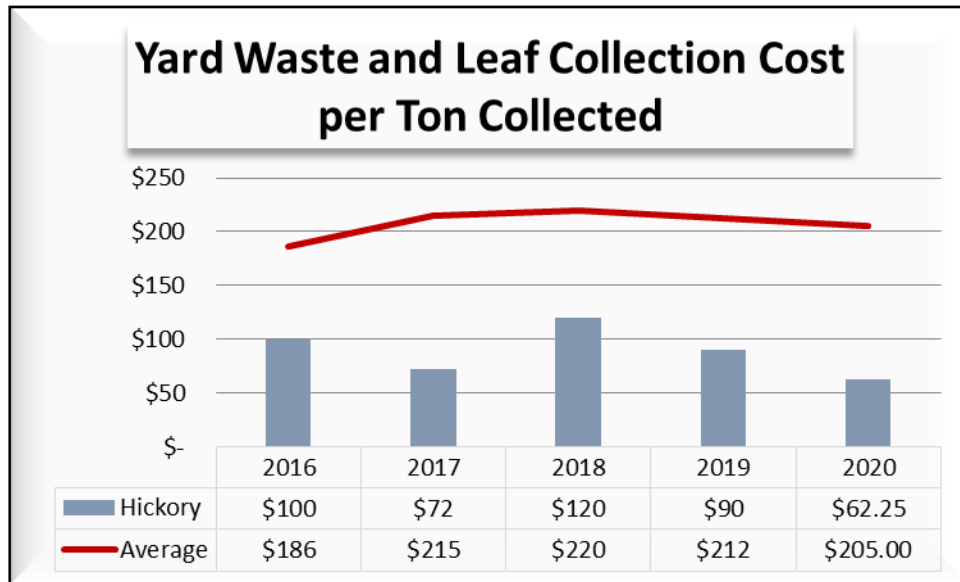
Household Recycling



Residential Refuse Collection

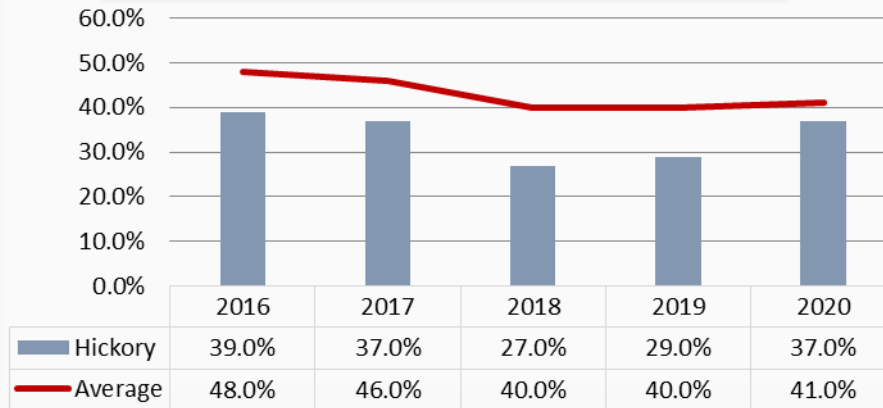


Yard Waste and Leaf Collection

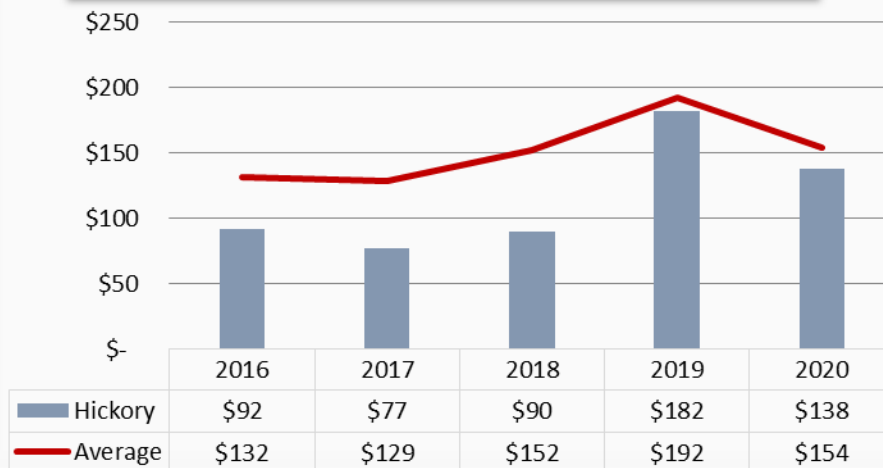


Asphalt Maintenance

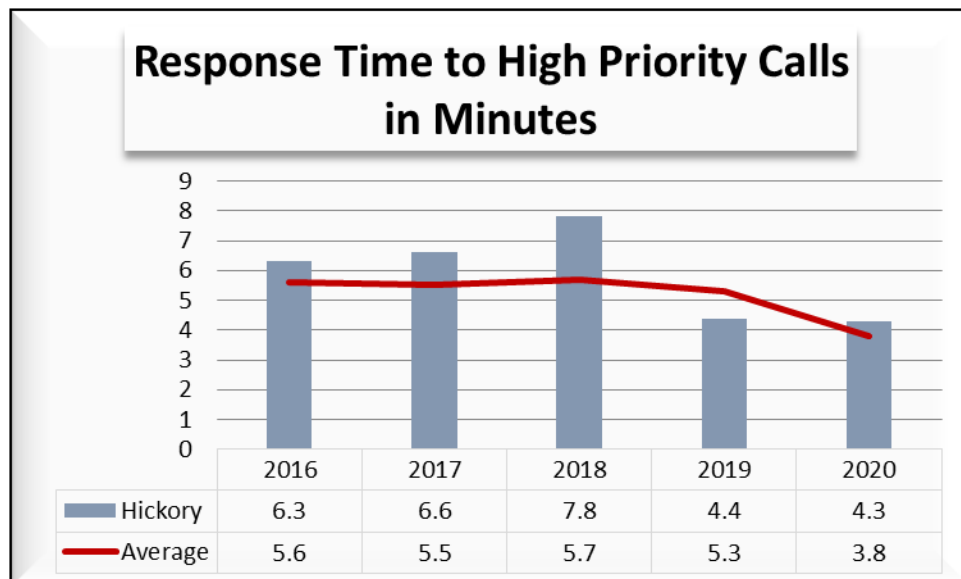
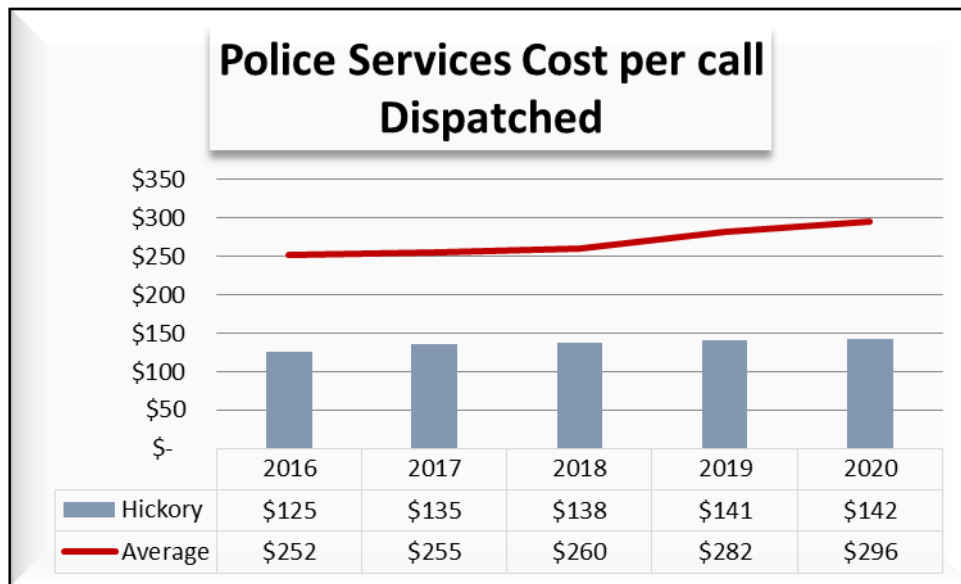
Percent of Lane Miles Rated 85 or Better



Cost per Ton for Contract Resurfacing

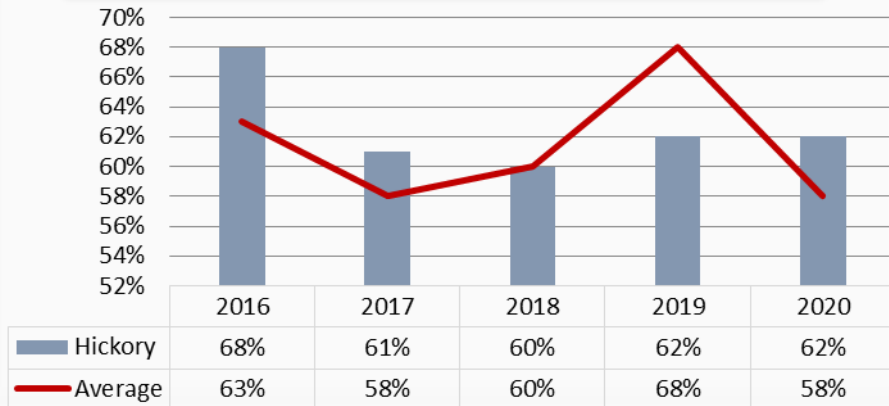


Police Services

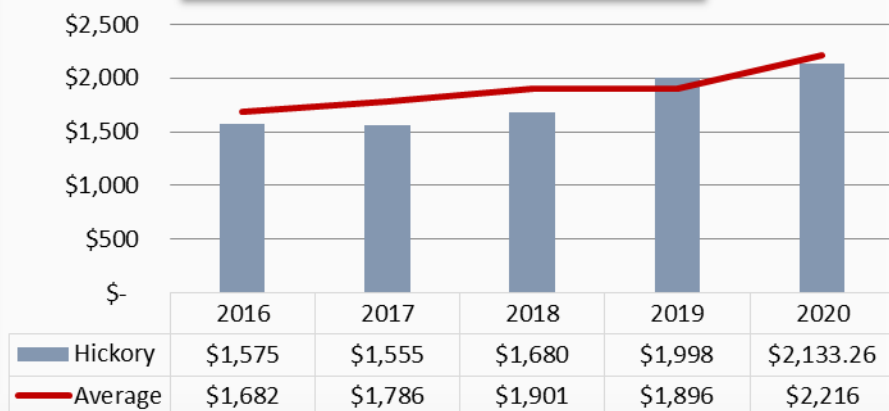


Fire Services

Percentage of Fires Confined to Rooms or Objects Involved on Arrival



Fire Services Cost per Fire Department Response



HISTORY

Hickory owes its early beginnings to Henry Weidner, a young German who came from Montgomery, Pennsylvania to find a new home in the South. After selecting a home site on the South Fork and Henry Rivers, he was careful to make the friendship of the Catawba Indians who had a settlement there. With his home thus established, in 1750 he married Katrina Mull and, with his brother-in-law Adam Mull, took out a land grant. The Weidner lands embraced thousands of acres. Several miles northwest of the Weidner home, at a point where the trails of the Cherokee and Catawba Indians crossed, a stagecoach turnpike was established which opened up the territory for transportation and communication.

Hickory cost 46 pounds in the King's money or \$128.80 in U.S. dollars for 360 acres located where Union Square and the Hickory Station Restaurant are located today. This same acreage was sold at public auction on May 8, 1798 in Lincoln County to Jesse Robinson, whose family deeded the property to the railroad and Hickory as a public common.



In 1846, William Hale opened a store at this stagecoach junction and established a post office under the name of Chestnut Oak. Henry Robinson, a descendant of Henry Weidner, built a tavern of logs there beneath a huge hickory tree during the 1850's. The inn was known as "Hickory Tavern."

The community of Hickory Tavern had its first Charter drawn on December 12, 1863; "Corporate limits to be one square mile, having its center the depot of Western North Carolina Railroad." Mileposts were erected in four directions (one still exists at Lenoir-Rhyne College). The legislature appointed judges to hold an election for town commissioners on the first Monday in January 1870. Thus, the Town of Hickory Tavern was established. The name was changed to the Town of Hickory by the 1873 legislature and to the City of Hickory by the 1889 legislature. Berryville was incorporated in 1895 and the name changed to West Hickory; Highland was incorporated in 1905. Both of these towns became part of the City of Hickory in 1931.

The first train operated in Hickory Tavern in 1859 opening up the area for further settlement. The first settler was Henry Link who bought the first lot in the Town of Hickory in 1858 for the sum of \$45. His house was known as The 1859 Café.

The first mayor of Hickory was Marcus Yoder who held court in his store on the west end of Union Square and used his warehouse for a "calaboose" (local jail).

The community of "Hickory Tavern" was one of the first towns in North Carolina to install electric lights in 1888 and also a water works and complete sewage system in 1904.

Another milepost in Hickory's history is the adoption of the Council-Manager form of government on March 17, 1913, becoming the first city in the state and the third city in the country to adopt the Council-Manager form of government.

Hickory has always been a very progressive and innovative city. Hickory has been known as the "Industrial Hub of Western North Carolina", "The City that does Things", and the "Best Balanced City". The entrepreneurial spirit of its citizens has been recognized nationally with Hickory being named an All-America City three times, in 1967, 1987, and 2007.

Supplementary Information

DEMOGRAPHIC INFORMATION

With a population of 41,407 the City serves as a trade, distribution, communications and service center to approximately 369,711 people due to its location at the geographic center of a four-county region and its ready access to major transportation facilities. Historically, the City's economy was influenced by a significant concentration in the manufacturing trade; however, over the past several years this has shifted. Principal industries now include wholesale grocery, retail trade, communications, utilities, health care, textiles, real estate, and furniture.



The principal taxpayers for Hickory include Merchants Distributors Inc., Corning Cable Systems LLC, Duke Energy Corp., Valley Hills Mall LLC, American Med International, Tate Boulevard LLC, HSM Solutions, Shurtape Technologies, Inland Western Hickory-Catawba LLC, and Legends of Hickory LLC.

The City of Hickory provides access to many social and economic resources. Hickory offers extensive educational opportunities with two colleges in the area: Catawba Valley Community College (CVCC) and Lenoir-Rhyne University, a fully accredited liberal arts university affiliated with the North Carolina Evangelical Lutheran Church of America. In addition, the City is home to the Hickory Metro Higher Education Center.

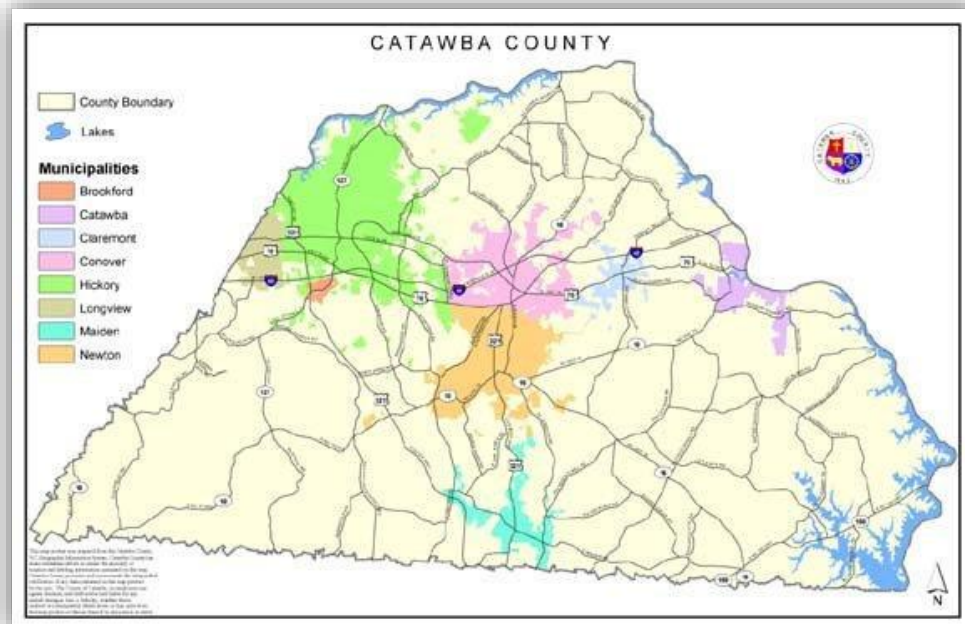
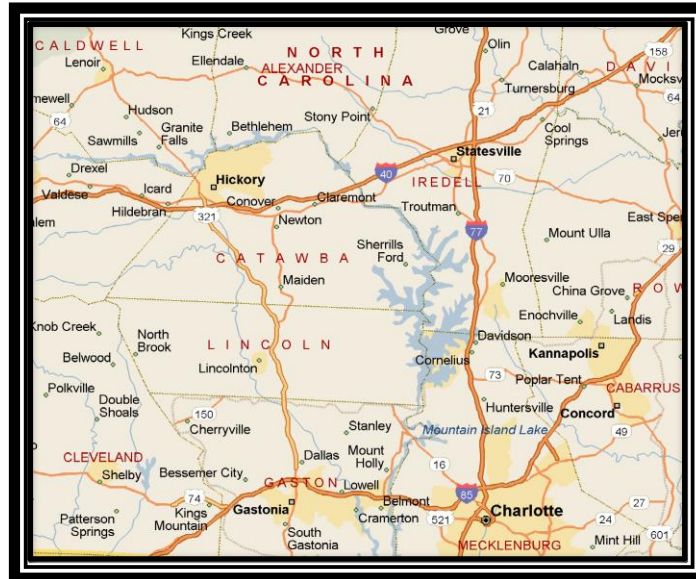


The citizens of Hickory and surrounding areas enjoy minor league baseball at L.P. Frans Stadium, home of the Hickory Crawdads.

The SALT Block (Sciences, Arts and Literature Together) provides wide-ranging cultural experiences for adults and children alike. Hickory also offers significant resources in visual and performing arts such as the Hickory Community Theater, its own regional symphony orchestra, and several historic sites and museums.

GEOGRAPHIC CHARACTERISTICS

Located in North Carolina's Piedmont Region, Hickory is fifty miles northwest of Charlotte and eighty miles east of Asheville. Hickory is the geographic and economic center of North Carolina's fourth largest metropolitan statistical area. The City spans approximately 28 square miles and resides in the prime crescent of the Interstate 40 system. Citizens enjoy the recreational advantages of a setting that allows easy access to the Blue Ridge Mountains and the coastal areas of North and South Carolina.



Supplementary Information

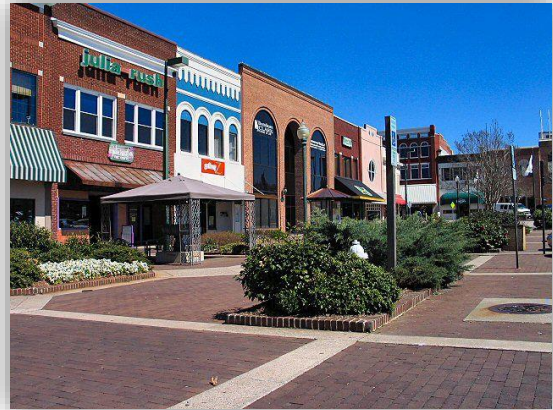


JURISDICTION	POPULATION	SIZE (SQUARE MILES)
City of Hickory	41,407	29.8
Catawba County	160,732	398.7

(Sources: Western Piedmont Council of Governments and NC Office of State Management and Budget, *State Demographer*)

MILESTONES IN HICKORY

- 1986 Opening of the Arts Center of Catawba Valley
- 1987 Hickory named “All America City” for the second time
- 1989 Construction begins on new US 321 Corridor
- 1992 Opening of 32 million gallons-per-day water plant
- 1993 First Baseball Game at Hickory’s L.P. Frans Stadium
- 1996 Police Department moves to new state-of-the-art facility
- 1997 Hickory named “One of 10 Best Places to Live” by Reader’s Digest Magazine
- 1997 Hickory ranked 189 out of 300 MSA’s by Money Magazine (17-point improvement over 1996) Hickory ranked 16th among medium-sized cities in the South as being “...the most livable place to live in the nation” by Money Magazine
- 1998 Hickory Public Library is named one of the five best in the nation by Gale Research and Library Journal
- 2000 Hickory Public Library is the first Public Library in North America to use “smart card” technology
- 2000 During the year 2000, the one-millionth person walked through the doors of the Hickory Public Libraries.
- 2001 City and county government officials announce the Hickory Metropolitan Higher Education Center, a collaboration of Lenoir-Rhyne College, Catawba Valley Community College (CVCC) and Appalachian State University. The announcement and signing of a collaborative agreement by the three higher education institutions culminated more than two years of discussions and planning.
- 2006 McDonald Parkway connector opens and is the 2.8 mile connector between Interstate 40 and Springs Road.
- 2007 Hickory named an “All-America City” for the third time
- 2007 North Carolina Center for Engineering Technologies begins classes. The City of Hickory was part of the coalition that helped bring Western North Carolina engineering courses to Hickory.
- 2008 Hickory will begin a \$25 million upgrade of the Northeast Wastewater Treatment Plant.
- 2010 North Carolina Department of Transportation completed the Lenoir-Rhyne Boulevard project.
- 2012 Hickory gained ownership of the Fixed Based Operator (FBO) at the Hickory Regional Airport.
- 2014 Voters of Hickory overwhelming approved the \$15 and \$25 million dollar Hickory Bond Referendum in November 2014. These bonds will be used for various projects throughout the city including Business Park 1764, Riverwalk, City Walk and improving all of the City’s major roads and gateways.



CITY OF HICKORY AWARDS AND RECOGNITIONS

All-America City Award
National Civic League
1967, 1987, 2007

10 Best Places to Raise a Family Reader's Digest

All-America City
National Civic League
Three times Awarded, Four times finalist

One of the top 300 "Best Places to Live" in the United States
Money Magazine Annual Survey

One of the top 20 "Most Entrepreneurial Cities in America"
Incorporated Magazine

An "economic success story" Federal Reserve Bank of Richmond

"A reputation for fiscal soundness"
North Carolina Securities Advisory Commission

"Affordable Cost of Living"
American Chamber of Commerce Researchers Association

"5th Best Small Town in the Country for Manufacturing"
Outlook Americas Magazine

"7th in the United States as an Entrepreneurial Hotspot"
Nations Business Magazine

"7th Best Small Metro Area to Start a Business"
Cogentics Research

"8th Best World-Class Community"
Industry Week

"Hickory is Booming"
Wall Street Journal

"8th Best Quality of Life in North Carolina"
Business North Carolina

Distinguished Budget Presentation Award
Government Finance Officers Association
1994-1995 through 2017-2018

Supplementary Information



Certificate of Achievement for Excellence in Financial Reporting
Government Finance Officers Association
1995-1996 through 2017-2018

Certificate of Safety Achievement
North Carolina Department of Labor

One of 12 Parks & Recreation Departments chosen to participate
in the national "Hearts 'N Parks" Program National Recreation and Parks Association

North Carolina Governor's Business Award
Awarded to the SALT Block

One of top 5 finalists for "Library of the Year"
Library Journal and the Gale Corporation

Named as a model city for the Composer in Residence award
Meet the Composer Foundation

Finalist – Computerworld/Smithsonian Innovative Technology Award
For the Hickory Library Smart Card System

National "Learn Not to Burn" Champion
National Fire Protection Association

Operation Life Safety Award
International Association of Fire Chiefs/National Sprinkler Association

Award of Excellence in Fire and Life Safety
North Carolina Fire Education Board
Risk Watch Champion program site
National Fire Protection Association

Best Dressed Police Department in the Nation
National Uniform Manufacturers Association

Web site ranks Hickory among top U.S. Hometowns
Web company ePodunk Inc. Ranks Hickory Second in the top ten list for towns

Digital Government Award of Excellence
Web Site of Distinction

Hickory received Tree City USA award 2005, 2006, 2007

Hickory designated as a North Carolina Main Street
Community by the North Carolina Department of Commerce 2006

The Friends of Hickory Public Library received the Volunteer of the Year Award (West Central District) for "Exemplary Service and Dedication to the Friends of Hickory Public Library" to Mary Ann Crane in 2008 and to Paula Finnegan in 2009

Hickory was a Best Tennis Town finalist-2009

Supplementary Information



Hickory's Parks and Recreation Department was named Playful City USA 2011 and 2012

North Carolina City County Communications (NC3C) Awards 2009

Hickory received the 2010 "BELIEF" Award from Champions of Education

Hickory received the 2010 ICMA Community Sustainability Award for
"Operation No Vacancy"

2011 Excellence in Communications
1st Place Printed Publications - Annual Report
1st Place Special Events - International Springfest
1st Place Communication Technology - Website

Hickory earned the prestigious Playful City USA 2011 award from KaBOOM

Hickory Public Library received the Outstanding Children's and Family Program Award (Medium Size Library) for the 2011 Summer Reading Program "*Where in the World is Lucy*" from the North Carolina Public Library Directors Association.

The Friends of Hickory Public Library received the Frances B. Reid Award for Outstanding Service to the Library and Community: 2004, 2006 and 2011

Hickory Human Resources received the 2012 "Healthiest Employer Award"

In June 2012, The City of Hickory Fire Department was recognized for two prestigious awards, the "Pro Patria Award" and the "Freedom Award". The City of Hickory was chosen from across the state of North Carolina as the best supporter in the Government category. From that award, they were then submitted to represent North Carolina for the national award in September. The City of Hickory was chosen as one of the top 10% of employers who hire Guardsmen and Reservist in North Carolina. The selection was based on information supplied by Hickory Senior Firefighter Patrick Auton, who served in Iraq in 2010 for four months. Patrick also served in 2004 for one year and two weeks.

Excellence in Communication Citizen Participation First Place Award for the Zahra Baker All Children's Playground community build and fundraising campaign.

Excellence in Communication Special Events First Place Award for the Zahra Baker All Children's Playground ribbon cutting and dedication event.

Excellence in Communication Most Creative Project with the Least Amount of Funds First Place Award for the Catawba Communities show that airs on Charter's Government Channel (this was a joint award with Catawba County).

Hickory Public Library was selected to be among the first institutions in the country to take part in the Edge Initiative, a ground-breaking, national initiative that provides libraries with new strategies and tools to help achieve community priorities through enhanced technology.

Hickory Public Library received an income distribution of almost \$40,000 from the library's five endowment funds for the first time since 2009.

Sarah Nelson was awarded 2013 Civilian of the Year

Supplementary Information



North Carolina Gang Investigators Association

Street Crimes Interdiction Unit was awarded 2013 Gang Unit of the Year
North Carolina Gang Investigators Association

The Hickory Fire Department was nominated and received the 2014 "Giving from the Heart" Volunteer Award for their work benefitting the Catawba County Christmas Bureau

Rich Jenkins, Hickory Firefighter, received the 2015 Dedicated Service Award
Western North Carolina Association of Firefighters

Tamara Faulkner awarded the 2015 Paralibrarian of the Year
Library Journal

Hickory Public Library received a \$20,160 grant to develop a new strategic plan for 2015-2018. Grant funds came from the Institute of Museum and Library Services, under the provisions of the federal Library Services and Technology Act, as administered by the State Library of North Carolina, a division of the Department of Cultural Resources

Hickory Public Library received an income distribution of \$43,530
Library's Endowment Fund administered by the North Carolina Community Foundation 2015

Hickory Police Department received the Safe Kids Certificate of Appreciation 2015

Police Chief Tom Adkins awarded the 2015 Bill Dalton Unsung Hero Award
Special Olympics

The Zahra Baker All Children's Playground at Kiwanis Park received the Macaroni Kid of Hickory/Western Piedmont's 2015 Gold Daisy Award for Favorite Outdoor Place

Assistant City Manager Andrea Surratt awarded 2015 Assistant Manager of the Year
North Carolina City County Managers Association (NCCCMA)

Communications and Marketing Manager, Dana Kaminske was elected as the Vice President
NC3C (North Carolina City County Communicators)

Lisa Drum was awarded the 2015 Authur J. Barnett Planner of the Year
International Association of Law Enforcement Planners

Friends of the Library board member Lucy Kearns recognized as 2015 Volunteer of the Year
Friends of North Carolina Public Libraries

Hickory Public Library received an award for Best Program 2016
North Carolina Public Library Directors Association

City of Hickory was awarded the 2016 Silver WellBusiness Award
Catawba County Cancer Task Force

Staff Attorney, Arnita Dula, was awarded the 2016 Citizen-Lawyer Award
North Carolina Bar Association

Supplementary Information



Hickory's Tax Base by Type (FY2020-2021) Estimated through June 2021

Type	Catawba	Burke	Caldwell	Total
Real	4,425,703,184	13,134,042	78,996,900	4,517,834,126
Personal	393,803,263	40,102,448	27,411,016	461,316,727
Public Services	125,183,428	671,231	44,374,670	170,229,329
TOTAL	4,944,689,875	53,907,721	150,782,586	5,149,380,182

CITY OF HICKORY, NORTH CAROLINA						
PRINCIPAL PROPERTY TAXPAYERS						
CURRENT YEAR AND NINE YEARS AGO						
Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Merchants Distributors Inc	136,239,303	1	2.66%	119,954,296	1	2.53%
Corning Optical Communications LLC	\$ 96,897,353	2	1.89%	\$ 60,918,715	2	1.29%
DLP Frye Regional Medical Center LLC	81,159,218	3	1.58%	40,894,400	4	0.86%
Duke Energy Carolinas LLC	56,607,388	4	1.11%	36,810,660	6	0.78%
Shurtape Technologies Inc	37,816,058	5	0.74%	28,837,079	8	0.61%
Tate Boulevard I, II, III & IV LLC	31,725,100	6	0.62%	32,363,200	7	0.68%
Valley Hills Mall LLC	28,700,000	7	0.56%	49,921,100	3	1.05%
Hickory Springs Mfg Co	25,018,507	8	0.49%	27,729,015	10	0.59%
Health Care Property Investors	23,837,400	9	0.47%			
Legends of Hickory, LLC	23,056,600	10	0.45%			
American Med International				40,795,592	5	0.86%
Inland Western Hickory-Catawbam LLC				28,292,900	9	0.60%
Total	\$ 541,056,927		10.57%	\$ 466,516,957		9.85%

Source: Catawba County, Caldwell County and City of Hickory Administrative Services

Supplementary Information



HICKORY METRO AREA WATER & SEWER RATE COMPARISONS

**As of January 1, 2021 per UNC School of Government, Environmental Finance Center Water & Sewer Rates Dashboard.*

City/County	Water Rate per 5,000 Gallons	Sewer Rate per 5,000 Gallons	Total
Burke County	\$ 47.10	\$ 51.50	\$ 98.60
City of Conover	\$ 25.44	\$ 33.12	\$ 58.56
City of Newton	\$ 36.63	\$ 48.33	\$ 84.96
Town of Taylorsville	\$ 35.50	\$ 25.50	\$ 61.00
Average	\$ 36.17	\$ 39.61	\$ 75.78
City of Hickory	\$ 25.54	\$ 33.00	\$ 58.54 Current

Utilities

Sewer Lines (miles)	499
Water Lines (miles)	937
Finished Water (gal/day)	11.14 MGD

Water/Sewer Service Connections

Residential	39,485
Commercial	15,723
Total	55,208

Supplementary Information

TEN LARGEST WATER USERS By Volume July 1, 2019 – June 30, 2020



I. WATER

	CUSTOMERS	CUBIC FEET	GALLONS	REVENUE
1	CONOVER, CITY OF	65,041,703	486,511,938	\$ 455,946.22
2	MAIDEN, TOWN OF	55,943,461	418,457,088	\$ 478,512.39
3	LONGVIEW, TOWN OF	34,497,061	258,038,016	\$ 345,770.96
4	ICARD TOWNSHIP WATER CORP	22,377,860	167,386,393	\$ 181,121.46
5	APPLE	14,548,005	108,819,077	\$ 377,915.02
6	ALEXANDER CORR INST (PRISON)	6,006,795	44,930,827	\$ 158,291.09
7	COH/ CITY OF HICKORY	5,484,702	41,025,571	\$ 100,437.48
8	CATAWBA VALLEY MEDICAL CENTE	4,793,547	35,855,732	\$ 84,981.93
9	MDI	3,132,377	23,430,180	\$ 54,377.13
10	LEXINGTON HICKORY LLC	2,795,459	20,910,033	\$ 37,951.70
		214,620,970	1,605,364,855	\$2,275,305.38

II. SEWER

	CUSTOMERS	CUBIC FEET	GALLONS	REVENUE
1	LONGVIEW, TOWN OF	25,631,784	191,725,743	\$458,224.51
2	BURKE COUNTY	18,272,509	136,678,370	\$326,661.31
3	CATAWBA VALLEY MEDICAL CENTE	4,754,161	35,561,124	\$136,121.37
4	MDI	3,132,377	23,430,180	\$79,512.98
5	LEXINGTON HICKORY LLC	2,795,459	20,910,033	\$70,635.65
6	FRYE REGIONAL MEDICAL CENTER	2,513,020	18,797,390	\$49,015.54
7	NU-DIMENSIONS INC	2,322,751	17,374,177	\$80,253.10
8	LENOIR RHYNE UNIVERSITY	2,185,723	16,349,208	\$87,259.74
9	SHURTAPE TECH	1,862,675	13,932,809	\$59,168.46
10	LEGENDS AT HICKORY	1,621,759	12,130,757	\$67,169.54
		65,092,218	486,889,791	\$1,414,022.20

Supplementary Information



City of Hickory Pay Plan July 1, 2021

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
8	Maintenance Worker I Parking Enforcement Officer	\$26,862.93	\$33,578.66	\$40,294.38
9	Airport Customer Service Representative Customer Service Representative I Fleet Vehicle Service Technician Library Assistant I Maintenance Worker II Meter Reader Police Records Clerk Transfer Station Operator	\$28,222.87	\$35,278.58	\$42,334.29
10	Administrative Technician Animal Control Officer Construction Worker Customer Service Representative II Electrician Apprentice Equipment Operator Groundskeeper Horticultural Technician Park Supervisor PS Dispatcher	\$29,651.64	\$37,064.56	\$44,477.47
11	Administrative Technician II Airport Line Technician GPS Field Tech I Heavy Equipment Operator Meter Mechanic Payroll Technician - Public Services Utilities Warehouse Coordinator Utility Locate Technician Welder	\$31,152.75	\$38,940.95	\$46,729.14
12	Administrative Assistant Airport Maintenance Technician Central Warehouse Coordinator Community Development Technician Crew Leader FBO Supervisor Human Resources Generalist Laboratory Technician I Library Maintenance Coordinator Library Technician Maintenance Mechanic	\$32,729.87	\$40,912.33	\$49,094.81

Supplementary Information



	Mechanic I			
	Parts Specialist			
	Planning Technician			
	Police Telecommunicator			
	Pretreatment Technician			
	Public Utilities Technician			
	Senior Customer Service Representative			
	Wastewater Treatment Plant Operator I			
	Water Quality Technician			
	Water Treatment Plant Operator I			
13	Accounting Technician	\$34,386.82	\$42,983.52	\$51,580.21
	CAD Operator / Land Survey Tech			
	Firefighter			
	Recreation Programmer			
	Senior Groundskeeper			
	Sports Programmer			
	Wastewater Treatment Plant Operator II			
	Water Treatment Plant Operator II			
14	Cemetery Sexton	\$36,127.65	\$45,159.56	\$54,191.47
	Central Services Supervisor			
	Circulation Supervisor			
	Community Engagement Coordinator – Ridgeview Branch			
	Electrician			
	Fire Education Assistant			
	Fire Mechanic			
	Help Desk Specialist			
	IT Services Coordinator			
	Library Outreach Coordinator			
	Maintenance Mechanic Crew Leader			
	Mechanic II			
	Parks, Recreation & Sports Tourism Budget Coordinator			
	Payroll Specialist			
	Police Officer			
	Police Victim & Community Service Coordinator			
	Senior Telecommunicator			
	Special Projects Crew Leader			
	Sports Tourism Coordinator			
	Wastewater Treatment Plant Operator III			
	Water Treatment Plant Operator III			
	Zoning Enforcement Officer			
15	City Arborist	\$37,956.62	\$47,445.77	\$56,934.92
	Communication and Events Coordinator			
	Horticulture Specialist			
	Police Budget & Logistics Coordinator			

Supplementary Information



	Senior Firefighter Transportation Inspection and Plan Review Turf Grass Specialist			
16	Accountant Utilities Budget Coordinator Chemist Code Enforcement Officer Electrical Supervisor Executive Assistant Fire Apparatus Operator Fire Maintenance Supervisor IT Analyst Paralegal / Deputy City Clerk Recreation Facilities & Program Supervisor Senior Laboratory Technician Senior Recreation Programmer Senior Wastewater Treatment Plant Operator Senior Water Treatment Plant Operator Sports Coordinator Traffic Signal / Radio Operator	\$39,878.16	\$49,847.71	\$59,817.24
17	Airport Operations Supervisor Community Navigator Fire Education Coordinator Fire Prevention Inspector GIS Analyst Landscape Services Supervisor Lead Telecommunicator Master Police Officer Meter Operations Supervisor Parks Maintenance Supervisor Police Crime Analyst Police Gang Intelligence Crime Analyst Recreation Center and Events Coordinator Reference Librarian Senior Code Enforcement Officer Solid Waste Supervisor	\$41,897.01	\$52,371.25	\$62,845.49
18	Fleet Maintenance Supervisor Grants and Projects Coordinator Planner Senior Accountant Senior Land Surveyor Street Maintenance Supervisor Traffic Signal System Operator Utilities Inspector/Plan Reviewer Utilities Supervisor	\$44,018.04	\$55,022.53	\$66,027.05

Supplementary Information



19	Budget Analyst Building Services Coordinator Fire Captain Fire Accreditation Manager Human Resources Analyst Library Branch Manager Occupational Health Nurse Organizational Development Coordinator Police Communication Supervisor Police Sergeant Pretreatment Coordinator Senior Planner Special Operations Coordinator Systems Analyst	\$46,246.43	\$57,808.05	\$69,369.68
20	Billing and Collections Manager Civil Engineer I Communications Specialist Wastewater Treatment Plant Superintendent Water Treatment Plant Superintendent	\$48,587.66	\$60,734.59	\$72,881.50
21	Assistant Finance Officer City Clerk Civil Engineer II Collections Manager Community Development Manager Fire Battalion Chief Fire Marshal Fleet Manager GIS Manager Governmental Affairs Analyst Library Head of Reference and Tech Services Library Head of Youth Services Network Architect Planning Manager Police Lieutenant Risk Manager Senior Police Digital Forensic Evidence Tech Senior Systems Analyst Solid Waste Manager Street Maintenance Manager	\$53,631.70	\$67,039.62	\$80,447.54
22	Business Services Manager Environmental Manager Infrastructure Manager Police Captain Senior Civil Engineer Parks & Public Properties Manager	\$59,199.35	\$73,999.18	\$88,799.04

Supplementary Information



23	Airport Manager Communications & Marketing Manager Construction Project Manager Deputy Fire Chief Finance Officer Information Technology Manager Transportation & Engineering Manager	\$65,345.02	\$81,681.27	\$117,621.03
24	Assistant Public Services Director Deputy Chief of Police Executive Assistant Manager Transportation Planning Manager	\$72,128.68	\$100,980.16	\$129,831.62
25	Deputy Attorney Human Resources Director Library Director Director of PRST Planning Director	\$75,735.12	\$106,029.16	\$136,323.21
26	Fire Chief Police Chief Public Utilities Director Public Works Director	\$79,521.87	\$111,330.28	\$143,139.37
27	Assistant City Manager Deputy City Manager	\$97,005.04		

Budget Glossary



Accrual - The accounting method under which revenues are recognized on the income statement when they are earned rather than when the cash is received.

Activity - Departmental efforts which contribute to the achievement of a specific set of program outcomes; the smallest unit of the program budget.

Allocate – To set apart portions of budgeted expenditures and/or revenues which are specifically designated to organizations for special activities or purposes.

ADA - This is the commonly used acronym for the Americans with Disabilities Act.

Ad Valorem Taxes - Revenue accounts showing taxes paid on real property and personal property, to include property of public service companies allocated by the Ad Valorem Tax Division of the State Department of Revenue. Generally, *Ad Valorem Taxes* are those levied in proportion to the value of a property.

Annual Budget – A spending plan covering a single fiscal year.

Appropriation - A funding authorization granted by the City Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinance.

Assessed Valuation - The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

Assessment – The process for determining values of real and personal property for taxation purposes.

Authorized Bond – Bonds which have been legally approved but may or may not have been sold.

Balanced Budget – An annual spending plan characterized by an equal (i.e. “balanced”) amount of anticipated revenues and expenditures. In North Carolina, the statutes require that the adopted budget be in balance.

Basis of Accounting - A term used to refer to when revenues, expenditures, expenses, and transfers--and the related assets and liabilities--are recognized in the accounts and reported in the financial statements. The City of Hickory uses the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

Bond - A written promise to pay a specific amount of money with interest within a specific time period, usually long-term. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Bond Anticipation Notes (BANs) - Short-term interest-bearing notes issued by the City in anticipation of bonds which are issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

Bond Issued – Bonds that are sold.

Bond Rating – A grade indicating a governmental unit’s investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing capital projects funded by bonds. A high rating is indicative of a Governmental unit’s strong financial position. Ratings range from AAA (highest) to D (lowest).

Budget Glossary



Budget - A statement in dollar terms of the City's program of service delivery for the ensuing fiscal year.

Budget Amendment - A legal procedure utilized by the City staff and the City Council to revise a budget appropriation.

Budget Calendar - The schedule of key dates that the City's departments follow in the preparation, adoption and administration of the budget.

Budget Document - A formal document presented to the City Council containing the City's detailed financial plan for a fiscal year.

Budget Message - The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Budget Ordinance - The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CAFR - The acronym used for Comprehensive Annual Financial Report.

Capital Assets - Land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment with a value of \$5,000 or more.

Capital Improvement Plan - A long term plan of proposed improvement projects which includes estimated project costs and funding sources that the City expects to undertake within a five year period to acquire or construct capital assets. The plan is updated annually to reassess capital needs.

Capital Outlays - An expenditure expected to have a useful life greater than three years or an estimated total cost of \$5,000 or more. This involves the construction, purchase, or major renovation of a building or the purchase of land, as well as the acquisition of vehicles and equipment.

Capital Reserve - An account used to indicate that a portion of a fund's balance is legally restricted for a specific capital purpose and is, therefore, not available for general appropriation.

Cash Management - The management of cash necessary to pay for governmental services, while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing, and maintaining banking relationships.

Category - A consolidation of expenditures to measure personnel, operations, capital, contingency, special appropriations, debt service, transfers, and pro rata administrative services activities.

CDB - The acronym used for the Central Business District

CDBG - The acronym used for Community Block Grant Fund

City Council – Five-member Governing Board elected by the voters of the City for four year terms.

Budget Glossary

CIP - The acronym used for Capital Improvement Plan

Classification - Assignment of a position title and an associated pay range based on the job skills required for a particular position.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CPI - The acronym used for Consumer Price Index

CVB - The acronym used for Convention Visitors Bureau

Debt Service - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Delinquent Taxes – Taxes that remain unpaid after the due date on which a penalty for nonpayment is incurred.

Department - A major administrative division of the City that has overall management responsibility for an operation within a functional area.

Depreciation - The process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

Disbursement - Payment for goods and services in cash or by check.

Earmark - To designate funds for a specific use.

EDC - The acronym used for Economic Development Corporation

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside, or commit funds for future expenditures. A financial commitment for services, contracts, or goods that have not as yet been delivered or performed.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for the services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Hickory are established for services such as water and sewer, sludge composting, and solid waste and recycling services.

EPA - The acronym used for Environmental Protection Agency

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the City Council in the annual budget.

ETJ - The acronym used for Extra Territorial Jurisdiction.

Expenditure - The outflow of funds for assets that are incurred, or goods and services obtained, regardless of when the expense is actually paid. This term applies to all funds.

Budget Glossary

Expenses - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest and other charges.

Fiscal Policy - The financial plan embracing the general goals and acceptable procedures of a governmental unit.

Fiscal Year (“FY”) - The time period designating the beginning and ending period for recording financial transactions. The City of Hickory’s fiscal year begins July 1st and ends on the following June 30th. Budgeting is carried out on a fiscal year schedule.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used by the City, including land, buildings, machinery, furniture and other equipment.

FTE - The acronym used for “full-time equivalent” when considering both the number and cost of Human Resource personnel as applicable to city services.

Function - A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal, or a major service.

Fund - An accounting entity that possesses a set of self-balancing accounts and records all financial transactions for specific activities or government functions.

Fund Balance - Fund balance is the amount of assets in excess of the liabilities appropriated for expenditure, and is therefore also known as surplus funds. North Carolina statutes dictate that a portion of fund balance should be retained and not made available for appropriation in the following fiscal year.

Fund Balance Appropriated - A budgetary amount representing the fund’s equity to be used to offset expenditures. Fund balance appropriated cannot exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year preceding the budget year.

FY - The acronym used for fiscal year

General Accepted Accounting Principles (GAAP) - Uniform minimum standards of, and guidelines for, financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

GASB 34 - The acronym used for Governmental Accounting Standards Board Statement #34: “Basic Financial Statements- Management’s Discussion and Analysis - For State and Local Governments”.

GA - The acronym used for the North Carolina General Assembly.

General Fund - The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, information technology, public works, general administration, planning and development, engineering, and recreation and cultural activities.

General Ledger - A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

Budget Glossary



General Obligation Bonds - Bonds that finance a variety of public projects such as streets, buildings, and improvements. Repayment of these bonds is usually made from the General Fund, and the bonds are backed by the full faith and credit of the issuing government.

Geographic Information System (GIS) - A project which will link the City to a county-wide database, including hardware, software, and added personnel. This system is to be utilized as a planning tool by City departments.

GFOA - The acronym used for Government Finance Officers Association of the United States and Canada.

Goal - A statement of broad direction, purpose, or intent based on the needs of the community. A goal is general and timeless. It is not concerned with a specific achievement in a given time period.

Governmental Funds - There are three groups of funds for which financial statements are prepared- governmental, proprietary, and fiduciary. Proprietary funds are employed to report on activities financed primarily by revenues generated by the activities themselves, such as a utility. Fiduciary funds contain resources held by a government but belonging to individuals or entities other than the government. Governmental funds account for everything else. The City of Hickory has three types of governmental funds:

- General Fund and like funds
- Special Revenue Funds
- Capital Project Funds

Grant - A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed by the grantee.

HPD - The acronym used for Hickory Police Department

Indirect Cost – The component of the total cost for a service that is provided by and budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services such as those provided by the Administrative Departments.

Interfund Transfers - Amounts transferred from one fund to another.

Intergovernmental Revenue - Revenues from other governments (local, State, Federal) which can be in the form of grants, shared revenues, or entitlement.

Internal Service Fund - A fund which permits the accounting transactions of the activity involved to be isolated and the activity's full costs to be passed on to the departments and agencies that use the service.

Inventory - A detailed listing of property currently held by the government.

Investment Earnings - Revenue earned on investments with a third party. The City uses a pooled cash system, investing the total amount of cash regardless of fund boundaries. The interest earned is then allocated back to individual funds by average cash balance in that fund.

ITRE - The acronym used for Institute for Transportation Research and Education

Lease-Purchase Agreement - An agreement that conveys the right to property or equipment for a stated period of time. It allows the City to spread the cost of the acquisition over several budget years.

Levy - To impose taxes, special assessments, or service charges for the support of City activities.

Budget Glossary

Line Item Budget - A budget that lists each expenditure category (salaries, material, telephone, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

Local Government Budget and Fiscal Control Act - This act governs all financial activities of local Governments within the State of North Carolina.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

MALSR - The acronym used for Medium-Intensity Approach Lighting System with Runway Alignment Indicator Lights.

Maturities - The dates on which the principal or stated values of investments or debt obligations become due and/or may be reclaimed.

Merit Program - An established system to recognize and financially reward employee performance that exceeds the City's standards for a classification.

Modified Accrual Accounting - The accounting approach under which: 1) revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period; 2) expenditures are recognized in the accounting period in which a fund liability is incurred, and; 3) unmatured principal and interest on general long term debt is recognized when due.

MPO - The acronym used for Metropolitan Planning Organization

NCDOT - The acronym used for North Carolina Department of Transportation.

NCLGPMP - The acronym used for North Carolina Local Government Performance Measurement Project.

Net Position - An accounting term used to describe assets minus liabilities in business type activities. Enterprise funds are used to report those functions presented as business type activities in the financial statements. Net Position may serve, over time, as a useful indicator of a government's financial position. Net Position includes: capital assets, net of related debt; restricted; and unrestricted assets.

NEWWTP - The acronym used for North East Waste Water Treatment Plant

Objectives - A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. An objective should imply a specific standard of performance for a given program.

Operating Expenses - The portion of the budget pertaining to the daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as supplies, utilities, materials, and travel.

Operating Transfers - Routine and/or recurring transfers of assets between funds.

Part 1 Offenses - A law enforcement classification for major crimes, including murder, robbery, aggravated assault, etc.

Performance Measures - Descriptions of a program's effectiveness, or efficiency (i.e., response time to public requests, frequency of document updates).

Budget Glossary

Personnel - General category that includes salaries and wages, pensions, health insurance and other fringe benefits.

Powell Bill Street Allocation - Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Pro Rata Administrative Reimbursement - A calculated share per department to expend/reimburse for services provided by one fund to another.

Productivity - A measure of the increase of service output of City programs compared to the per unit resource input invested.

Program - An organized set of related work activities that are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

Property Tax - Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

Proprietary - A government's continuing business type activities.

P2C - The acronym used for Police to Citizen

Reclassification - Change in a position title and/or the associated pay range based on changes in the job skills required for a given position.

Reserve - A portion of fund balance earmarked to indicate what is not available for expenditure, or is legally segregated for a specific future use.

Restricted Intergovernmental Revenues - Grants, entitlements, and shared revenues which are recorded in the appropriate fund and classified both by source and function for which the revenues are to be spent.

Resources - Assets that can be used to fund expenditures. These can be such things as property taxes, user fees, beginning fund balance, or working capital.

Restricted Net Position - The portion of Net Position that includes cash and liquid assets that are subject to external restrictions on their use.

Retained Earnings - This is the total of all operating surplus since a fund was established. Only the Enterprise and Internal Service Funds report this figure.

Revaluation - Assignment of value to properties, buildings, vehicles, and equipment used for business and residential purposes by the Catawba County Tax Assessor's Office. Under State law, all property must be revalued no less frequently than once every eight years.

Revenue - Funds which the government receives as income, including tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

Revenue Bonds - Bonds which principal and interest are payable exclusively from earnings of an Enterprise Fund. Such bonds sometimes also contain a mortgage on the fund's property.

Budget Glossary

Right-of-Way Acquisition - Purchase of property needed by the City to perform road improvement projects and/or protection of right-of-way for future highway projects.

Service Level - Service(s) or product(s) which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Source of Revenue - Revenues that are classified according to their source or point of origin.

Special Assessment - A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service, which are deemed to primarily benefit those properties.

Special Revenue Fund - A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures.

Tax Base - The assessed valuation of all taxable real and personal property within the City's corporate limits.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for expenditures.

Unifour Area - The commonly used term which refers to the four-county area in which Hickory is located. The counties are Alexander, Burke, Caldwell, and Catawba.

Unrestricted Net Position – The portion of Net Position that includes cash and liquid assets not subject to external restrictions on their use.

USEPA - The acronym used for United States Environmental Protection Agency

VC3 - The acronym used for the company Visionary Corporate Computing Concepts.

WWTP - The acronym used for Waste Water Treatment Plant

Western Piedmont Council of Governments (WPCOG) - A voluntary association of 27 local governments in the Unifour area of western North Carolina which provides long-range planning and technical assistance, project administration, and grants research on a broad range of issues affecting local government.

