

2022-2023

FISCAL YEAR
Adopted Budget



Hickory City Council



Mayor – Hank Guess



Ward 1 – Tony Wood (*Mayor Pro Tempore*)



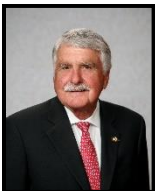
Ward 2 – Charlotte Williams



Ward 3 – Danny Seaver



Ward 4 – David Williams



Ward 5 – David Zagaroli



Ward 6 – Jill Patton

City of Hickory Adopted Budget



Fiscal Year
July 1, 2022 – June 30, 2023

Introduction



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	Mitch Friar
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 2022-23, 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

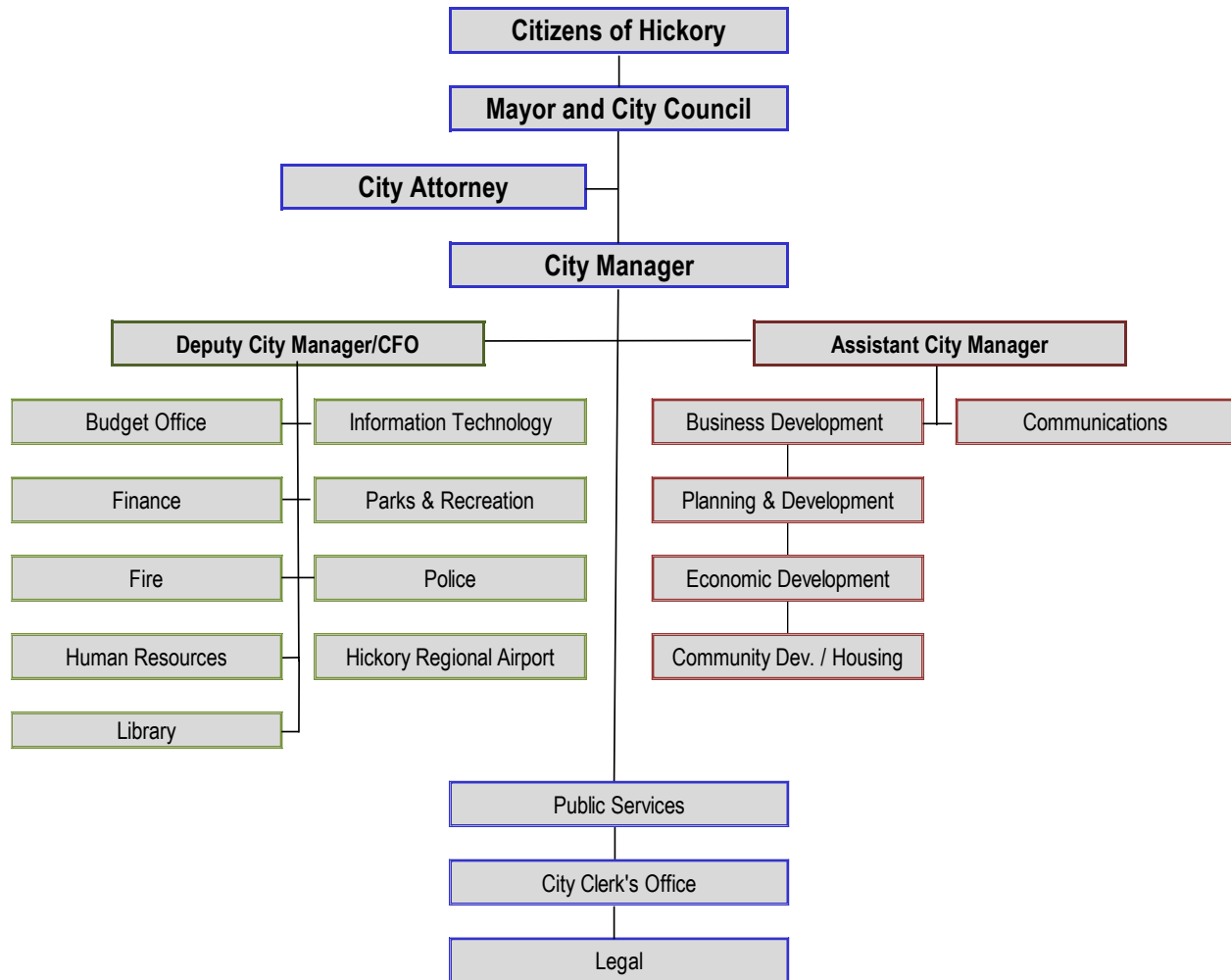


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Life. Well Crafted.

May 17, 2022

City of Hickory
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Members of the Hickory City Council
 Hickory, North Carolina

Dear Members of the Hickory City Council:

Preamble

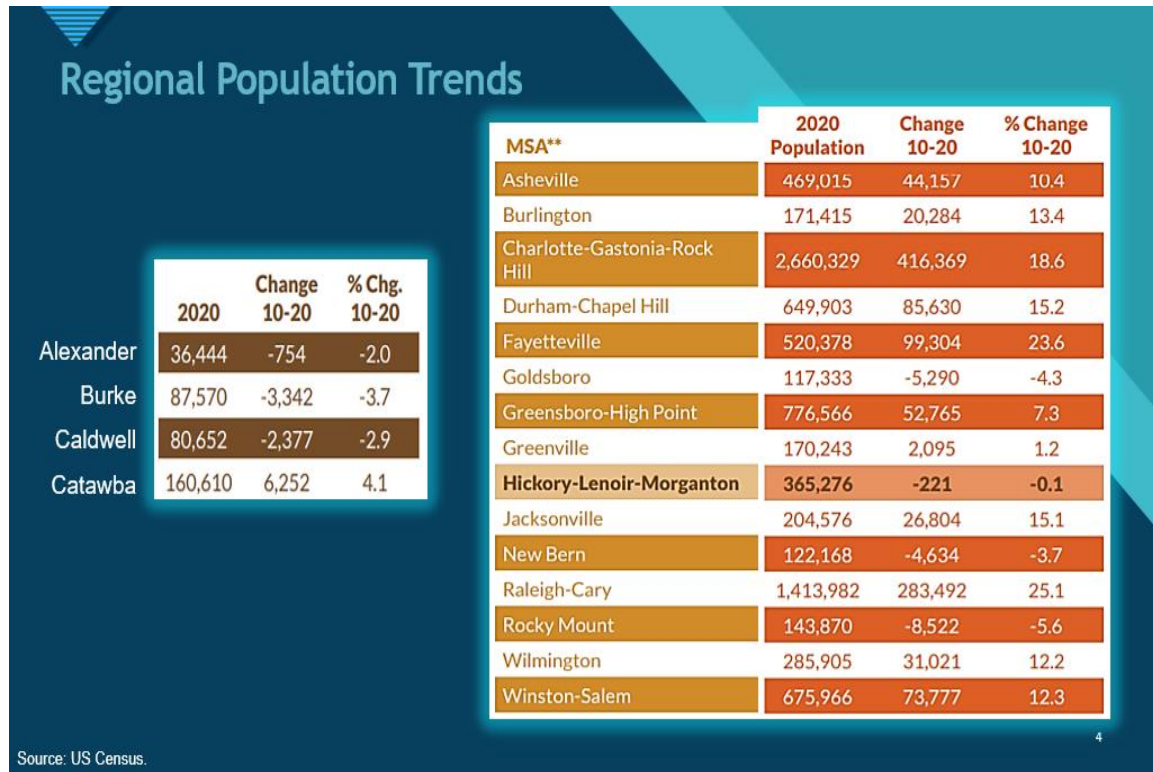
The 2020 Census revealed that the Hickory Metro (consisting of Catawba, Caldwell, Burke and Alexander counties) was flat in its population growth over the past 10 years. In fact, our Metro would have lost population during this time had it not been for population gains in Hickory and Catawba County, with Hickory representing over 55% of Catawba County’s overall growth. The population growth challenges of our region are revealed in the chart below:

2020 Census: Population & Housing Counts for the Region									
County or Municipality	Housing		Housing		Population Change 2010-2020	Housing		Population % Change 2010-2020	Housing Units % Change
	Population 2010 Census	Units 2010 Census	Population 2020 Census	Units 2020 Census		Units 2010-2020	Units % Change 2010-2020		
Alexander County	37,198	16,189	36,444	15,960	-754	-229	-2.0%	-1.4%	
Burke County	90,912	40,879	87,570	39,525	-3,342	-1,354	-3.7%	-3.3%	
Caldwell County	83,029	37,659	80,652	36,931	-2,377	-728	-2.9%	-1.9%	
Catawba County	154,358	67,886	160,610	70,744	6,252	2,858	4.1%	4.2%	
Hickory-Lenoir-Morganton MSA	365,497	162,613	365,276	163,160	-221	547	-0.1%	0.3%	
Brookford	382	214	442	218	60	4	15.7%	1.9%	
Cajah's Mountain	2,823	1,217	2,722	1,196	-101	-21	-3.6%	-1.7%	
Catawba (Town of)	603	297	702	307	99	10	16.4%	3.4%	
Cedar Rock	300	137	301	136	1	-1	0.3%	-0.7%	
Claremont	1,352	646	1,692	774	340	128	25.1%	19.8%	
Connelly Springs	1,669	731	1,529	838	-140	107	-8.4%	14.6%	
Conover	8,165	3,654	8,421	3,805	256	151	3.1%	4.1%	
Drexel	1,858	833	1,760	811	-98	-22	-5.3%	-2.6%	
Gamewell	4,051	1,786	3,702	1,683	-349	-103	-8.6%	-5.8%	
Glen Alpine	1,517	678	1,529	678	12	0	0.8%	0.0%	
Granite Falls	4,722	2,077	4,965	2,105	243	28	5.1%	1.3%	
Hickory	40,010	18,719	43,490	20,064	3,480	1,345	8.7%	7.2%	
Hildebran	2,023	888	1,679	773	-344	-115	-17.0%	-13.0%	
Hudson	3,776	1,694	3,780	1,717	4	23	0.1%	1.4%	
Lenoir	18,228	8,568	18,352	8,401	124	-167	0.7%	-1.9%	
Long View	4,871	2,315	5,088	2,353	217	38	4.5%	1.6%	
Maiden	3,310	1,383	3,736	1,493	426	110	12.9%	8.0%	
Morganton	16,918	7,618	17,474	7,559	556	-59	3.3%	-0.8%	
Newton	12,968	5,695	13,148	5,776	180	81	1.4%	1.4%	
Rhodhiss	1,070	468	997	427	-73	-41	-6.8%	-8.8%	
Rutherford College	1,341	614	1,226	582	-115	-32	-8.6%	-5.2%	
Sawmills	5,240	2,267	5,020	2,226	-220	-41	-4.2%	-1.8%	
Taylorsville	2,098	1,026	2,320	1,110	222	84	10.6%	8.2%	
Valdese	4,490	1,927	4,689	2,135	199	208	4.4%	10.8%	

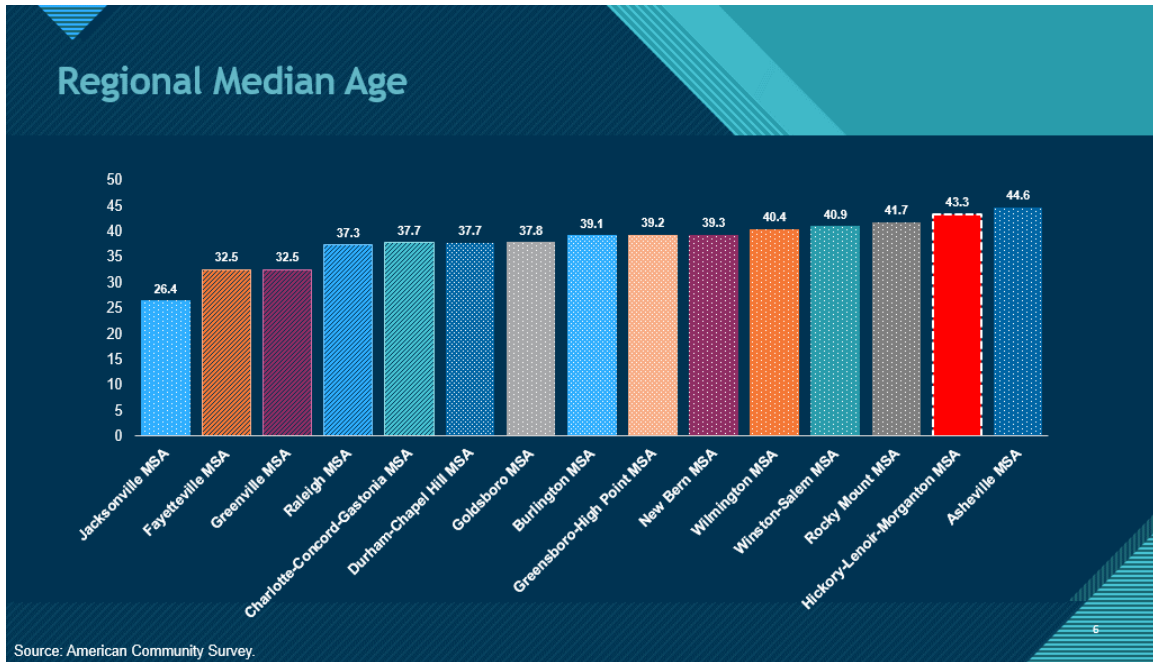
Source: 2020 Census, compiled by the Western Piedmont Council of Governments

An unofficial goal for the City of Hickory’s population growth is around 2% annually, which would put Hickory’s population at about 53,000 after 10 years. Of course, a healthy population growth rate for

the entire Hickory Metro area would naturally be smaller, given its more rural nature, so 1% annually would be a reasonable goal. This would put the region's population at around 400,000 at the end of 10 years. You can see by the chart below that the Hickory Metro has lagged far behind most other metro areas in the state in population growth.



These numbers are both significant and concerning to Hickory in particular because much of our economy is dependent upon residents from surrounding communities shopping, dining, seeking medical care, and most importantly working in Hickory. Hickory's population doubles during the daytime hours to around 90,000 people as we are the economic hub of the four county region with a population of 365,000 people. However, the age demographic (displayed in the chart below) in our region is not favorable to expanding or even sustaining our local economy over the next 10 years and beyond unless we continue improving Hickory's quality of life so that we can attract new residents. Population growth will translate into new customers, new employees, and even new employers.



The 2020 Census revealed that about half of all counties in North Carolina lost population during the 2010-2020 time period. About 75% of all growth occurred in the Charlotte and Raleigh regions during that time period. That is good news for Hickory and Catawba County, as our proximity to the Charlotte region will give us the opportunity to grow our population and workforce over the next 10 years. To be successful, we must continue to invest in improving our quality of life to continue attracting and retaining people from all walks of life with a special focus on working-aged people. The importance of this can be seen in the chart below, which shows the Hickory Metro area has over 11,200 active job openings.

Hickory MSA Unemployed Persons and Number of Job Openings by County, January 2022

County	Number of Unemployed (Not Seasonally Adjusted)	Number of Job Openings	Number of Unemployed Persons per Job Opening
Alexander	554	354	1.56
Burke	1,375	2,330	0.59
Caldwell	1,312	1,597	0.82
Catawba	2,720	7,006	0.39
MSA Total	5,961	11,287	0.53

Source: NC Works Online, NC Department of Commerce 2022.



Much of our success in changing our region's demographic trend over the next ten years will be measured by:

- A growing population
- A growing workforce
- A declining median age

The FY2022-2023 Recommended Budget outlined below will help to give Hickory the competitive advantage we need by focusing on completing the bond projects, increasing our investment in public safety, improving transportation and utility infrastructure, expanding economic development activities, and enhancing our parks and recreation facilities.

Overview

Pursuant to Section 159-11 of the North Carolina General Statutes, I am pleased to present the City of Hickory's Recommended Budget for FY2022-2023 for your review and consideration. The \$126,206,168 annual spending plan is balanced and prepared in accordance with generally accepted budgeting standards. The breakdown by fund for the FY2022-2023 Recommended Budget is as follows:

<u>Fund</u>		<u>FY21-22</u>		<u>FY22-23</u>	<u>%CHG</u>
General	\$	58,859,515	\$	63,141,435	7%
Water and Sewer	\$	31,734,183	\$	36,045,880	14%
Insurance	\$	7,481,486	\$	7,377,413	-1%
Fleet Maintenance Fund	\$	2,997,000	\$	3,020,962	1%
Sludge Compost	\$	1,904,312	\$	2,141,323	12%
Stormwater	\$	265,862	\$	273,556	3%
Airport	\$	1,587,961	\$	1,917,220	21%
Solid Waste	\$	6,422,514	\$	6,593,093	3%
Capital Reserve	\$	4,614,000	\$	3,964,000	-14%
W&S Capital Reserve	\$	650,000	\$	1,731,286	166%
Total	\$	115,516,833	\$	126,206,168	8.3%

General Fund

The General Fund budget is recommended at \$63,141,435, a 7% increase over the FY2021-2022 Budget. The property tax rate for FY2022-2023 is recommended to remain at 62.75 cents. Keep in mind we will be setting a new property tax rate with the FY2023-2024 annual budget due to the County-wide revaluation of property that will take effect during that fiscal year. We expect significant increases in property values to come out of Catawba County's next revaluation which would likely result in a reduction of our current property tax rate.

We had previously discussed the possibility of a property tax rate increase to fund new maintenance positions, equipment, and supplies to properly maintain the new Hickory Trail system, as the various segments of that system came on line. We now believe we will be able to cover about \$300,000 of the initial new costs through the reallocation of existing budgeted expenses and avoid the need for a property tax increase.

Additionally, the City's strong financial position improved our Bond Rating from AA- to AA+ over the past few years which has helped in keeping our bond payments lower. The last \$10 million the City issued in bonded debt this past fall of the original \$40 million resulted in an extremely low-interest rate of 1.49%.

The history of our 2014 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 issues \$15 million in GO Bonds
- July 2019 City Council approves 2 cent property tax rate increase to service Bonded Debt
- In the fall of 2019, the City issues another \$10 million in GO Bonds
- July 2021 City Council approves 4 cent property tax rate increase to service Bonded Debt
- In the fall of 2021, the City issues the remaining \$10 million in GO Bonds
- Debt service payments are now being made on the total \$40 million

Over 77% of the General Fund's revenue comes from property tax (54.4%) and sales tax (22.7%) 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 revenue, we are projecting a 13.4% increase for the coming year. Keep in mind that much of this increase is due to inflation, which is also impacting the City on the expenditure side in a negative way. Most of our other revenues have recovered from the height of the pandemic.

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 2021 CPI was 7%. 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.

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 in which we are having difficulty recruiting and retaining employees. Recruitment for Police Officers, Maintenance Workers, Telecommunicators, and Engineering positions has been particularly difficult. Few positions have been immune to retention pressures as we are not generally able to compete with private sector salaries.

We are recommending an across-the-board \$1,000 increase in individual salaries in response to the cost-of-living pressures we are all experiencing at home. During my tenure with the City, this will be the first time we have recommended a Cost of Living Adjustment. Our pay increases have historically been based on an employee's performance alone. Performance-based increases for FY2022-2023 are recommended at 3% for coworkers who "Meet" the performance standards set for them and 4% for employees who "Exceed" those standards.

Here are a few examples of how this would be applied and its impact. You can see that employees on the lower end of the pay scale see the greatest percentage increase.

$\$30,000 + \$1,000 = \$31,000 \times 1.03\% = \$31,930$... Represents a 6% increase if rated "Meets"
 $\$30,000 + \$1,000 = \$31,000 \times 1.04\% = \$32,240$... Represents a 7% increase if rated "Exceeds"

$\$50,000 + \$1,000 = \$51,000 \times 1.03\% = \$52,530$... Represents a 5% increase if rated "Meets"
 $\$50,000 + \$1,000 = \$51,000 \times 1.04\% = \$53,040$... Represents a 6% increase if rated "Exceeds"

$\$70,000 + \$1,000 = \$71,000 \times 1.03\% = \$73,130$... Represents a 4.5% increase if rated "Meets"
 $\$70,000 + \$1,000 = \$71,000 \times 1.04\% = \$73,840$... Represents a 5.5% increase if rated "Exceeds"

Another major challenge is proving to be continued increases in construction costs. Construction industry measures show the cost of materials and labor has 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	+44%
Airfare	+33%
Utility Gas	+23%
Used Cars	+23%
Furniture	+15%
New Cars	+14%
Electricity	+11%
Health Insurance	+10%

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 directly a part of the FY2022-2023 Recommended Budget but are a part of the

ongoing Bond Program or other projects that are majority grant or privately funded. Some of those include:

- Buildout of Trivium West
- Infrastructure installation at Trivium East
- Complete construction of the Aviation Walk
- Complete construction of the Riverwalk
- Begin construction of Historic Ridgeview Walk
- Begin construction of the OLLE Art Walk
- Improvements to Deidra Lackey Memorial Park related to the Lackey project
- Completion 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
- Purchase of property near and around the Hickory Regional Airport as it becomes available
- Design for the Aviation Museum/CVCC Workforce Facility
- Complete design for 17th St Extension
- Complete design for 2nd Ave SE Realignment (LR Blvd. at EMS Base)
- Begin construction on additional single-family affordable housing on surplus City-owned lots
- Begin construction of the new Biosolids Facility

In addition to the projects listed above, there are a few projects and initiatives underway at various stages that have the potential to be transformational in varying degrees for our community. These include:

- ASU-Hickory locating in Hickory and expressing a desire to grow
- Metronet is installing fiber to the home network throughout Hickory up to 1 GB
- The widening of US321 is a \$350 million NCDOT project which will transform that corridor

Water and Sewer Fund

The Water and Sewer Fund budget is recommended at \$36,045,880, a 13.6% increase over the FY2021-2022 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 develop 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. We recently received notice of grant approval for the Falling Creek Pump Station. However, we have

not yet heard about the funding status for the Snow Creek Pump Station. If the City is not successful in securing this grant funding, we will need to consider rate increases to undertake this project.

Henry Fork River Bank Erosion

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 water and sewer lines to either be washed out or broken by falling trees along the riverbank. The riverbank is now between 30ft. and 50ft. wider in places than prior to 2016. As a result, we will 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 (Composting) Facility

City Council recently awarded the \$34 million construction contract for the new biosolids facility which is the single largest construction project ever undertaken by the City of Hickory. We secured State Revolving Loan financing with extremely favorable terms and a .10% interest rate over a 30 year term. Debt service payments will begin in late FY2022-2023.

Currently, a water and sewer account with 5,000 gallons of monthly usage in the City will have a bill of \$60.29. 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 with other systems across the state.

Sludge Composting Fund

The Sludge Composting Fund budget is recommended at \$2,141,323, a 12.4% increase over the FY2021-2022 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 84.5% of the costs associated with operating the sludge composting facility and The City of Conover is responsible for the remaining 15.5%. These percentage shares are based on usage.

Once completed, the new Biosolids facility will allow the City to take this 30 year old facility off line.

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 \$6,593,093, a 2.7% increase over the FY2021-2022 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, allowing residents to avoid 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 \$25 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 keep it self-supporting.

The operational side of the Solid Waste Fund budget is self-supporting, meaning revenues cover those expenditures. However, this year's fund revenues only cover 49% of its capital expenditures due to a large amount of capital needs. My recommendation is to appropriate a portion of the Solid Waste Fund Balance to cover the needed capital purchase shortfall.

Airport Fund

The 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 \$1,917,220, a 20.7% increase over the FY2021-22 Budget.

This Fund also became self-supporting a number of years ago and had previously been supported by a transfer from the General Fund. This calendar year, we have recorded strong aviation fuel sales with business and leisure travel increasing.

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	Mostly Complete
Riverwalk (on land)	Under Construction (Summer completion)
Riverwalk (over water)	Under Construction (Fall 2023 completion)
Aviation Walk	Under Construction (Fall 2023 completion)
Historic Ridgeview Walk	Under Design (Under construction Summer 2022)
Old Lenoir Walk	Under Design (Under construction Summer 2022)

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 we were experiencing. It was something very different than previous downturns.

With the vision of City Council and with the community's support 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, jobs, housing, and population. This Recommended Budget for FY2022-2023 will keep us on the path to completing the various Bond Projects that began in 2014. However, we need to start the process of thinking about the "what's next" after the Bond Projects are completed. If we have learned one thing through our experiences over the last 20 years, it is that we cannot rest on our laurels and we must always develop new strategies to improve our community and 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 long, sweeping underline.

Warren Wood
City Manager

Budget Overview



FY2022-2023 ADOPTED BUDGET OVERVIEW

<u>Operating Funds</u>	<u>Adopted Budget Amount</u>
General Fund	\$63,141,435
Water and Sewer Fund	36,045,880
Sludge Composting Fund	2,141,323
Stormwater Fund	273,556
Airport Fund	1,917,220
Solid Waste Fund	<u>6,593,093</u>
Total	\$110,112,507
<u>*Internal Service Funds</u>	
Capital Reserve Fund	\$3,964,000
W&S Capital Reserve Fund	1,731,286
Fleet Maintenance Fund	3,020,962
Insurance Fund	<u>7,377,413</u>
Total	\$16,093,661
All Funds Total	\$126,206,168

*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 FY2022-2023 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 \$34,321,707 in property tax revenue.

For FY2022-2023, the property tax base is estimated to be \$5,385,377,214.

The FY2022-2023 General Fund Budget totals \$63,141,435.

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 FY2022-2023. 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.

The FY2022-2023 Water and Sewer Fund Budget totals \$36,045,880.

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 FY2021-2022, 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 FY2022-2023 Budget for the Sludge Composting Fund totals \$2,141,323.

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 FY2022-2023 Stormwater Fund Budget totals \$273,556.

Airport Fund

The Airport 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 FY2021-2022, the City began contributing property tax revenue in an amount generated directly by aircraft. For FY2022-2023, this amount is anticipated to be \$250,000.

The FY2022-2023 Budget for the Airport 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 FY2022-2023 there is a recommended rate increase of \$1.00 per month to residential customers and 5% to commercial services.

The FY2022-2023 Solid Waste Fund Budget totals \$6,593,093.

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 FY2022-2023 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 \$1,340,000 respectively.

The total budget for the Capital Reserve Fund for FY2022-2023 is \$3,964,000 which includes the appropriations toward major capital purchases and projects along with \$1,731,286 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 FY2022-2023 Budget for the Fleet Maintenance Fund totals \$3,020,962.

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 FY2022-2023 Budget for the Insurance Fund totals \$7,377,413.

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 FY2022-2023 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

Airport (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 Airport – 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 Airport 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 Airport 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 2022-2023

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, 2022 and ending June 30, 2023:

Ad Valorem Taxes	\$ 34,321,707
Other Taxes	20,605,321
Unrestricted Intergovernmental Revenues	752,250
Restricted Intergovernmental Revenues	2,591,725
Licenses and Permits	4,500
Sales and Services	1,251,607
Investment Earnings	100,000
Miscellaneous	381,000
Other Financing Sources	<u>3,133,325</u>
	\$63,141,435

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, 2022 and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 12,073,561
Public Safety	28,390,638
Transportation	6,957,872
Economic and Community Development	4,115,737
Culture and Recreation	4,400,488
Other Financing Uses	2,010,778
Debt Service	4,192,361
Contingency	<u>1,000,000</u>
	\$63,141,435

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, 2022 and ending June 30, 2023:

Restricted Intergovernmental Revenues	\$ 1,105,679
Sales and Services	26,634,190
Investment Earnings	60,000
Miscellaneous	610,000
Other Financing Sources	<u>7,636,011</u>
	\$36,045,880

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, 2022 and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 29,989,973
Other Financing Uses	2,342,421
Debt Service	3,563,486
Contingency	<u>150,000</u>
	\$ 36,045,880

SECTION 5: It is estimated that the following revenue will be available in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023:

Restricted Intergovernmental Revenues	\$ <u>2,141,323</u>
	\$ 2,141,323

SECTION 6: The following amounts are appropriated in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ <u>2,141,323</u>
	\$ 2,141,323

SECTION 7: It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023:

Other Financing Sources	\$ <u>273,556</u>
	\$ 273,556

SECTION 8: The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ <u>273,556</u>
	\$ 273,556

SECTION 9: It is estimated that the following revenues will be available in the Airport Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023:

Sales and Services	\$ 1,606,270
Restricted Governmental Revenues	58,000
Investment Earnings	2,500
Other Financing Sources	<u>250,000</u>
	\$ 1,917,220

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, 2022 and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this City:

Transportation	\$ 1,717,220
Contingency	<u>200,000</u>
	\$ 1,917,220

SECTION 11: It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023:

Other Taxes	\$ 30,000
Sales and Services	6,238,500
Investment Earnings	5,000
Miscellaneous	2,000
Other Financing Sources	<u>317,593</u>
	\$ 6,593,093

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, 2022 and ending June 30, 2023, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$ 6,373,338
Debt Service	169,755
Contingency	<u>50,000</u>
	\$ 6,593,093

SECTION 13: It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2022 and ending June 30, 2023:

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, 2022, and ending June 30, 2023 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, 2022 and ending June 30, 2023:

Other Financing Sources	\$ <u>1,731,286</u>
	\$ 1,731,286

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, 2022, and ending June 30, 2023 in accordance with the chart of accounts heretofore established for this City:

Other Financing Uses	<u>\$ 1,731,286</u>
	\$ 1,731,286

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

Sales & Services	<u>\$ 3,020,962</u>
	\$ 3,020,962

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

General Government	<u>\$ 3,020,962</u>
	\$ 3,020,962

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

Sales & Services	\$ 7,293,419
Investment Earnings	20,000
Other Financing Sources	<u>63,994</u>
	\$ 7,377,413

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

General Government	<u>\$ 7,377,413</u>
	\$ 7,377,413

SECTION 21: The operating funds encumbered on the financial records of June 30, 2022 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, 2022, 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 \$5,385,377,214 and the Fiscal Year 2021-2022 estimated rate of collection of 96.02%.

SECTION 23: The corresponding "FY 2022-2023 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.

Annual Budget Ordinance



CITY OF HICKORY 2022 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 2022 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	\$332,633
Miscellaneous	<u>\$215,000</u>
	\$547,633

SECTION 4. The following amounts are appropriated for the project:

Economic and Community Development	<u>\$547,633</u>
	\$547,633

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.

Annual Budget Ordinance



Adopted this 21st day of June, 2022

Mayor

Attest:

Debbie Miller

City Clerk

Hickory City Council FY22-FY23 Goals and Objectives

Strategic Priority: Population Growth & Economic Development

1. Bond Projects
 - A. Begin construction or continue construction on unfinished bond projects and Hickory Trail segments.
 - B. Establish development opportunities along the Hickory Trail System and work toward the goals set forth in the Hickory Trail Report.
 - C. Consider next steps for the creation of additional amenities after the bond projects' completion.
2. Promote Economic Development and Jobs
 - A. Continue pursuing development partnerships and opportunities for high-tech manufacturing at Trivium Corporate Center and its expansion at Trivium East.
 - B. Encourage corporate headquarter recruitment and industrial park growth.
 - C. Continue marketing the remaining City owned industrial properties.
 - D. Continue the utilization of Vacant Building Revitalization and Brownfield Grants to improve blighted properties and redevelop obsolete manufacturing facilities.
 - E. Utilize NCWorks and other career-based initiatives to promote local employment opportunities.
3. Encourage Development of Additional Housing
 - A. Consider partnerships and policies to help encourage the construction of new housing, both market-rate and affordable, to help alleviate the currently low housing stock.
 - B. Continue to build upon the Hickory Affordable Housing Initiative, utilizing city owned properties to create affordable housing for low-income households.
 - C. 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.

Strategic Priority: Infrastructure

1. Improve Transportation
 - A. Pursue enhancements to Hickory Regional Airport to attract additional aircraft, including the resurgence of commercial air service.
 - B. Work with NCDOT and the MPO to develop other projects benefiting Hickory.
 - C. Continue to partner with Greenway Public Transit system.
2. 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.

Strategic Priority: Quality of Life

1. Provide a Safe Community for Residents and Visitors
 - A. Promote proactive public safety partnerships with citizens and neighborhood groups.
 - B. Support participation in the Law Enforcement Assisted Diversion (LEAD) program.
 - C. Support participation in Active Bystandership for Law Enforcement (ABLE) program.

City Council Goals and Objectives



2. 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 or complete 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. Maintain public assets downtown to promote growth and create a unique downtown experience.
 - D. 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.
 - E. Continue partnership with Deidra Lackey family to complete design and begin construction of one-of-a-kind entertainment and cultural venue at Geitner Park.
 - F. Continue to implement the updated library strategic plan as possible within budget constraints.
 - G. Update Recreation Master Plan.
3. Protect the Natural Environment
 - A. Promote the Hickory Litter Quitter Campaign, which encourages residents to make a public commitment to refrain from littering.
 - B. Review single-stream recycling efforts to gauge effectiveness and make necessary modifications to improve efficiency.
 - C. In meeting the EPA NPDES Phase II federal storm water regulations, continue implementing stormwater best practices and complying with stormwater regulations.
 - D. 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.

Strategic Priority: Vision and Leadership

1. Support and Promote Higher Education Opportunities
 - A. Work collaboratively with Lenoir-Rhyne University, Catawba Valley Community College, and Appalachian State University on initiatives and opportunities which would positively impact our community.
 - B. Pursue partnership with local high schools and CVCC to promote careers in the Hickory Fire Department.
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 2022-2023 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.

City Council Goals and Objectives



Strategic Priority: Communication and Marketing

1. Provide best practice quality communication on public information 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.
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.

City Council Goals and Objectives



Hickory City Council FY 2022-2023 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.

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

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

City Council Goals and Objectives



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

City Council Goals and Objectives



otherwise determines the annual savings warrant the refunding. The City will not refinance debt for the purpose 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, 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 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.

4. 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.

5. 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.

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 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.

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.

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 FY2022-2023 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 FY2022-2023 budget are:

- The final \$10 million issue was issued last year, resulting in all debt for the \$40 million in bonds included in the FY22-23 budget.
- With increasing costs of Solid Waste operations and some additional capital needs, the City is recommending a \$1 increase (from \$25 to \$26) per month. A \$1 increase generates \$145,000 in additional revenue.
- Additional staffing needs recommended are:
 - One Business Services Coordinator (converted from a part-time position)
 - Six employees 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 8, 2021** Personnel expenditures projected by Human Resources
- **December 8, 2021** Worker's Compensation, Property and Liability Insurance by Risk Management
- **December 8, 2021** Debt projected by Finance (existing debt only)
- **December 8, 2021** City Council Financial Policy expenditures (transfers and contingency) projected by Budget Office
- **December 15, 2021** External appropriation request letters sent out; also notices re: Board and Commission Workplan deadlines
- **December 15, 2021** Publish newspaper ad re: notification of call for External appropriation requests (due date January 21, 2022)
- **December 17, 2021** New position requests and reclassification requests due to Human Resources
- **December 21, 2021** Budget Kick-off Meeting: **9:00 a.m. @ Council Chambers**
 - Distribute Initial Allocation Sheets
 - Distribute Budget Manual
- **January 7, 2022** Projected revenues entered into H.T.E. by Budget Office
- **January 10, 2022** Departments to have **entered FY22-23 operational** budget requests into H.T.E. **Requests should balance to department's initial budget allocation.**
- **January 17, 2022** Departments to have **entered FY22-23 capital** budget requests into H.T.E.
- **January 3-31, 2022** Departments may request to meet with the City Manager to make additional budget requests or to negotiate budgets
- **January 21, 2022** External Appropriation requests due
- **January 24, 2022** Fleet Management to review and make recommendations on new capital vehicle/equipment requests
- **January 24, 2022** City Engineer to review and make recommendations on capital construction requests
- **January 24, 2022** Information Technology to review and make recommendations on technology requests

Budget Calendar



- **January 31, 2022** Fee Schedule sent to departments for FY22-23 changes
- **February 4, 2022** Board & Commission workplans due
- **February 4, 2022** 5-year CIP to be entered into H.T.E. by departments
- **February 15, 2022** Performance Measurement pages sent to departments
- **February 28, 2022** Departments to return FY22-23 Fee Schedule changes to Budget Office
- **March 1, 2022** City Manager's Recommended Budget balanced
- **March 14, 2022** Performance Measurement pages due to Budget Office from departments
- **Week of April 25, 2022** Individual Management Briefings to City Council members re: FY22-23 budget
- **Weeks of May 2 & 9, 2022** Management Presentations to City Coworkers on FY22-23 budget
- **May 17, 2022** City Council Meeting:
 - Call for public hearing on Recommended Budget
- **May 18, 2022** Publish notice of public hearing and make a copy available to news media in the County
- **June 7, 2022** City Council Meeting:
 - Public Hearing on Recommended Budget
 - FY22-23 Budget approved on 1st reading
- **June 21, 2022** City Council Meeting:
 - FY22-23 Budget adopted on 2nd reading
- **June 22, 2022** Notification of tax rate sent to Tax Administrators in Burke, Caldwell and Catawba Counties
- **June 23, 2022** Notify organizations who requested appropriation of City funds of funding status
- **July 1, 2022** Fiscal Year 2022-2023 begins

Budget Planning

Phase I (Initial Budget Planning Stage)

Budget planning for the FY2022-2023 Annual Budget began in Fall 2020. Recommendations were to continue with the budget development cycle and budget development calendar.

Phase II

In December of 2021, 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 2021, Budget staff held individual budget meetings with divisions/departments for preliminary discussions on significant budgetary needs for FY2022-2023 and to review the status of performance measures.

Phase IV

In January 2022, there was a “Budget Kick-off Meeting” held with all departments. At this meeting, departments were given the FY2022-2023 budget manuals, FY2022-2023 budget calendar, FY2022-2023 personnel projections, FY2022-2023 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 FY2022-2023. All new personnel requests were due to the Human Resources Department by December 17, 2021.

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 FY2022-2023 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, Airport 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 Airport 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 have established that budgets, while managed by functions, are also managed as complex accounting

Budget Format: The Basics

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
	Actual	Budgeted	Budgeted	
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Expenditure Total	7,456,500	7,712,347	7,899,567	2%
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.
- **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.
- **Unrestricted Intergovernmental** - Beer and wine tax, payments in lieu of taxes, and traffic control revenue received from NCDOT.
- **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.
- **Licenses and Permits** - Revenues generated for privilege beer and wine licenses, and taxi permits.
- **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.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Miscellaneous** - Includes unanticipated revenues such as donations, discounts earned, the sale of capital assets, and insurance reimbursements.
- **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.

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.
- **Public Safety** - Expenditures for the Police Department, the Fire Department, the Hickory Rural District, and various special appropriations.
- **Transportation** - Expenditures for the Traffic and Street Divisions of Public Services.
- **Economic and Community Development** - Expenditures for the Planning and Development Department; Economic Development Incentives, and several special appropriations.

Budget Format: The Specifics



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

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.
- **Sales and Services** - Initial tap fees and user fees charged for the provision of water and sewer service.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Miscellaneous** - Plant capacity fees charged with water or sewer taps and any unanticipated revenues.
- **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.

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.
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund.
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases.

Budget Format: The Specifics

- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

Stormwater Fund Revenues

- **Other Financing Sources** - Transfers from other funds, or fund balance appropriated.

Stormwater Fund Expenditures

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

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%.

Sludge Composting Fund Expenditures

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

Airport Fund Revenues

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

Airport Fund Expenditures

- **Transportation** - Expenditures for Airport operations.
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

Solid Waste Fund Revenues

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

Budget Format: The Specifics

- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Miscellaneous** - Unanticipated revenues.
- **Other Financing Sources** – Transfer from Capital Reserve Fund towards replacement truck, and an appropriation from the Solid Waste Fund Balance for operational support.

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.
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for major capital purchases.
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures.

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.

Fleet Maintenance Fund Expenditures

- **General Government** – Expenditures for vehicle and equipment maintenance and repair.

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.
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance.
- **Other Financing Sources** – Support from Fund Balance allocation.

Budget Format: The Specifics

Insurance Fund Expenditures

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

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 FY2022-2023.

Capital Reserve Fund Expenditures

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

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 (FY2022-2023).

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.

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 FY2022-2023 is what we project to receive by the end of FY2021-2022. 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 FY2022-2023 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 FY2022-2023, Hickory's assessed property value is projected at \$5,385,377,214.

The General Fund's property tax rate will be \$.6275 per one hundred dollars (\$100) valuation of property with an estimated collection rate of 96.02%. The total Ad Valorem Tax category of revenues is budgeted at \$34,321,707 for FY2022-2023. 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.

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 summers and mild winters can lead to a year with little or no growth in

Consolidated Budget Summary



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 FY2022-2023 we project the same amount as budgeted in FY2021-2022.

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.

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.

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.

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.

LICENSES AND PERMITS

Privilege Licenses were previously a significant source of revenue for the City but were repealed in FY2015-2016.

SALES AND SERVICES

Consolidated Budget Summary



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 FY2022-2023 Annual Budget over the FY2021-2022 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. The FY2022-2023 tap fee revenue is projected to remain flat compared to the FY2021-2022 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

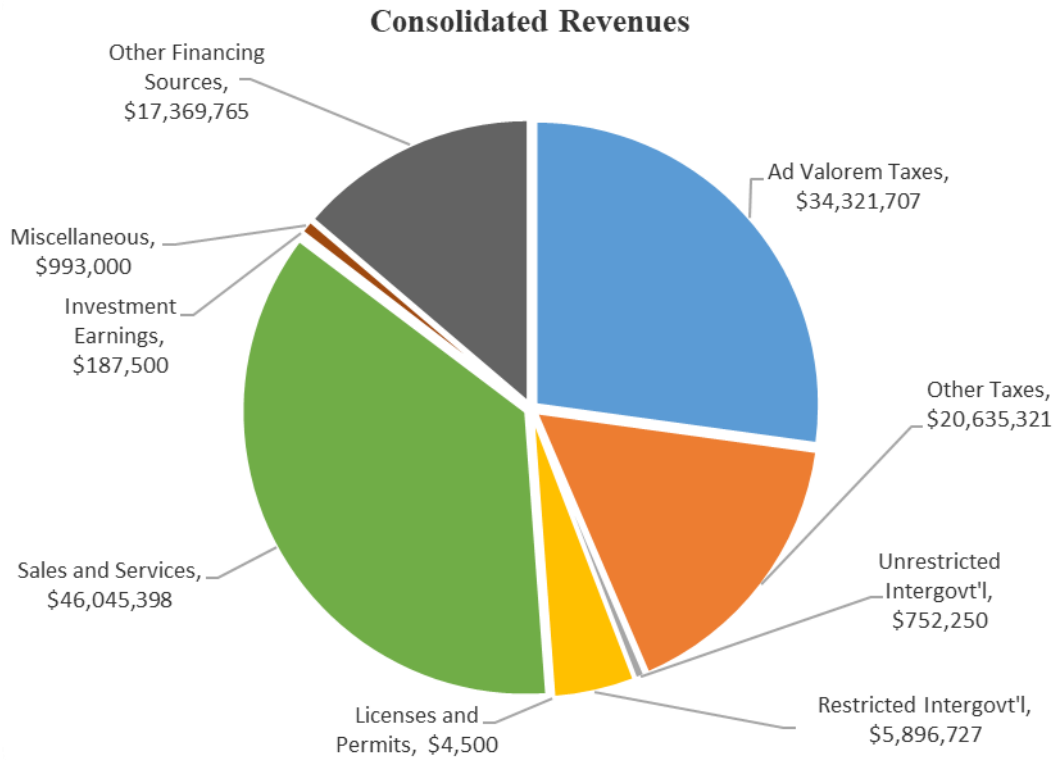
Fund Balance Appropriated

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 use 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.

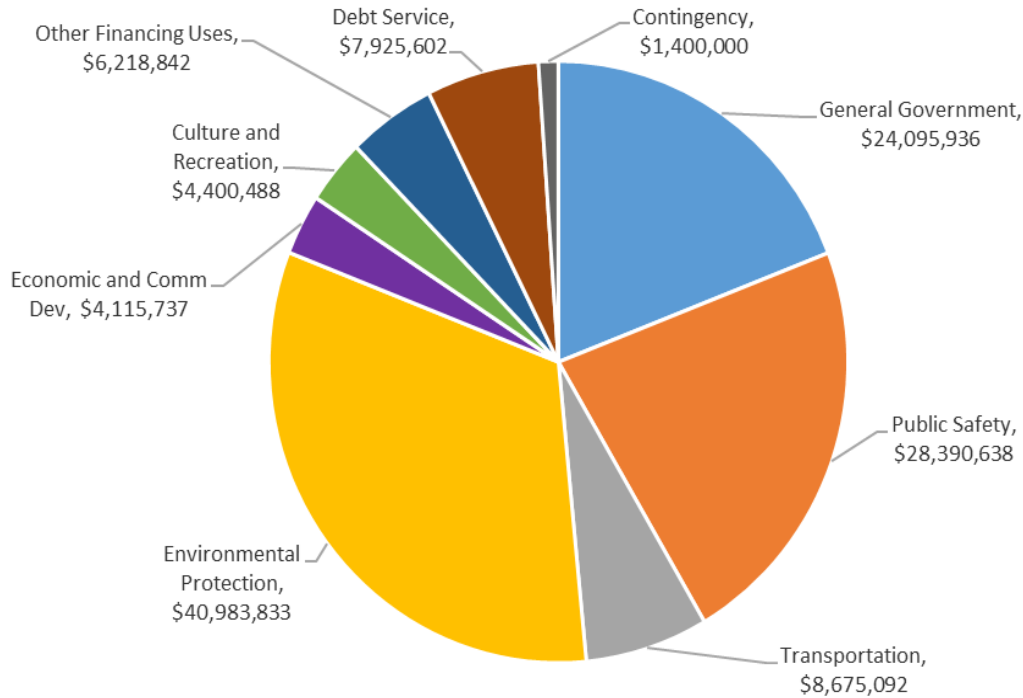


Consolidated Revenues	2020-2021	2021-2022	2022-2023	Percent Change
	Actual	Budgeted	Budgeted	
Ad Valorem Taxes	31,629,716	33,548,000	34,321,707	2.3%
Other Taxes	19,014,345	18,203,727	20,635,321	13.4%
Unrestricted Intergovernmental	536,222	675,000	752,250	11.4%
Restricted Intergovernmental	5,617,151	5,457,866	5,896,727	8.0%
Licenses and Permits	4,882	4,575	4,500	-1.6%
Sales and Services	45,555,329	44,362,626	46,045,398	3.8%
Investment Earnings	54,251	195,000	187,500	-3.8%
Miscellaneous	3,423,316	934,000	993,000	6.3%
Other Financing Sources	87,432,124	12,486,039	17,369,765	39.1%
Revenue Total	193,267,336	115,866,833	126,206,168	8.9%
Per Capita	4,722.48	2,798.24	2,896.10	

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.

Consolidated Expenditures



Consolidated Expenditures	2020-2021	2021-2022	2022-2023	Percent Change
	Actual	Budgeted	Budgeted	
General Government	23,540,127	23,223,468	24,095,936	3.8%
Public Safety	24,800,157	26,177,876	28,390,638	8.5%
Transportation	6,700,457	8,633,072	8,675,092	0.5%
Environmental Protection	34,699,680	35,337,866	40,983,833	16.0%
Economic and Community Develop.	3,039,350	2,698,807	4,115,737	52.5%
Culture and Recreation	4,724,393	4,448,232	4,400,488	-1.1%
Other Financing Uses	18,300,906	5,628,141	6,218,842	10.5%
Debt Service	4,021,029	8,789,371	7,925,602	-9.8%
Contingency	-	930,000	1,400,000	50.5%
Expenditure Total	119,826,099	115,866,833	126,206,168	8.9%

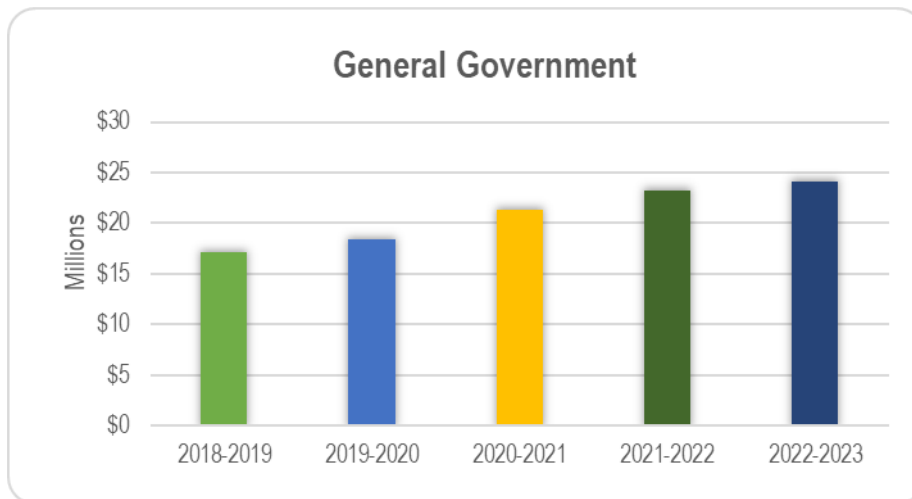
Consolidated Budget Summary



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.

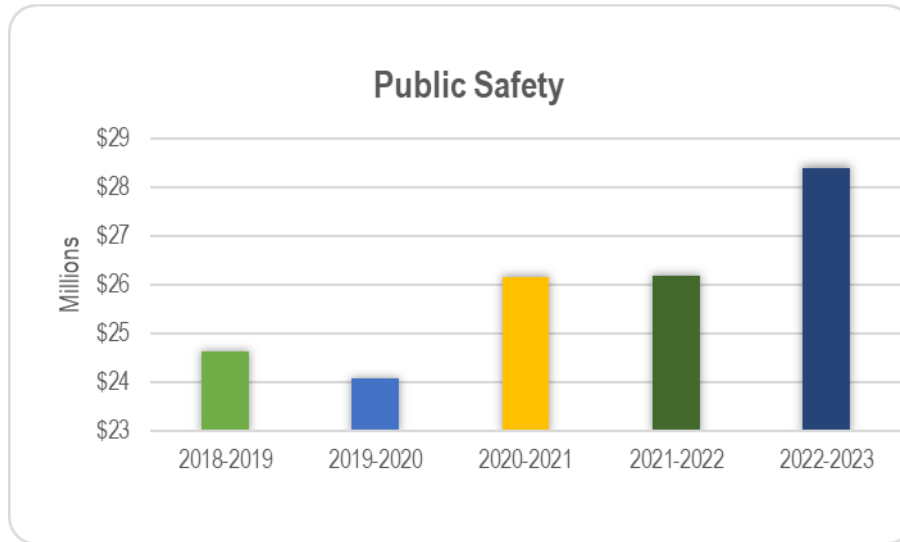
The following is a presentation of the trends for the major functions in the City’s budget. By examining the long-term and short-term progressions of each, the overall dynamics of Hickory’s budget can be better understood. A five-year graph shows the function as it progresses from the FY2018-2019 budget; 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	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	17,199,615	18,384,078	21,336,524	23,223,468	24,095,936
Dollar Change	497,357	1,184,463	2,952,446	1,886,944	872,468
Percent Change	3.0%	6.9%	16.1%	8.8%	3.8%

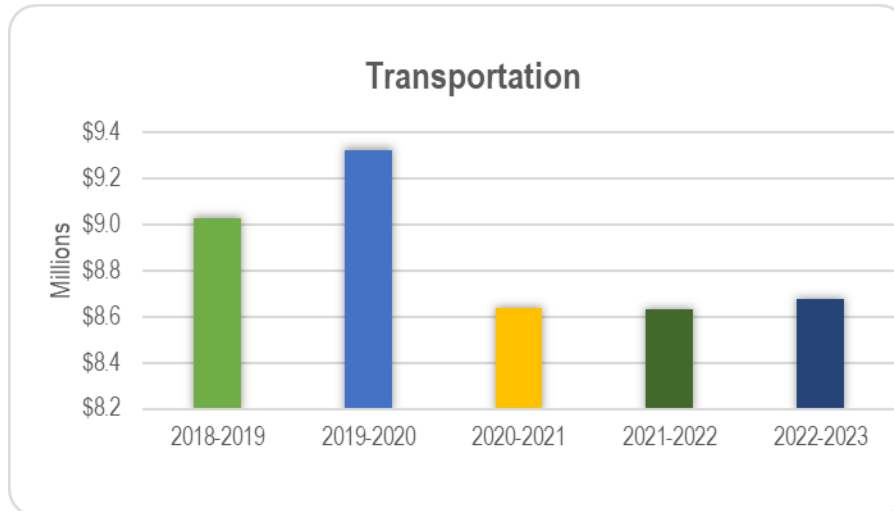
Departments/Divisions: Governing Body, City Manager’s Office, Budget Office, Finance, Legal, Risk Management, City Clerk, Information Technology, Human Resources, Communications Office, Building Services, Engineering, Public Buildings/City Hall, District Court, Fleet Maintenance and Landscape Services.

Consolidated Budget Summary



Public Safety	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	24,636,425	24,087,158	26,151,741	26,177,876	28,390,638
Dollar Change	456,452	(549,267)	2,064,583	26,135	2,212,762
Percent Change	1.9%	-2.2%	8.6%	0.1%	8.5%

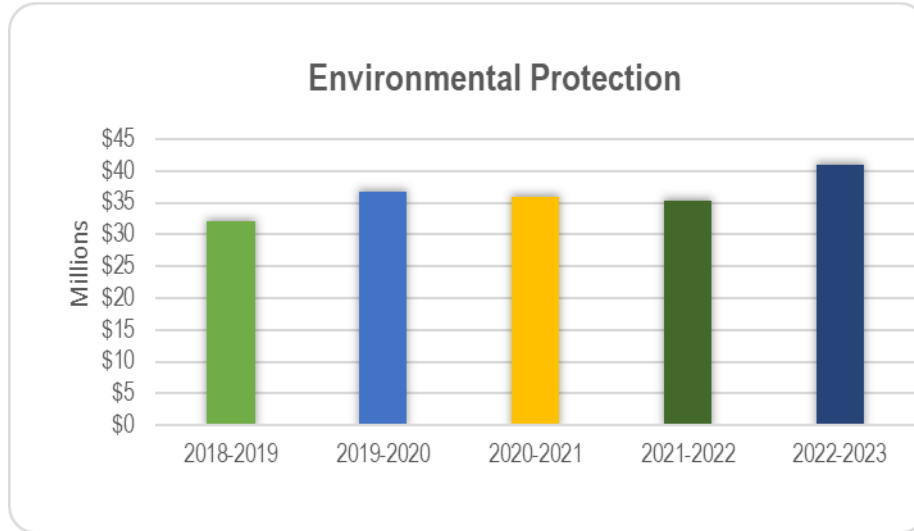
Departments/Divisions: Police, Fire and Volunteer Fire Departments



Transportation	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	9,026,976	9,324,221	8,639,098	8,633,072	8,675,092
Dollar Change	117,146	297,245	(685,123)	(6,026)	42,020
Percent Change	1.3%	3.3%	-7.3%	-0.1%	0.5%

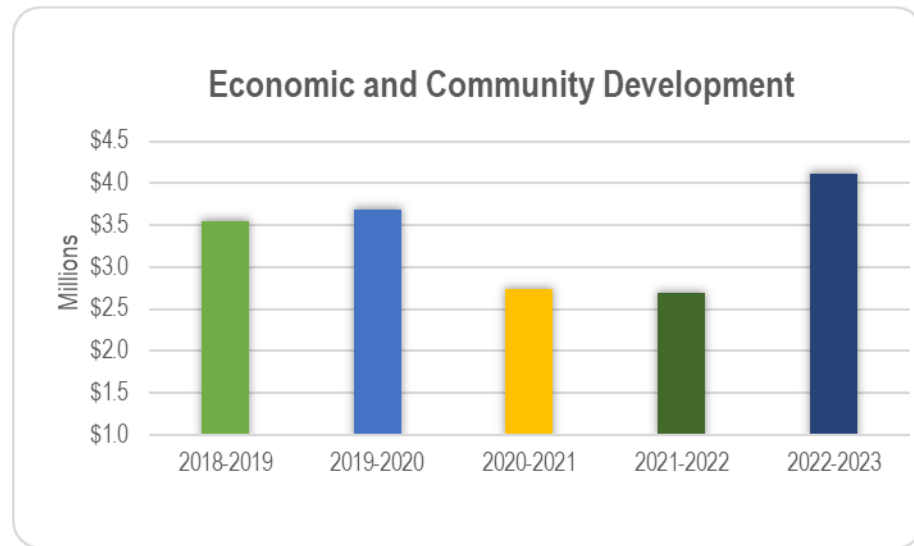
Departments/Divisions: Airport, FBO, Street and Traffic

Consolidated Budget Summary



Environmental Protection	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	32,178,478	36,752,517	35,907,970	35,337,866	40,983,833
Dollar Change	4,015,273	4,574,039	(844,547)	(570,104)	5,645,967
Percent Change	14.3%	14.2%	-2.3%	-1.6%	16.0%

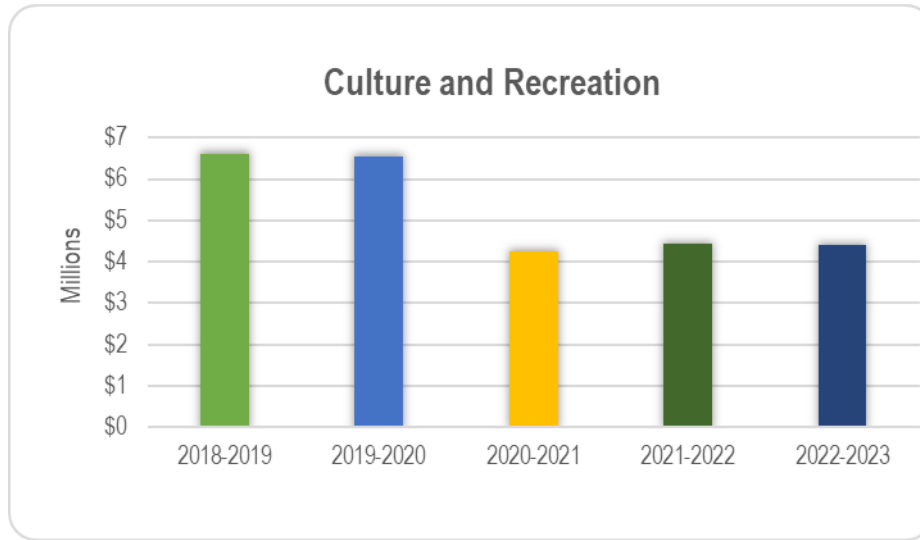
Departments/Divisions: Public Utilities (Water and Sewer), Stormwater, Residential Sanitation, Commercial Bulk Services, Recycling and Sludge Composting Facility



Economic/Community Dev.	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	3,549,443	3,691,666	2,732,844	2,698,807	4,115,737
Dollar Change	375,669	142,223	(958,822)	(34,037)	1,416,930
Percent Change	11.8%	4.0%	-26.0%	-1.2%	52.5%

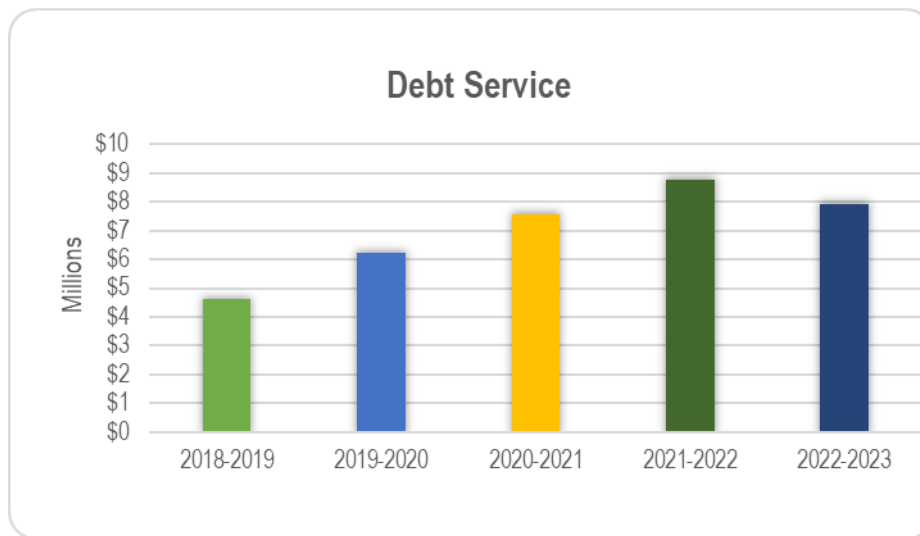
Departments/Divisions: Tourism Development Authority, Special Appropriations (General Fund) and Planning

Consolidated Budget Summary



Culture and Recreation	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	6,613,530	6,558,575	4,245,027	4,448,232	4,400,488
Dollar Change	154,200	(54,955)	(2,313,548)	203,205	(47,744)
Percent Change	2.4%	-0.8%	-35.3%	4.8%	-1.1%

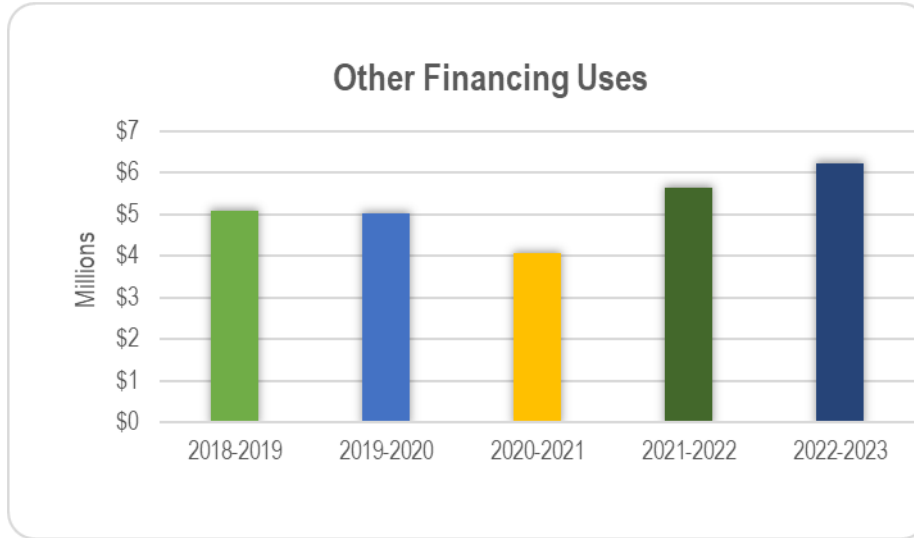
Departments/Divisions: Parks and Recreation, Parks Maintenance, L.P. Frans Stadium and Library



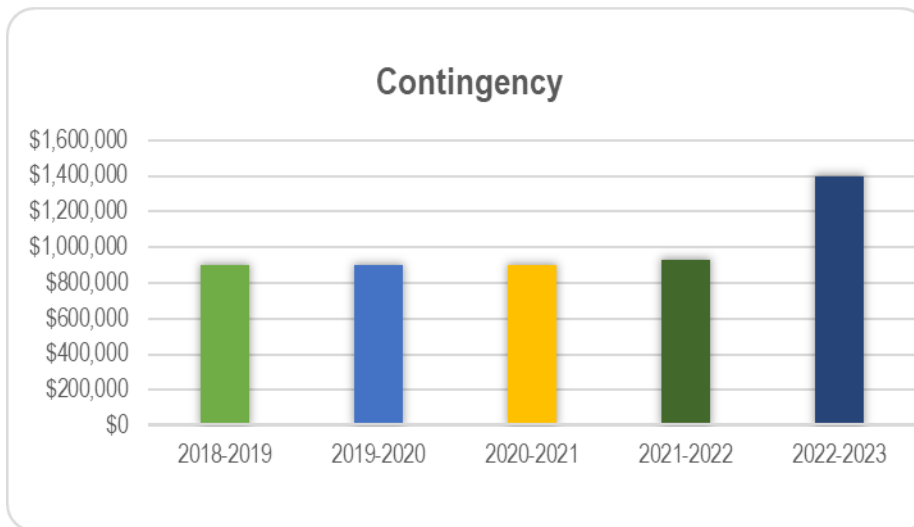
Debt Service	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	4,617,811	6,240,452	7,580,479	8,789,371	7,925,602
Dollar Change	149,491	1,622,641	1,340,027	1,208,892	(863,769)
Percent Change	3.3%	35.1%	21.5%	15.9%	-9.8%

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

Consolidated Budget Summary



Other Financing Uses	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	5,079,671	5,039,922	4,068,596	5,628,141	6,218,842
Dollar Change	2,289,397	(39,749)	(971,326)	1,559,545	590,701
Percent Change	82.0%	-0.8%	-19.3%	38.3%	10.5%



Contingency	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total Budgeted Amount	900,000	900,000	900,000	930,000	1,400,000
Dollar Change	50,000	-	-	30,000	470,000
Percent Change	5.9%	0.0%	0.0%	3.3%	50.5%

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 2020-2021, there was a total of \$59,125,041 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 2022-2023, 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, 2022 is expected to be approximately 28% of the General Fund budgeted amount as we enter FY 2022-2023. 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	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
General Fund-Unassigned FB	20,116,901	16,495,086	15,957,039	17,677,880
Capital Reserve Fund-Committed FB	5,584,238	4,925,613	6,888,222	8,782,984
Water and Sewer-Unrestricted Net Position	33,554,579	37,522,822	30,170,676	25,182,491
Sludge-Unrestricted Net Position	321,043	663,821	-	-
Stormwater-Unrestricted Net Position	774,036	524,234	572,016	572,672
Solid Waste-Unrestricted Net Position	1,212,690	820,703	85,588	591,800
Fleet Maint.-Unrestricted Net Position	(1,534,154)	(1,663,090)	(805,455)	(2,290,169)
Transportation-Unrestricted Net Position	61,916	(969,462)	746,756	1,647,861
Insurance-Unrestricted Net Position	3,515,806	5,071,066	5,510,197	5,145,292
W&S Capital Reserve Fund - Committed FB	-	515,103	1,272,362	622,362
Fund Totals	63,607,055	63,905,896	60,397,401	57,933,174

Consolidated Budget Summary



Staffing Analysis 2022-23

The City has 677 full-time employees. There is 1 new position in the FY22-23 budget and 2 overhire positions have been added to the full-time count.

- A full-time Business Services Coordinator was approved for the Planning and Development department. An overhire part-time position in the Communications division will be used resulting in a net increase of .5 positions.
- A full-time Library Technician was approved for Patrick Beaver Memorial Library in April 2022 by converting a part-time library assistant, resulting in a net increase of .5 positions in the library. This position is included in the full-time employee count.
- A part-time overhire line tech was converted to full-time overhire line tech at the Airport in October 2021. This position is now included in the full-time employee count.
- An overhire engineering position was approved for Public Utilities in December 2021. This position is included in the full-time employee count.

The employment market was unlike any other in past years, recruitment and retention were difficult and retirements were prevalent. The City found itself competing for personnel with other local governments, which is a rare occurrence. To effectively participate in the competitive market for employees, the City adjusted entry level rates in several departments as needed. Human Resources conducted several in-house salary studies. Our goal remains to attract the most qualified personnel for all city positions and to be competitive with salaries and benefits in our four-county region. The City also developed a sign-on bonus and a referral bonus to address recruitment issues.

There were 27 retirements in FY21-22, one of the highest annual numbers the City has experienced. Using a filled positions average of 600 FT employees, that is 4.5% of the workforce retiring in one fiscal year.

On average, at least 10 percent of full-time positions were vacant each month.

Other personnel changes:

All: The city-wide position of maintenance worker was retitled to maintenance technician.

Airport: A Line Technician position was converted to a CSR position. A part-time overhire Line Technician was converted to full-time overhire Line Technician.

Human Resources: The department restructured and converted one of the HR Generalist positions to part-time. The part-time Safety Coordinator was made full-time to address increases in workers' compensation claims and costs.

Library: The Digital Services Librarian position was reclassified from Grade 17 to 18 due to complexity of work.

Police: A Systems Analyst was reclassified to Senior System Analyst.

Public Works: To maintain the Hickory Trail System, 6 previously vacant positions will be filled and utilized in the upcoming year.

Public Utilities: An Engineer position was reclassified to Senior Civil Engineer and an overhire Civil Engineer position was added. The department will see an increase in workload and complexity of work over the next few years as bond projects are constructed and implemented. The Collections Manager position in public utilities collections was converted to Utilities Supervisor to better align with the same position in public utilities distribution. Two employees were reclassified from Crew Leader to Special Projects Crew Leader to reflect their increased levels of responsibility and supervision in their daily tasks.

Consolidated Budget Summary



Staffing Analysis Chart 2022-23

	Actual 2017-2018	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Budgeted 2022-2023
Administration - City Manager's Office	5	6	6	6	6	6
Communications	3	3	3	3	4	4
Budget	1	1	1	1	1	1
Bond Project Manager	1	1	1	1	0	0
Human Resources	5	6	6	6	6	6
Risk	2	2	2	2	2	2
City Clerk	1	1	1	1	1	1
Engineering	7	6	6	6	6	6
Finance	20	18	18	18	18	18
Legal	2	2	2	2	2	2
Public Services						
Building Services	6	6	6	10	10	10
Landscape Services	17	17	17	36	36	42
Central Services	7	7	7	7	7	7
Fleet Maintenance	12	12	12	12	12	12
Information Technology	8	8	9	9	9	9
Public Safety						
Fire	135	135	137	138	139	139
Police	152	152	152	157	157	157
Transportation						
Airport	8	10	10	10	12	13
Public Services						
Streets	43	43	43	43	43	37
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	12	13	14
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)	16	16	16	16	16	16
Distribution System (Construction)	33	33	33	33	33	33
Water Plant	12	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	10	10	10	10	11
Culture and Recreation						
Library	18	17	17	17	18	19
Parks and Recreation	18	18	19	19	19	19
Maintenance	24	24	23	0	0	0
Total	656	658	661	668	673	677

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 Annual Comprehensive 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 (mfriar@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.

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 (smiller@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
DRIVEWAY PERMITS	323-7416
ECONOMIC DEVELOPMENT	323-7422
FENCING REQUIREMENTS	323-7410
FINANCE	323-7417
FIRE DEPARTMENT - NON-EMERGENCY CALLS FOR SERVICE	323-7420
- EMERGENCY	911
- LIFE SAFETY EDUCATION	323-7521
- PREVENTION	323-7522
- PUBLIC INFORMATION.....	323-7521
- TRAINING DIVISION	323-7505
GARBAGE, TRASH, RECYCLING COLLECTION	323-7500
GENERAL CITY INFORMATION	323-7400
GEOGRAPHIC INFORMATION SYSTEM (GIS).....	261-2215
HISTORIC PROPERTIES.....	323-7422
HOUSING REHABILITATION LOANS	323-7414
HUMAN RESOURCES	323-7421
JUNK CARS.....	261-2649
LANDFILL - CATAWBA COUNTY	704-462-1348
LIBRARY – PATRICK BEAVER MEMORIAL LIBRARY	304-0500
RIDGEVIEW PUBLIC LIBRARY	345-6037
LOTS/YARDS THAT NEED MOWING	261-2649

About City Services

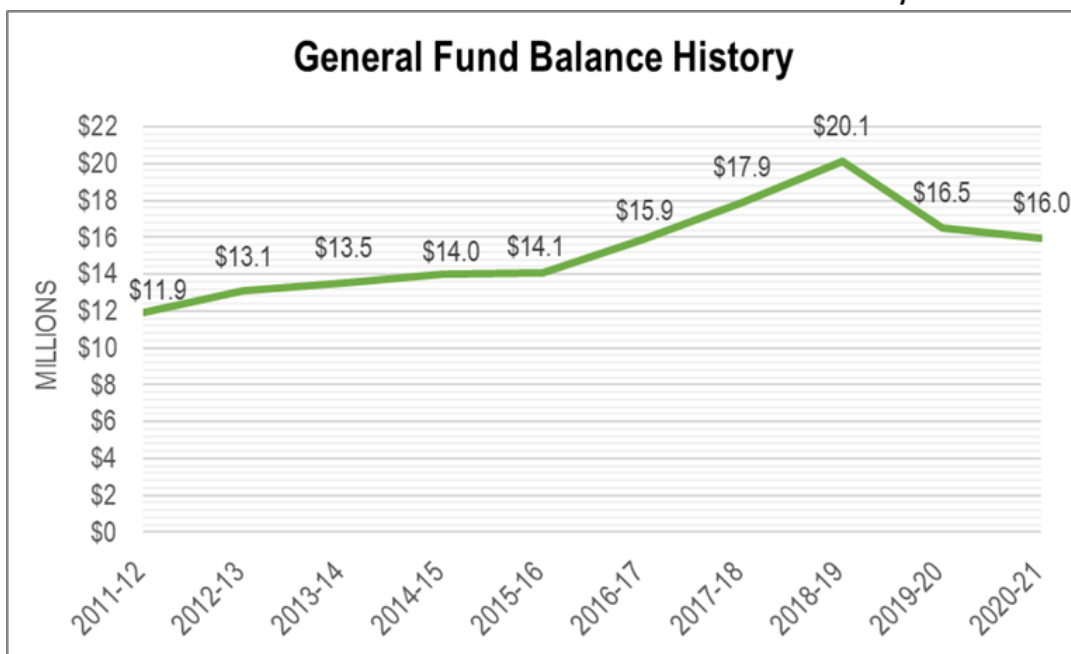
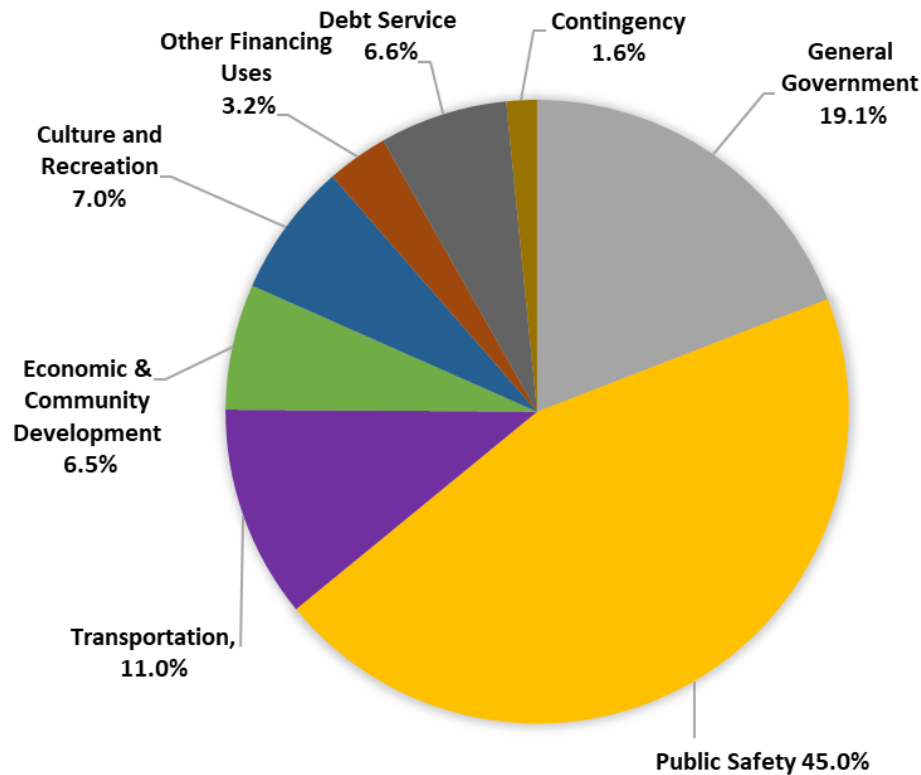


MAPS	323-7416
MINIMUM HOUSING CODE	323-7410
NEIGHBORHOOD PLANNING.....	261-2206
NEIGHBORHOOD WATCH PROGRAM	324-2060
NOISE.....	261-2649
OCCUPANCY PERMITS.....	465-8399 or 323-7410
PARKS AND RECREATION	322-7046
POLICE - NON-EMERGENCY CALLS FOR SERVICE	328-5551
- EMERGENCY.....	911
- ADMINISTRATIVE	324-2060
- ANIMAL CONTROL	324-2060
- CHIEF OF POLICE.....	261-2600
- CRIME PREVENTION	261-2644
- CRIMINAL INVESTIGATIONS	261-2606
- PATROL DIVISION.....	324-2060
- RECORDS UNIT	324-2060
- SUPPORT SERVICES	261-2604
PUBLIC HOUSING	328-5373
PUBLIC INFORMATION	261-2222
PUBLIC SERVICES ADMINISTRATION	323-7500
PUBLIC SERVICES EMERGENCY NIGHT NUMBER – (HICKORY POLICE DEPARTMENT)	328-5551
RECYCLING	323-7500
REZONING MATTERS	323-7422
SEWER TAPS AND BILLS	323-7424
SETBACK REQUIREMENTS	323-7410
SUBDIVISION REGULATIONS	323-7422
SIGN REQUIREMENTS	323-7410
STORM DRAIN MAINTENANCE.....	323-7500
STREETLIGHTS (DUKE ENERGY).....	800-769-3766
STREET PAVING PETITIONS	323-7416
STREET RESURFACING	323-7500
WATER AND SEWER TAP FEES	323-7424
TAXES	323-7417
THOROUGHFARE PLAN.....	323-7422
TRAFFIC.....	323-7500
VOTING - CATAWBA COUNTY BOARD OF ELECTIONS	464-2424
WATER AND SEWER LINE CONSTRUCTION.....	323-7427
WATER AND SEWER LINE MAINTENANCE	323-7427
WATER METER READINGS	323-7424
WATER TAPS AND BILLS	323-7424
WATERSHED REQUIREMENTS	323-7422
ZONING	323-7422

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Ad Valorem Taxes	30,640,000	33,548,000	34,321,707	2.3%
Other Taxes	16,510,000	18,178,727	20,605,321	13.3%
Unrestricted Intergovernmental	660,000	675,000	752,250	11.4%
Restricted Intergovernmental	2,335,841	2,265,901	2,591,725	14.4%
Licenses and Permits	4,575	4,575	4,500	-1.6%
Sales and Services	1,222,428	1,193,227	1,251,607	4.9%
Investment Earnings	300,000	100,000	100,000	0.0%
Miscellaneous	722,000	322,000	381,000	18.3%
Other Financing Sources	4,089,001	2,572,085	3,133,325	21.8%
Revenue Total	56,483,845	58,859,515	63,141,435	7.3%
Per Capita	1,371.93	1,421.49	1,448.93	1.9%

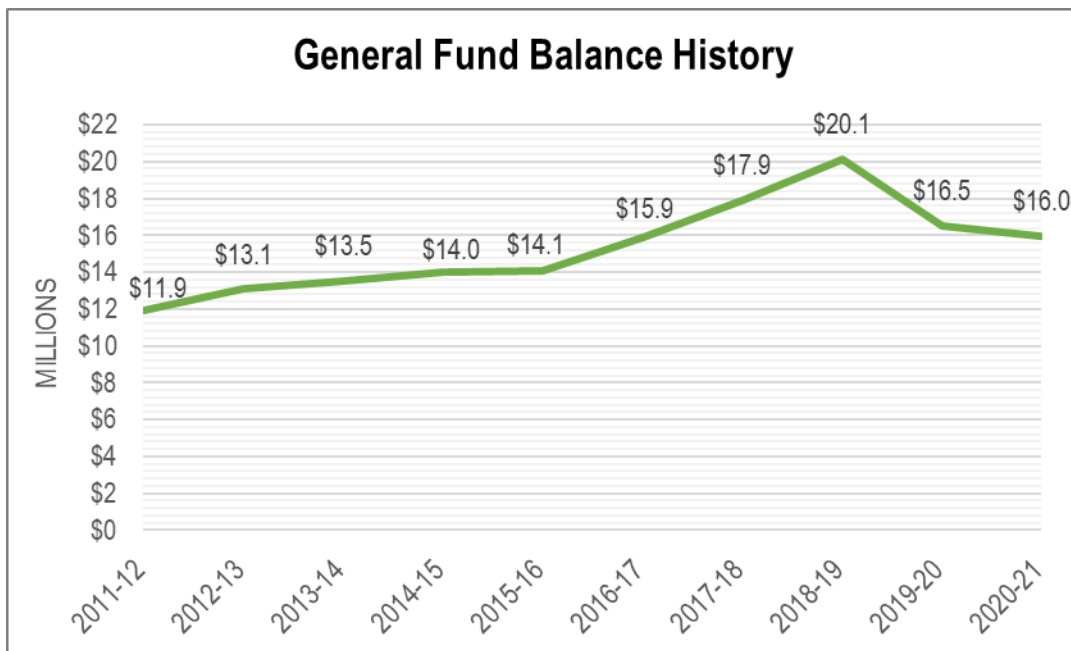
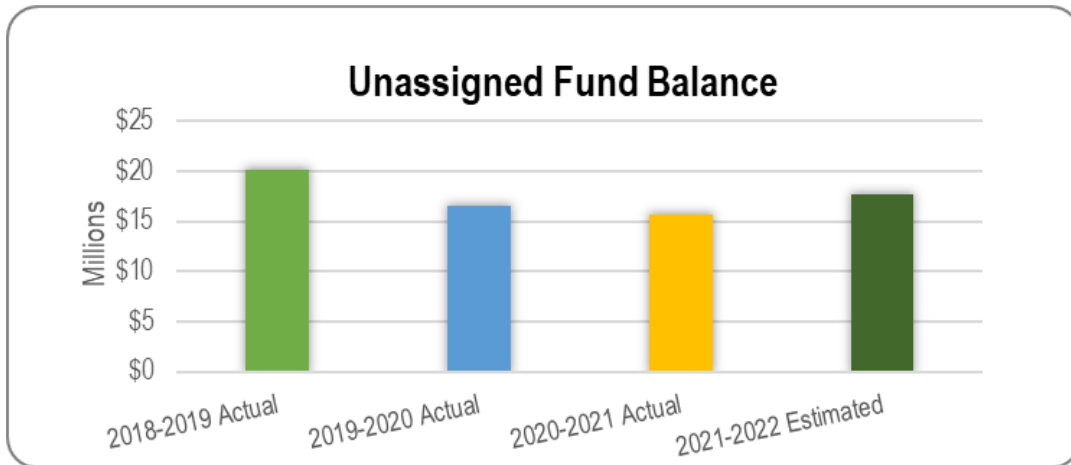
General Fund Expenditure by Category	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	35,185,986	36,423,639	37,887,978	4.0%
Operations	13,190,280	13,755,823	14,952,684	8.7%
Capital	3,956,210	4,011,151	5,516,808	37.5%
Contingency	700,000	700,000	1,000,000	42.9%
Board / Agency Funding	1,117,111	915,342	1,211,462	32.4%
Debt Service	4,002,768	4,628,400	4,192,361	-9.4%
Interfund Transfers	1,801,298	1,990,107	2,010,778	1.0%
Pro Rata Reimbursement	(3,469,808)	(3,564,947)	(3,630,636)	1.8%
Expenditure Total	56,483,845	58,859,515	63,141,435	7.3%
Per Capita	1,371.93	1,421.49	1,448.93	1.9%

General Fund

General Fund Balance

The unassigned General Fund Balance is projected to be \$17,677,880 on June 30, 2022. Going into FY 2022-2023, this is approximately 28% of the budgeted General Fund amount.

Unassigned Fund Balance	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
General Fund	20,116,901	16,495,086	15,614,888	17,677,880
Dollar Change	2,244,691	(3,621,815)	(880,198)	2,062,992
Percent Change	12.6%	-18.0%	-5.3%	13.2%



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.

2021/2022 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 as well as another Mini-Session during the same fiscal year

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of Public Hearings	188	192	-	-
# of City Council Meetings	24	24	24	24
Efficiency				
Unassigned Fund Balance as % of General Fund Budget	29.2%	27.3%	26%	25%
Effectiveness				
# of years with no increase in property tax	1	2	0	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	471,574	523,141	515,870	-1.4%
Operations	145,197	251,825	172,671	-31.4%
Pro Rata Reimbursement	(204,031)	(208,112)	(212,274)	2.0%
Expenditure Total	\$ 412,740	\$ 566,854	\$ 476,267	-16.0%
Per Capita	\$ 10.09	\$ 13.77	\$ 11.50	-16.5%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	412,740	566,854	476,267	-16.0%
Revenue Total	\$ 412,740	\$ 566,854	\$ 476,267	-16.0%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 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

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of inquiries/concerns to the City Manager's Office per year	32	28	36	25
# of community presentations and speaking engagement by the City Manager per quarter	5	6	5	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%	90%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	970,005	1,012,198	1,086,655	7.4%
Operations	142,049	183,101	253,237	38.3%
Capital	16,384	6,200	3,750	-39.5%
Pro Rata Reimbursement	(165,581)	(220,142)	(172,270)	-21.7%
Expenditure Total	\$ 962,857	\$ 981,357	\$ 1,171,372	19.4%
Per Capita	\$ 23.53	\$ 23.84	\$ 28.29	18.7%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	962,857	981,357	1,171,372	19.4%
Revenue Total	\$ 962,857	\$ 981,357	\$ 1,171,372	19.4%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 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

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of Facebook "Followers" (annually)	13,111	15,120	17,994	20,693
# of HickoryNC.gov unique visitors (annually)	310,176	278,368	311,000	320,000
Efficiency				
% increase of "Facebook Followers" (annually)	20.2%	15.3%	19%	15%
# of pages viewed per user on HickoryNC.gov (annually)	2.05	2.20	2.04	2.10
Effectiveness				
# of people viewing the MyHKY.com page (quarterly)	244 (Jul-Sept) 225 (Oct-Dec) 248 (Jan-Mar) 1607 (Apr-Jun)	3133 (Jul-Sept) 2510 (Oct-Dec) 5735 (Jan-Mar) 3528 (Apr-Jun)	3424 Avg 4571 (Jul-Sept) 4867 (Oct-Dec) 834 (Jan-Mar)	3424 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	320,451	328,005	343,280	4.7%
Operations	35,258	58,496	45,157	-22.8%
Capital	1,931	5,400	10,800	100.0%
Pro Rata Reimbursement	(46,095)	(47,017)	47,957	-202.0%
Expenditure Total	\$ 311,545	\$ 344,884	\$ 447,194	29.7%
Per Capita	\$ 7.61	\$ 8.38	\$ 10.80	28.9%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	311,545	344,884	447,194	29.7%
Revenue Total	\$ 311,545	\$ 344,884	\$ 447,194	29.7%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	3	4	4	0.0%
Part Time/Seasonal	-	1	1	0.0%
Total	3	4	4	0.0%

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.

2021/2022 Accomplishments

- Started city-wide OSHA training program
- Established gas mask fit testing for Police Department
- Completed OSHA inspections at four different departments

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of recordable workers comp. claims	47	46	45	40
Efficiency				
# of safety trainings offered to City departments by Risk Division	New Measure	New Measure	10	20
Effectiveness				
Cost of workers comp. claims	\$481,225	\$573,000	\$650,000	\$500,000
# of worksite inspections and % of worksite inspections in full safety compliance	26/97%	20/97%	Started city-wide OSHA program	25/100%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	155,189	165,744	160,888	-2.9%
Operations	11,528	126,348	129,404	2.4%
Capital	-	1,500	-	-100.0%
Pro Rata Reimbursement	(24,882)	(51,123)	(52,145)	2.0%
Expenditure Total	\$ 141,835	\$ 242,469	\$ 238,147	-1.8%
Per Capita	\$ 3.47	\$ 5.89	\$ 5.75	-2.3%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Miscellaneous	44,272	100,000	125,000	25.0%
General Fund	97,563	142,469	113,147	-20.6%
Revenue Total	\$ 141,835	\$ 242,469	\$ 238,147	-1.8%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Part Time	-	1	1	0.0%
Seasonal	-	-	-	0.0%
Total	2	3	3	0.0%

Additional information about the Budget Office may be obtained by calling Johnathan 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.

2021/2022 Accomplishments

- Earned the Government Finance Officers Association Distinguished Budget Presentation Award for fiscal year beginning July 1, 2021
- 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)

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of individual budget amendments/ transfers processed	244	250	205	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%	96%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	54,232	82,426	68,748	-16.6%
Operations	12,342	41,091	60,864	48.1%
Capital	-	1,800	1,500	-16.7%
Pro Rata Reimbursement	(74,551)	(76,043)	(77,565)	2.0%
Expenditure Total	\$ (7,977)	\$ 49,274	\$ 53,547	8.7%
Per Capita	\$ (0.19)	\$ 1.20	\$ 1.29	8.1%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	(7,977)	49,274	53,547	8.7%
Revenue Total	\$ (7,977)	\$ 49,274	\$ 53,547	8.7%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Total	1	1	1	0.0%

Human Resources



Additional Information about the Human Resources Department may be obtained by calling Mitch Friar, Interim Human Resources Director, at 828.323.7421 or mfriar@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.

2021/2022 Accomplishments

- Human Resources chaired and ran a successful United Way campaign, raising over \$15,000.
- HR worked closely with several City Departments on salary studies and market adjustments.
- Participated with business partners in recruiting military veterans to the Hickory Metro Area (NC4ME).

2022/2023 Goals and Objectives

- **Goal:** To attract and retain qualified employees.
 - **Objective:** Continue to offer competitive and cost-effective salaries and benefits.
- **Goal:** Work in consultation with City Manager's Office and Department Heads/Supervisors to maintain appropriate staffing levels.
 - **Objective:** Seek to maintain employee per 1,000 population ratio at 20 or below.
- **Goal:** Manage wellness program and onsite clinic to benefit employees and the City.
 - **Objective:** Continue metrics in the wellness clinic and HRAs to monitor downward trends in risk factors.
 - **Objective:** Continue current trend of coworkers having less than 2 risk factors.

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Number of Applications Received	2,256	2483	2300	2200
Efficiency				
Percent of wellness program participants with four or more high risk factors who reduced at least one of their high risks.	100%	100%	100%	100%
Percent of wellness program participants who improved one of their high risk factors	10%	27.5%	29%	25%
Turnover rate (by fiscal year)	14.3%	13.3%	14.5%	Under 13
Effectiveness				
New Hire Retention Rate	76%	78.5%	83%	80%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	472,069	486,768	525,431	7.9%
Operations	85,152	109,079	109,594	0.5%
Capital	2,622	1,600	5,300	231.3%
Pro Rata Reimbursement	(165,581)	(168,893)	(172,270)	2.0%
Expenditure Total	\$ 394,262	\$ 428,554	\$ 468,055	9.2%
Per Capita	\$ 9.63	\$ 10.41	\$ 11.30	8.6%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	394,262	428,554	468,055	9.2%
Revenue Total	\$ 394,262	\$ 428,554	\$ 468,055	9.2%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- Worked with Central Square to simplify the estimations of water and sewer accounts during inclement weather and understaffed situations.
- Received the Government Finance Officers Association (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting for FY 2020-2021 for the 26th consecutive year.
- Began accepting Fire Prevention and Miscellaneous Receivable point of sale credit card payments to collect delinquent accounts and streamline the entire permitting process.

2022/2023 Goals and Objectives

- **Goal:** Update the City's financial software program with all City departments
 - **Objective:** Assist in implementation of Tyler Technologies MUNIS software
- **Goal:** Provide accurate financial information to the citizens of Hickory
 - **Objective:** Prepare the 2022 Annual Comprehensive Financial Report (ACFR) and submit to GFOA for Certificate of Achievement Award
- **Goal:** Create a succession plan for the entire Finance Department
 - **Objective:** Ensure proper documentation of job procedures and cross train existing personnel due to upcoming retirements of long-term Finance staff

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
% of Water/Sewer accounts collected	97.5%	98.4%	98.9%	97.0%
# of days required to process a new vendor application	1	1	1	1
Utility bills processed per Billing employee	9,240	9,396	9,513	9,400
Efficiency				
Financial Reports issued within 5 working days of the end of the month.	83.3%	83.3%	66.7%	83.3%
Effectiveness				
Average Response Rate-Annual Survey (1-5)	4.67	4.65	4.50	4.25

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	1,025,300	1,086,127	1,110,500	2.2%
Operations	432,692	419,722	451,346	7.5%
Capital	9,425	8,300	7,500	-9.6%
Pro Rata Reimbursement	(1,457,890)	(1,487,048)	(1,516,788)	-2.0%
Expenditure Total	\$ 9,527	\$ 27,101	\$ 52,558	93.9%
Per Capita	\$ 0.23	\$ 0.66	\$ 1.27	92.8%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Investment Earnings	8,785	100,000	100,000	0.0%
General Fund	742	(72,899)	(47,442)	34.9%
Revenue Total	\$ 9,527	\$ 27,101	\$ 52,558	93.9%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	18	18	18	0.0%
Seasonal	-	-	1	100.0%
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.

2021/2022 Accomplishments

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

2022/2023 Goals and Objectives

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

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Employee hours required to prepare City Council Agenda for regular meetings	3.57	3.31	4.0	4.0
Average # of days following a City Council meeting to obtain official signatures and return documents to the initiating department(s)	1.00	1.08	3.0	3.0
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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	95,320	99,294	105,744	6.5%
Operations	14,017	25,263	25,338	0.3%
Capital	1,347	2,000	-	-100.0%
Pro Rata Reimbursement	(64,051)	(65,333)	(66,640)	2.0%
Expenditure Total	\$ 46,633	\$ 61,224	\$ 64,442	5.3%
Per Capita	\$ 1.14	\$ 1.49	\$ 1.56	4.7%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	46,633	61,224	64,442	5.3%
Revenue Total	\$ 46,633	\$ 61,224	\$ 64,442	5.3%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- Research, evaluation, and selection of new ERP solution.
- Utilized an external resource to monitor, identify, and remediate network security concerns.
- Introduced new departmental applications and expanded functionality of existing portals.
- Increased the number of computer work stations for patrons at the newly renovated Ridgeview Library.

2022/2023 Goals and Objectives

- **Goal:** Transition from current ERP software to Tyler Technologies cloud based ERP applications.
 - **Objective:** Improve internal processes and reporting capabilities with fully integrated applications for Accounting, Human Resources, Asset Management, and others.
- **Goal:** Installation of Nutanix Hyper-Converged network infrastructure.
 - **Objective:** Provide Departments with improved efficiencies using current technologies
- **Goal:** Provide IT personnel with additional technical IT training.
 - **Objective:** Continue to provide the City with outstanding support and services.

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Workstations supported	623	636	650	-
Monthly average service requests	82	81	87	75
Efficiency				
% of help desk requests with a contact from assigned technician within one business day	94%	95%	96%	98%
% of service requests resolved by due date	95%	95%	96%	98%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	4.18	4.5	4.7	4.8

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	648,442	753,991	786,510	4.3%
Operations	732,112	788,260	829,901	5.3%
Capital	149,866	718,020	369,500	-48.5%
Pro Rata Reimbursement	(134,101)	(136,780)	(139,515)	2.0%
Expenditure Total	\$ 1,396,319	\$ 2,123,491	\$ 1,846,396	-13.0%
Per Capita	\$ 34.12	\$ 51.58	\$ 44.59	-13.5%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	209,707	200,000	215,000	7.5%
General Fund	1,186,612	1,923,491	1,631,396	-15.2%
Revenue Total	\$ 1,396,319	\$ 2,123,491	\$ 1,846,396	-13.0%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	9	9	9	0.0%
Total	9	9	9	0.0%

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

2021/2022 Accomplishments

- Reviewed and revised municipal forms
- Coordinated litigation with outside counsel on various cases
- Handled multiple public requests

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of municipal forms reviewed/revised	78	273	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	4.85	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	204,035	208,358	218,135	4.7%
Operations	145,376	131,661	151,739	15.2%
Capital	-	2,000	1,500	-25.0%
Pro Rata Reimbursement	65,156	(66,459)	67,788	-202.0%
Expenditure Total	\$ 414,567	\$ 275,560	\$ 439,162	59.4%
Per Capita	\$ 10.13	\$ 6.69	\$ 10.61	58.5%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	414,567	275,560	439,162	59.4%
Revenue Total	\$ 414,567	\$ 275,560	\$ 439,162	59.4%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Seasonal	-	-	1	100.0%
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.

2021/2022 Accomplishments

- Developed Illicit Discharge Detection and Elimination municipal education program
- Developed erosion control plan for Henry Fork Soccer Complex
- Developed stormwater Good Housekeeping education program

2022/2023 Goals and Objectives

- **Goal:** Continue to provide professional engineering services to other City Departments
 - **Objective:** Answer questions about feasibility, costs, and design concepts as well as provide engineering drawings, specifications, and contract documents
- **Goal:** Continue to work towards full compliance of Stormwater regulations
 - **Objective:** continue to administer stormwater management plan and develop training for all city employees

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of plans reviewed	84	112	116	125
# of projects completed	28	25	35	30
Annual \$ spent on Stormwater	\$250,000	\$250,000	\$250,000	\$250,000
Efficiency				
% of site plans w/o Stormwater reviewed w/in five days	95%	30%	35%	50%
% of site plans w/ Stormwater reviewed w/in ten days	95%	99%	99%	99%
Effectiveness				
% of billable hours to total work hours	70%	65%	80%	75%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	393,130	468,747	425,658	-9.2%
Operations	45,411	59,945	58,755	-2.0%
Capital	7,973	2,000	7,000	250.0%
Pro Rata Reimbursement	(134,358)	(137,045)	(139,786)	2.0%
Expenditure Total	\$ 312,156	\$ 393,647	\$ 351,627	-10.7%
Per Capita	\$ 7.63	\$ 9.56	\$ 8.49	-11.2%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	312,156	393,647	351,627	-10.7%
Revenue Total	\$ 312,156	\$ 393,647	\$ 351,627	-10.7%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	2	100.0%
Total	7	7	8	14.3%

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)

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.

2021/2022 Accomplishments

- Riverwalk and Aviation Walk are currently under construction. All bond projects are now under construction or design.
- Continued retail recruitment and retention strategy with Placer. Continued support of existing businesses.
- Continued build-out of Trivium Corporate Center including announcement of Corning expansion representing 200 new jobs and \$150 million in private investment.
- 395 housing units completed with an additional 961 units under construction.

2022/2023 Goals and Objectives

- **Goal:** Increase business activity and promote economic development
 - **Objective:** Implement retail recruitment and retention strategy begun in 2019-2020. Leverage new information from Placer.
 - **Objective:** Continue promoting city, state, and federal programs along with public private partnerships that will lead to economic development along the Hickory Trail and other locations throughout the city.
- **Goal:** Facilitate bond projects and leverage city investments for economic development
 - **Objective:** Seek and implement funding to develop business parks and promote economic development.
 - **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

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Identify illegal signs and banners	1,700	1,957	3,300	3,000
Business Visits and Meetings	35	35	35	52
Efficiency				
Conduct field inspections within 24 hours	90%	95%	90%	90%
Small business and revitalization loans/grants awarded	5	2	3	5
Effectiveness				
% of zoning compliance achieved within 30 days of written compliance notices	95%	98%	95%	95%
Investment in Hickory Trail ¼ Mile Buffer Zone – Permit Value (Calendar Year)	\$13,349,985	\$11,520,550	\$12,000,000	\$12,000,000

Office of Business Development



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	2020-2021	2021-2022	2022-2023	Percent Change
	Actual	Budgeted	Budgeted	
Personnel	825,981	887,338	974,197	9.8%
Operations	47,929	65,690	65,455	-0.4%
Capital	8,600	6,000	5,000	-16.7%
Pro Rata Reimbursement	(32,862)	(33,520)	(34,223)	2.1%
Expenditure Total	\$ 849,648	\$ 925,508	\$ 1,010,429	9.2%
Per Capita	\$ 20.76	\$ 22.48	\$ 24.40	8.6%

Revenues by Type	2020-2021	2021-2022	2022-2023	Percent Change
	Actual	Budgeted	Budgeted	
Miscellaneous	82,292	52,000	70,000	34.6%
Sales and Services	31,798	30,000	30,000	0.0%
General Fund	735,558	843,508	910,429	7.9%
Revenue Total	\$ 849,648	\$ 925,508	\$ 1,010,429	9.2%

Authorized Personnel	2020-2021	2021-2022	2022-2023	Percent Change
	Actual	Budgeted	Budgeted	
Full Time	10	10	11	10.0%
Part Time	-	1	1	0.0%
Total	10	10	11	10.0%

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.

2021/2022 Accomplishments

- HPD sworn and civilian staff attended Georgetown University’s Active Bystandership for Law Enforcement (ABLE) Project. Additional HPD staff also competed Blue Courage training. Both of these courses are designed to encourage a positive organizational culture, build resiliency and promote public trust.
- Weekly PACSTAT information was enhanced this year to better show current crime trends city wide. This has helped HPD staff to more quickly identify, respond to and prevent crime by being able to shift resources where crime statistics point to. HPD also began using Link Analysis software that assists in showing repeat offenders and how these offenders are linked to one other.
- HPD established an Unmanned Aircraft Systems (Drone) Unit that consists of five certified pilots and five aircraft. These aircraft have been used to assist our patrol, code enforcement, criminal investigations and special operations units.

2022/2023 Goals and Objectives

- **Goal:** Continue to enhance the HPD Training Annex into a more dedicated area for staff to be trained.
 - **Objective:** Equip the HPD Training Annex with training mats to provide a safe area for officers to train in using defensive tactics and Subject Control and Arrest Techniques (SCAT). Acquire a Virtual Reality Training Simulator and implement those tools into regular in-service training at the HPD Annex.
- **Goal:** Partner with CVCC and Apprenticeship NC to develop and implement a police officer apprenticeship program.
 - **Objective:** Promote HPD Police Officer Apprenticeship program in area high schools to recruit future police officers that will work on a part time status as security aides for parks and linear pathways until they qualify to attend Basic Law Enforcement Training at age 20.
- **Goal:** Develop new ways of community outreach in a post-pandemic environment.
 - **Objective:** Plan and organize “Badges and Bears” events, which are a part of a continued partnership with LRU staff and an outreach to LRU students/athletes for relationship building and recruitment

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of calls received	106,190	116,699	110,620	111,500
# of calls dispatched	44,725	47,503	45,789	46,000
# dispatched calls per Patrol Officer	596	633	610	620
Efficiency				
# of cases assigned to Criminal Investigations Division	651	556	559	550
Effectiveness				
Average call time from receipt to generated	01:23	1:17	1:11	1:20

Police Department



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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	10,254,625	11,229,598	11,808,208	5.2%
Operations	2,207,305	2,403,976	2,582,240	7.4%
Capital	1,449,308	854,627	996,300	16.6%
Pro Rata Reimbursement	(2,824)	(2,880)	(2,938)	2.0%
Expenditure Total	\$ 13,908,414	\$ 14,485,321	\$ 15,383,810	6.2%
Per Capita	\$ 339.85	\$ 351.83	\$ 371.53	5.6%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Unrestricted Intergovernmental	92,250	120,000	120,000	0.0%
Restricted Intergovernmental	129,938	54,784	115,608	111.0%
Licenses and Permits	4,882	4,575	4,500	-1.6%
Miscellaneous	12,793	-	-	0.0%
Sales and Services	217,503	223,200	237,200	6.3%
General Fund	13,451,048	14,088,522	14,906,502	5.8%
Revenue Total	\$ 13,908,414	\$ 14,491,081	\$ 15,383,810	6.2%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments:

- Migrated to a state-of-the-art records management system (ESO) hosted in the Microsoft Azure cloud environment. This replaced a legacy system (Firehouse) that was originally developed in 1993.
- Implemented an NFPA 1582 compliant physical program for all members. The updated medical component included cancer screening, mental health evaluation, and chest x-ray. The updated physical component evaluated muscular endurance, core stabilization, and aerobic capacity.
- Took delivery of a 2022 Smeal Fire Engine (Engine 5).
- Completed second year of three-year project to enhance firefighting personal protective equipment.

2022/2023 Goals and Objectives

- **Goal:** Attract and retain a qualified workforce of tenured coworkers in which the demographics are reflective of the community served
 - **Objective:** Create a program to identify and develop existing and future leadership and development.
- **Goal:** Develop and support a comprehensive training program that educates and equips personnel to further enhance a multi-hazards service delivery model.
 - **Objective:** Utilizing the Public Safety Training Center, enhance training programs to educate and certify personnel on multi-hazard service delivery that maintains the ISO Class 1.
- **Goal:** Obtain applicant status with the Center for Public Safety Excellence (CPSE) in preparation for international accreditation.
 - **Objective:** Complete the self-assessment process centered on implementing the community-driven 5-year strategic plan, the community risk assessment, and standards of cover.

Fire Department



Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of Incident Responses	5,677	4,757	5,913	6,000
Community Risk Reduction Attendance (New)		6,315	23,688	44,204
# of Fire Inspector Activities	5,653	5,074	5,197	5,000
Department Training Hours	53,502	60,710	32,735	28,080
Efficiency				
% of fires with a cause and origin determination	98.8%	98.3%	99.1%	95%
Property Value Saved	\$22,341,395	\$22,205,058	\$73,476,186	\$100,000,000
% Mechanical Availability of Apparatus	97%	98%	97.9%	95%
Effectiveness				
90th Percentile Travel Time for the First Arriving Unit	5:04	5:08	5:29	5:15
90th Percentile Travel Time for the First Alarm (New)	8:10	7:57	7:28	8:00
# Preventable Structure Fires in Inspectable Properties	4	8	3	0
# of fires extinguished before fire department arrival	25	47	34	40
% of total fires confined to room of origin	61.2%	62.8%	75.8%	75%

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.

Expenditures by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	9,192,340	9,596,478	9,788,306	2.0%
Operations	1,574,877	1,720,747	1,751,269	1.8%
Capital	125,810	441,001	1,487,000	237.2%
Pro Rata Reimbursement	(64,383)	(65,671)	(66,984)	2.0%
Expenditure Total	\$ 10,828,644	\$ 11,692,555	\$ 12,959,591	10.8%
Per Capita	\$ 264.60	\$ 284.00	\$ 312.98	10.2%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Restricted Intergovernmental	727,017	693,400	708,400	2.2%
Sales and Services	167,951	171,000	171,000	0.0%
General Fund	9,933,676	10,828,155	12,080,191	11.6%
Revenue Total	\$ 10,828,644	\$ 11,692,555	\$ 12,959,591	10.8%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	137	139	139	0.0%
Part Time	2	1	1	0.0%
Total	139	140	140	0.0%

Additional information about the Parks & Public Properties Building 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 coordinate public service activities in such a way to maximize resources, while maintaining a healthy and pleasant environment for customers and coworkers.

2021/2022 Accomplishments

- PWPU – New generator installed at the City of Hickory Public Works facility.
- One North Center – Installed new LED parking lot lighting on upper deck of One North Center.
- HPD – Remodeled the HPD Annex for new training facility.
- STPK/KWPK - Installed new wireless digital scoreboards at Stanford Park, and Kiwanis Park.
- HRA - Continue to assist the airport staff with converting to LED lighting throughout the facility.
- HFRP – Installed new air curtains and new LED lighting for the concession area.
- Union Square – Installed new wireless speakers and assisted in installation of Wi-Fi at Union Square.
- Stanford Park – Worked with Street Dept. to install new dugouts on field #1-2.
- City Hall – Exterior of City Hall was painted and installed new LED lighting.
- PWPU - New Brivo access control system was installed on the Public Works service gate.
- GHPK – Remodeled all 5 shelters at Glenn Hilton Park.

2022/2023 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:** Provide Union Square with more electrical access.
 - **Objective:** To install 4 new 200-amp electrical services along City Walk for upcoming events such as OktoberFest, Shuck and Peel event, Hickory Hops, etc.
- **Goal:** Update City Hall appearance
 - **Objective:** Building Services will continue to updated the City Hall foyer/lobby area with new LED lighting, painting, and new digital signage in place of standard information boards.

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of service requests received, scheduled & serviced by the Building Services division	1157	1311	1200	1300
Efficiency				
% of Building Division's service requests completed in 48 hours	95%	95%	95%	95%
Effectiveness				
Average labor cost per service request	\$58	\$80	\$82	\$80

Public Services: Parks & Public Properties/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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	500,388	565,511	600,532	6.2%
Operations	52,589	92,419	81,578	-11.7%
Capital	29,326	2,800	262,000	9257.1%
Pro Rata Reimbursement	(332,115)	(338,756)	(345,531)	2.0%
Expenditure Total	\$ 250,188	\$ 321,974	\$ 598,579	85.9%
Per Capita	\$ 6.11	\$ 7.82	\$ 14.46	84.8%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	16,872	14,000	14,000	0.0%
General Fund	233,316	307,974	584,579	89.8%
Revenue Total	\$ 250,188	\$ 321,974	\$ 598,579	85.9%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 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

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of work orders entered (annual)	23,306	24,836	23,000	23,000
Efficiency				
Average Response Rate-VC3 Service Request Days	4	4	5	5
Effectiveness				
% of time accounted for on work orders vs. actual time turned in for Public Services	95%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	475,484	522,573	544,842	4.3%
Operations	146,138	166,827	170,217	2.0%
Capital	24,312	20,000	129,500	547.5%
Pro Rata Reimbursement	(281,421)	(287,049)	(292,790)	2.0%
Expenditure Total	\$ 364,513	\$ 422,351	\$ 551,769	30.6%
Per Capita	\$ 8.91	\$ 10.26	\$ 13.33	29.9%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	364,513	422,351	551,769	30.6%
Revenue Total	\$ 364,513	\$ 422,351	\$ 551,769	30.6%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- Replaced 153 stop signs
- Installed approximately 7,000 linear feet of yellow centerline
- Installed approximately 10,500 linear feet of white edge-line
- Replaced approximately 1000 ft of fiber optic cable
- Replaced approximately 2000 ft of signal loop detection wiring

2022/2023 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:** Install retroreflective backer panels on all east/west signal heads
- **Goal:** Enhance safety of roadways
 - **Objective:** Replace all south-facing signs which have faded

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of intersection markings refreshed	119	77*	115	125
Efficiency				
Reduce travel time delay at signalized intersections (average percent reduction)	15.57%	6.7%**	15.1%	20%
Effectiveness				
Average response time (VC3) to citizens	11 hrs 7 min	13 hrs 31 min	10 hrs 8 min	24 hrs

* resource procurement difficult due to COVID and supply chain issues

**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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	633,855	739,466	766,489	3.7%
Operations	1,096,498	1,282,152	1,255,389	-2.1%
Capital	19,404	238,999	331,500	38.7%
Pro Rata Reimbursement	(15,621)	(15,934)	(10,613)	-33.4%
Expenditure Total	\$ 1,734,136	\$ 2,244,683	\$ 2,342,765	4.4%
Per Capita	\$ 42.37	\$ 54.52	\$ 56.58	3.8%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Unrestricted Intergovernmental	271,025	370,000	457,250	23.6%
Sales and Services	38,873	44,000	40,000	-9.1%
General Fund	1,424,238	1,830,683	1,845,515	0.8%
Revenue Total	\$ 1,734,136	\$ 2,244,683	\$ 2,342,765	4.4%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- Resurfaced approximately 8 lane-miles of streets
- Installed approximately 5,500 linear feet of storm drain pipe
- Installed/replaced approximately 1,700 linear feet of curb & gutter

2022/2023 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 9 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Linear feet of new sidewalk construction	1,785	6,943	3,128	3,500
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	\$77.00	\$131.00*	\$165.00**	\$100.00
Effectiveness				
% of potholes repaired within 24 hours	93%	92%	93%	94%

* numbers higher than normal due to larger than average amount of milling and patching

** numbers higher than due to increased cost of liquid petroleum and COVID

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	1,643,455	2,249,346	2,181,002	-3.0%
Operations	1,650,688	1,767,856	1,829,560	3.5%
Capital	498,252	702,400	475,000	-32.4%
Pro Rata Reimbursement	(62,802)	(64,058)	(65,339)	2.0%
Expenditure Total	\$ 3,729,593	\$ 4,655,544	\$ 4,420,223	-5.1%
Per Capita	\$ 91.13	\$ 113.08	\$ 106.75	-5.6%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Other Taxes	198,239	180,000	180,000	0.0%
Restricted Intergovernmental	1,118,766	1,270,000	1,520,000	19.7%
Sales and Services	26,250	10,000	20,000	100.0%
General Fund	2,386,338	3,195,544	2,700,223	-15.5%
Revenue Total	\$ 3,729,593	\$ 4,655,544	\$ 4,420,223	-5.1%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	43	43	37	-14.0%
Part Time	5	5	5	0.0%
Seasonal	6	6	6	0.0%
Total	54	54	48	-11.1%

Public Services: Parks & Public Properties Landscape Division



Additional information about the Public Services Landscape 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 beautify and maintain all City properties in order for them to be aesthetically pleasing and functional in purpose for the benefit of citizens.

2021/2022 Accomplishments

- Replaced all old, outdated park amenities throughout Hilton Park.
- Installed a new ADA compliant playground at Hilton Park.
- Installed new park ID signs at Kiwanis, Hickory Optimist, and Neill Clark parks.
- Installed new landscaping at the Winkler Museum.
- Renovated and installed new landscaping for two picnic pavilions at Hilton Park.
- Re-Landscaped City Hall, added landscape lighting to Phase 1.
- Added new fall, Halloween and Christmas deco throughout downtown.
- Installed water and electrical to Sally Fox Park for up lighting and holidays.
- Converted Jaycee Park baseball field to 60/90 standards and laser graded.
- Added new dugouts to Stanford Fields #1 & #2.
- Added new trails at Lake Hickory MTB's and completed thorough maintenance on existing.
- Upgraded athletic turf program, over seeded with rye for fall use.

2022/2023 Goals and Objectives

- **Goal:** Install landscaping on the hillsides at City Park.
 - **Objective:** To improve the park's appearance and eliminate any erosion that may be occurring.
- **Goal:** Install new signs at all cemeteries with landscaping and up lighting.
 - **Objective:** To beautify the entranceways to city cemeteries.
- **Goal:** Continue to replace worn/outdated playgrounds in various parks
 - **Objective:** To improve the appearance in parks and to ensure the safety of playground users
- **Goal:** Design and install new landscapes/gardens around Glenn Hilton Park gazebo
 - **Objective:** To improve the overall aesthetics of the gazebo are for events and public use

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of trees/shrubs planted annually	42/3,724	26/589	15/1,000	16/500
# of trees/shrubs maintained	350/8,252	769/8,100	469/4372	400/8,000
Efficiency				
Annual cost to maintain Oakwood Cemetery	75,089	76,639	49,993	75,000
Annual cost to maintain Ridgeview Cemetery	7,050	10,312	5,497	10,000
Annual cost to maintain Fairview Cemetery	12,786	12,034	10,055	11,000
Effectiveness				
% of Cemetery plots/graves repaired due to settling	2%	1%	1%	5%

Public Services: Parks & Public Properties Landscape 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	1,609,116	1,888,663	2,267,060	20.0%
Operations	1,201,102	1,269,123	1,377,787	8.6%
Capital	943,334	745,700	952,260	27.7%
Pro Rata Reimbursement	(132,783)	(135,439)	(138,148)	2.0%
Expenditure Total	\$ 3,620,769	\$ 3,768,047	\$ 4,458,959	18.3%
Per Capita	\$ 88.47	\$ 91.52	\$ 107.69	17.7%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	54,058	35,000	40,000	14.3%
General Fund	3,566,711	3,733,047	4,418,959	18.4%
Revenue Total	\$ 3,620,769	\$ 3,768,047	\$ 4,458,959	18.3%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	17	36	42	16.7%
Part Time	1	1	1	0.0%
Seasonal	8	15	15	0.0%
Total	26	52	58	11.5%

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 high quality parks, facilities, and programs to serve the citizens of Hickory.

2021/2022 Accomplishments

- Increased number of sports tourism
- Extended hours at recreation Centers
- Partnership with Catawba Valley Community College

2022/2023 Goals and Objectives

- **Goal:** Continue to increase Sports Tourism through field and facility rentals
 - **Objective:** To generate revenue for the City of Hickory
- **Goal:** Continue to develop and enhance more nontraditional athletic programs
 - **Objective:** To offer diverse programs for participants of all ages and backgrounds
- **Goal:** Continue to provide recreational programs that contribute to one's mental and physical well-being
 - **Objective:** Encourage our citizens to live healthy lifestyles through recreation

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
% of residents/non-residents in athletic programs	80%, 20%	77%, 23%	66%, 34%	80%, 20%
Annual # of participants in athletic programs	1,432	582	1387	1,400
# of drop-in users of recreation centers/month (Avg.)	11,292	2,356	8,962	10,000
Efficiency				
\$ profit/loss concessions	\$4,500	\$4,693	\$11,000	\$12,000
Effectiveness				
% increase in number of adult athletic programs	0%	100%	90%	95%
% recreation center programs planned that are actually held	75%	100%	98%	100%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	925,500	1,338,269	1,371,487	2.5%
Operations	227,595	311,079	371,547	19.4%
Capital	1,291,471	205,804	59,161	-71.3%
Pro Rata Reimbursement	46,585	47,517	48,467	2.0%
Expenditure Total	\$ 2,491,151	\$ 1,902,669	\$ 1,850,662	-2.7%
Per Capita	\$ 60.87	\$ 46.21	\$ 44.69	-3.3%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	104,113	191,000	220,000	15.2%
Miscellaneous	25,525	11,000	11,000	0.0%
General Fund	2,361,513	1,700,669	1,619,662	-4.8%
Revenue Total	\$ 2,491,151	\$ 1,902,669	\$ 1,850,662	-2.7%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	18	19	19	0.0%
Part Time	15	15	15	0.0%
Seasonal	12	12	13	8.3%
Total	45	46	47	2.2%

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



Additional information about the Parks and Recreation Department may be obtained by calling Steve Miller, Public Works Director, at 828.323.7500 or smiller@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.

2021/2022 Accomplishments

- Installed new irrigation and sod at entranceway.
- Replaced/repared high back seats on concourse and outdoor dining area.
- Replaced flooring in suite restrooms, ticket booths and team store.
- Mulched parking lots and around facility.

2022/2023 Goals and Objectives

- **Goal:** Remodel dugout restrooms
 - **Objective:** Provide updated restrooms for both home and visiting players
- **Goal:** Paint all metal structures, handrails, roof, etc.
 - **Objective:** To update the aesthetics of the metal structures throughout the stadium.
- **Goal:** Replace suite HVAC systems
 - **Objective:** Replace old HVAC units with more reliable, efficient mini-split system

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Average attendance at baseball games	1,361	1,300	1,500	1,700
Efficiency				
% of work order requests from Hickory Baseball completed within 72 hours	86%	100%	100%	100%
Effectiveness				
Cost to maintain stadium structure (Annual)	493,320	830,843	151,539	150,452

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Operations	123,034	151,539	152,452	0.6%
Capital	707,809	-	-	0.0%
Expenditure Total	\$ 830,843	\$ 151,539	\$ 152,452	0.6%
Per Capita	\$ 20.30	\$ 3.68	\$ 3.68	0.0%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	19,773	22,500	22,500	0.0%
General Fund	811,070	129,039	129,952	0.7%
Revenue Total	\$ 830,843	\$ 151,539	\$ 152,452	0.6%

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.

2021/2022 Accomplishments

- Completed a renovation and expansion of Ridgeview Branch Library.
- Developed a partnership with NC Works to offer a job fair and career counseling at Ridgeview Branch Library.
- Established the Learning Lab makerspace to provide opportunities for hands-on learning

2022/2023 Goals and Objectives

- **Goal:** Support literacy and education
 - **Objective:** Promote digital literacy through in-person and virtual technology programs
- **Goal:** Collaborate with community agencies
 - **Objective:** Work with community partners to provide cultural and educational opportunities
- **Goal:** Remain responsive to community needs
 - **Objective:** The Library Advisory Board will complete an updated strategic plan

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Circulation (raw number)	299,541	219,143	250,000	300,000
Items checked out through Library To-Go	21,931	28,421	16,700	17,000
Efficiency				
% of items checked out using self-check stations	16%	4%	8%	15%
% of items checked out using digital resources	15%	25%	16%	16%
Effectiveness				
Program Attendance	12,509	1,555	9,750	15,000

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	1,159,977	1,448,475	1,447,430	-0.1%
Operations	644,907	732,300	719,497	-1.7%
Capital	12,546	45,000	65,000	44.4%
Pro Rata Reimbursement	1,853	1,890	1,928	2.0%
Expenditure Total	\$ 1,819,283	\$ 2,227,665	\$ 2,233,855	0.3%
Per Capita	\$ 44.45	\$ 54.11	\$ 53.95	-0.3%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Restricted Intergovernmental	254,129	247,717	247,717	0.0%
Sales and Services	9,485	18,000	15,000	-16.7%
General Fund	1,555,669	1,961,948	1,971,138	0.5%
Revenue Total	\$ 1,819,283	\$ 2,227,665	\$ 2,233,855	0.3%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	17	18	19	5.6%
Part Time	18	18	19	5.6%
Seasonal	2	2	2	0.0%
Total	37	38	40	5.3%

City Hall/Public Buildings



Additional information about the Parks & Public Properties 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 house and accommodate the operations of government in a cost-effective manner.

2021/2022 Accomplishments

- Cleaned, repaired, painted and sealed the entire City Hall structure.
- Installed all new landscaping and up-lighting per Phase 1.
- Began interior remodeling project with the foyer and public entrance to City Hall building.
- Completed remodel of the HPD Annex Building.

2022/2023 Goals and Objectives

- **Goal:** Complete Phase 2 of the landscaping and up-lighting installation
 - **Objective:** To create an aesthetically pleasing environment around City Hall.
- **Goal:** City Hall aesthetic improvements
 - **Objective:** To update the old paint and appearance of the City Hall interior.
- **Goal:** Complete overhaul/repair and painting of the fountain/decorative water feature
 - **Objective:** To make needed repairs to this feature for future efficiency.

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of service requests received scheduled & serviced for City Hall & Union Square	285	176	143	120
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	95%	2	0	0

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	26,977	28,123	28,122	0.0%
Operations	505,851	332,587	284,638	-14.4%
Capital	667,510	-	50,000	100.0%
Pro Rata Reimbursement	(8,917)	(9,095)	(9,277)	2.0%
Expenditure Total	\$ 1,191,421	\$ 351,615	\$ 353,483	0.5%
Per Capita	\$ 29.11	\$ 8.54	\$ 8.54	0.0%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Fund	1,191,421	351,615	353,483	0.5%
Revenue Total	\$ 1,191,421	\$ 351,615	\$ 353,483	0.5%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

Special Appropriations by Functional Area	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
General Government					
Community Appearance Commission	728	2,378	2,800	2,800	0%
Public Art Commission	382	17,840	18,000	18,000	0%
<i>Subtotal</i>	1,110	20,218	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	124,499	128,587	131,824	135,800	3%
Catawba County Chamber of Commerce	0	0	0	0	0%
Downtown Development Association	65,000	65,000	65,000	65,000	0%
Economic Dev. - Miscellaneous	323,342	244,450	52,500	62,500	19%
Economic Dev. Incentives	136,147	155,546	157,997	441,688	180%
Façade/Landscape Grant	41,472	30,639	40,000	40,000	0%
Hickory Community Relations Council	10,925	16,062	17,000	17,000	0%
Hickory Convention/Visitors Bureau	20,000	20,000	20,000	20,000	0%
Historic Preservation	10,706	0	9,000	9,000	0%
International Council	11,088	0	11,700	11,700	0%
Tourism Development Authority	1,603,690	1,785,094	1,100,000	1,883,049	71%
University City Commission	7,570	7,342	12,000	12,000	0%
Vacant Building Revitalization	1,313	33,358	100,000	100,000	0%
Western Piedmont Council of Governments	45,364	48,137	52,278	53,571	2%
Youth Council	1,502	3,727	4,000	4,000	0%
<i>Subtotal</i>	2,402,618	2,537,942	1,773,299	2,855,308	61%
Culture and Recreation					
Sabre Society	6,214	0	25,000	20,029	-20%
SALT Block Facility Improvement	100,000	68,983	100,000	100,000	0%
United Arts Council of Catawba County	40,611	41,359	41,359	43,490	5%
<i>Subtotal</i>	140,611	110,342	166,359	163,519	-2%
Transportation					
Western Piedmont Regional Transit Authority	237,330	210,366	194,884	194,884	0%
<i>Subtotal</i>	237,330	210,366	194,884	194,884	0%
Total	2,782,669	2,879,868	2,156,342	3,235,511	50%

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	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Bonded Debt					
2018 G.O. Bond Series - Interest	616,875	579,375	553,313	504,375	-9%
2018 G.O. Bond Series - Principal	750,000	750,000	750,000	750,000	0%
2019 G.O. Bond Series - Interest	175,950	602,250	583,500	527,250	-10%
2019 G.O. Bond Series - Principal	0	750,000	750,000	750,000	0%
2021 G.O. Bond Series - Interest	0	0	200,000	200,000	0%
2021 G.O. Bond Series - Principal	0	0	500,000	500,000	0%
<i>Subtotal</i>	1,542,825	2,681,625	3,336,813	3,231,625	-3%
Installment Purchase					
Communications System	115,000	115,000	115,000	115,000	0%
General Government	310,000	200,000	700,000	700,000	0%
Interest	71,529	61,142	165,165	145,736	-12%
Fire	20,175	165,000	60,089	0	-100%
Police	0	0	51,333	0	-100%
<i>Subtotal</i>	516,704	541,142	1,091,587	960,736	-12%
Grand Total	2,059,529	3,222,767	4,428,400	4,192,361	-5%

Transfers/Other Financing Uses

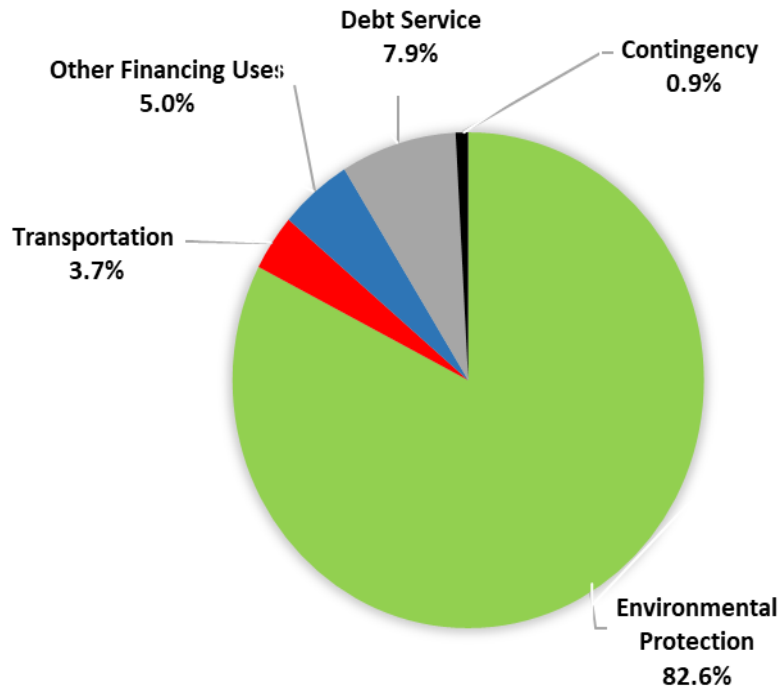
Interfund transfers are transfers between the fund(s) receiving sources and the fund(s) through which the resources are to be expended. The transfer to the Capital Reserve Fund, for example, reserves funds for future capital outlay needs as prescribed in Council's financial policy and Capital Improvement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

Transfers from General Fund	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Capital Projects	6,951,620	7,111,365	0	0	0%
Capital Reserve Fund	1,263,089	1,481,327	1,624,000	1,624,000	0%
Internal Service Fund	209,863	0	0	0	0%
Multi-Year Grant Program Fund	23,196	9,295	0	0	0%
Solid Waste Fund	0	0	0	0	0%
Stormwater Fund	1,124,354	195,275	132,931	250,000	88%
Transportation Capital Projects Fund	51,311	126,132	0	0	0%
Transportation Fund	23,000	256,413	233,176	250,000	7%
Total	9,646,433	9,179,807	1,990,107	2,124,000	7%

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



Enterprise Funds



Enterprise Fund Revenue by Category	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Other Taxes	25,000	25,000	30,000	20.0%
Restricted Intergovernmental	3,152,117	3,191,965	3,305,002	3.5%
Sales and Services	30,408,239	32,772,913	34,479,410	5.2%
Investment Earnings	87,000	75,000	67,500	-10.0%
Miscellaneous	342,000	612,000	612,000	0.0%
Other Financing Sources	7,202,624	5,237,954	8,477,160	61.8%
Revenue Total	41,216,980	41,914,832	46,971,072	12.1%
Per Capita	1,001.12	1,012.26	1,077.86	6.5%

Enterprise Fund Expenditure by Category	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	9,163,974	9,543,000	10,348,536	8.4%
Operations	14,915,938	15,372,235	16,374,196	6.5%
Capital	7,639,800	5,723,619	8,779,200	53.4%
Contingency	200,000	230,000	400,000	73.9%
Special Appropriations	74,604	75,723	75,802	0.1%
Debt Service	3,577,711	4,160,971	3,733,241	-10.3%
Interfund Transfers	1,267,298	1,988,034	2,342,421	17.8%
Pro Rata Reimbursement	4,377,655	4,821,250	4,917,676	2.0%
Expenditure Total	41,216,980	41,914,832	46,971,072	12.1%
Per Capita	1,001.12	1,012.26	1,077.86	6.5%

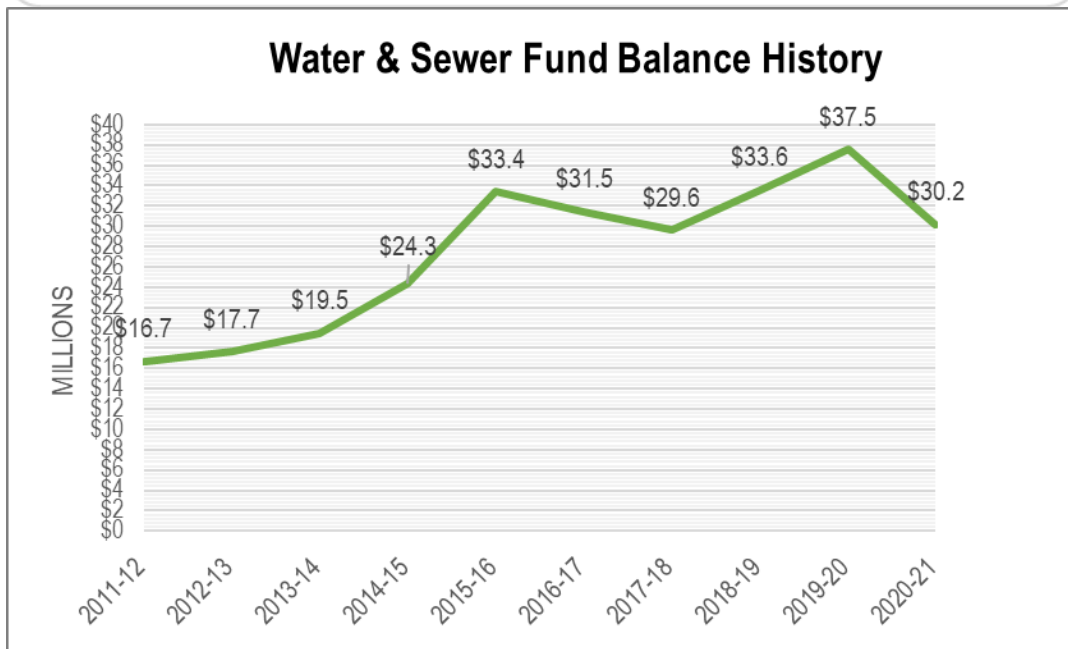
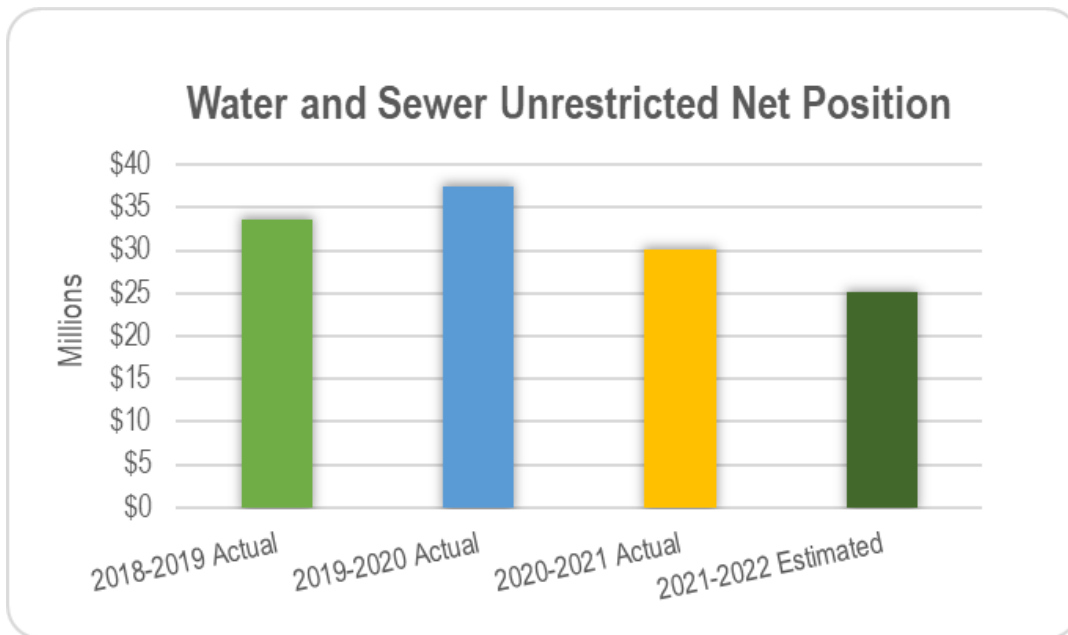
Water and Sewer Fund



Unrestricted Net Position Projection

The unrestricted net position in the Water and Sewer Fund was \$30,170,676 on June 30, 2021. This amount is expected to decrease by \$4,988,185 during FY2021-2022. Going into FY2022-2023, the unrestricted net position of the Water and Sewer Fund is expected to be \$25,182,491.

Unrestricted Net Position	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Water and Sewer Fund	33,554,579	37,522,822	30,170,676	25,182,491
Dollar Change	3,941,802	3,968,243	(7,352,146)	(4,988,185)
Percent Change	13%	12%	-20%	-17%



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.

2021/2022 Accomplishments

- FEMA BRIC grant application for Snow Creek PS advanced for further review (pending funding approval)
- Received \$5.4M FEMA BRIC grant for NEWWTF flood hardening around influent pump station and outfall
- Finalized design and bidding for Biosolids Facility

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of publications produced per year	18	17	17	15
Efficiency				
% of meters read per month	99.8%	99.7%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	11	11	14	27.3%
Seasonal	1	1	1	0.0%
Total	12	12	15	25.0%

Utilities Collections Division



Additional Information about the Collection System Division may be obtained by calling Andrew Foy, CS-2, Environmental Manager, at 828.323.7427 or afoy@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.

2021/2022 Accomplishments

- Replaced pumps in Moose Club & Snow Creek pump station with dry pit submersible units
- Replaced two creek crossings along 12th Ave NW & 12th Ave Dr NW
- Performed Inflow & Infiltration study in section of NE Hickory to analyze for future rehab needs

2022/2023 Goals and Objectives

- **Goal:** To obtain the required footage of sewer line cleaning
 - **Objective:** To achieve minimum 10% of line cleaning
- **Goal:** To maintain right-of-way to make accessible for cleaning and inspecting of sewer lines
 - **Objective:** To achieve 20% of clearing of right-of-way
- **Goal:** Develop manhole rehab program
 - **Objective:** Rehabilitate sewer manholes to prevent infrastructure failures and limit inflow & infiltration

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Total linear feet of sewer line cleaned	110,684	171,549	108,950	260,000
Total # of sewer service requests	226	222	258	250
Efficiency				
Average cost per request for sewer maintenance	\$214.00	\$299.00	\$187.84	\$275.00
Effectiveness				
% of Right-of-Way maintained	5%	11%	25%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 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
- Maintained effective treatment during COVID-19 pandemic

2022/2023 Goals and Objectives

- **Goal:** Maintain safe and effective workplace
 - **Objective:** To meet or exceed NPDES permit requirements and promote coworker safety
- **Goal:** Continue to maintain and implement the Facilities Master Plan
 - **Objective:** To ensure that the plant equipment is maintained adequately and all NPDES permit requirements are met

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Tons of solids treated at HF Facility	959	993	900	1,500
Efficiency				
Chemical cost per thousand gallons wastewater treated	\$0.07	\$0.07	\$0.08	\$0.08
Effectiveness				
% of solids removal through the facility	98%	97%	98%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	581,783	606,131	669,224	10.4%
Operations	504,110	628,509	631,709	0.5%
Capital	-	100,500	164,500	63.7%
Expenditure Total	\$ 1,085,893	\$ 1,335,140	\$ 1,465,433	9.8%
Per Capita	\$ 26.53	\$ 32.43	\$ 35.39	9.1%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Restricted Intergovernmental	212,407	50,000	50,000	0.0%
Water and Sewer Fund	873,486	1,285,140	1,415,433	10.1%
Revenue Total	\$ 1,085,893	\$ 1,335,140	\$ 1,465,433	9.8%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- Met the 2021-22 Performance Measure Goals by maintaining solids removal at 98% and chemical cost at \$0.055 per 1,000 gallons treated wastewater.
- An article recognizing the Northeast WWTF as top performer, was published in the National Treatment Plant Operator Magazine.
- The Northeast Plant maintained operations and staffing during the worst phases of the Covid Pandemic.

2022/2023 Goals and Objectives

- **Goal:** Meet the 2022-23 Performance Measure Goals
 - **Objective:** Maintain solids removal above 90% and chemical cost below \$.05 per 1000 gallons treated.
- **Goal:** Maintain compliance with permit conditions
 - **Objective:** Meet all NPDES permit conditions

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Tons of solids hauled to Compost Facility	965	939	1,050	1,100
Efficiency				
Chemical cost per thousand gallons wastewater treated	\$0.031	\$0.034	\$0.055	\$0.060
Effectiveness				
% of solids removal through the facility	97%	97%	98%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	590,623	613,884	672,044	9.5%
Operations	454,023	488,638	503,363	3.0%
Capital	1,311	104,000	137,000	31.7%
Expenditure Total	\$ 1,045,957	\$ 1,206,522	\$ 1,312,407	8.8%
Per Capita	\$ 25.56	\$ 29.31	\$ 31.70	8.2%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Water and Sewer Fund	1,045,957	1,206,522	1,312,407	8.8%
Revenue Total	\$ 1,045,957	\$ 1,206,522	\$ 1,312,407	8.8%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Seasonal	-	-	-	0.0%
Total	11	11	11	0.0%

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.

2021/2022 Accomplishments

- Met all State and Federal drinking water standards to maintain compliance with no exceedances or violations.
- Completed filter rehabilitation consisting of media replacement and air scour installation to improve performance.
- Continued the Water Treatment Facility’s efforts to engage and educate the community through hosting tour groups, community groups, schools, and universities.
- Initiated efforts to identify and replace worn valves resulting in significantly reduced water loss.

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Average million gallons treated per day	12.1	11.8	12.1	12.2
Million Gallons of Billed Water per all staff FTE	61.9	57.3	59.7	62.0
Efficiency				
Peak capacity daily demand as a percent of treatment	49.7%	47.3%	49.6%	50%
Billed water as % of finished water	85%	85%	85%	85%
Effectiveness				
Customer complaints about water quality per 1,000 meters	0.37	0.38	0.45	0.35

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	624,447	705,128	762,167	8.1%
Operations	1,696,582	2,078,117	2,135,026	2.7%
Capital	16,921	605,500	999,000	65.0%
Expenditure Total	\$ 2,337,950	\$ 3,388,745	\$ 3,896,193	15.0%
Per Capita	\$ 57.13	\$ 82.31	\$ 94.10	14.3%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Water and Sewer Fund	2,337,950	3,388,745	3,896,193	15.0%
Revenue Total	\$ 2,337,950	\$ 3,388,745	\$ 3,896,193	15.0%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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, CS-2, 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.

2021/2022 Accomplishments

- Determined 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
- Completed Industrial Waste Survey for Catawba WWTF
- Assisted the City of Claremont with continued support of monitoring & reporting for their 2 NPDES permits
- Administered Oil & Grease policy in accordance with the City of Hickory's SUO

2022/2023 Goals and Objectives

- **Goal:** Maintain the City of Hickory's Pretreatment Program
 - **Objective:** Monitor the City of Hickory's 14 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 14 SIU's. Pass proficiency testing for each parameter on the City of Hickory's laboratory certified parameter list

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of industrial contacts for assistance of permits annually	826	874	600	525
Efficiency				
% of oil and grease contributors re-inspected	8.0%	14.4%	10%	≤15%
Effectiveness				
% of industrial permit non-compliant	1.8%	2.1%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	428,344	440,104	478,762	8.8%
Operations	125,276	189,729	187,989	-0.9%
Capital	15,618	20,400	23,400	14.7%
Expenditure Total	\$ 569,238	\$ 650,233	\$ 690,151	6.1%
Per Capita	\$ 13.91	\$ 15.79	\$ 16.67	5.5%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Water and Sewer Fund	569,238	650,233	690,151	6.1%
Revenue Total	\$ 569,238	\$ 650,233	\$ 690,151	6.1%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- Completed construction of 1.0 MG Water Tank on Springs Rd increasing the overall storage capacity in the water system, and supporting future demand from Alexander County and the City of Conover.
- Completed replacement of 2" galvanized water mains on 18th Ave NE and Main Ave Dr NW.

2022/2023 Goals and Objective

- **Goal:** Meet the requirement of the Safe Drinking Water Act
 - **Objective:** Maintain adequate chlorine residuals throughout the Distribution System.
- **Goal:** Increase meter reading efficiency and minimize water loss
 - **Objective:** Implementation of AMI meter reading technologies
- **Goal:** Improve utilities distribution record keeping
 - **Objective:** Update mapping on GIS Hickory Infrastructure Map

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Thousands of gallons of billed water per meter	139.99	130.26	148.22	140.5
Millions of gallons of billed water per water services FTE's	63.25	74.12	85.39	63.4
Miles of main line pipe per square mile of service area	2.89	2.95	2.97	2.97
Breaks and leaks per mile of main pipe line	0.021	0.28	0.287	0.021
Efficiency				
Percent of existing pipeline replaced or rehabbed	0.648%	0.136%	0.029%	1.5%
Effectiveness				
Percent of water bills not collected	2.50%	1.64%	1.09%	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	1,707,378	1,949,461	2,149,360	10.3%
Operations	1,390,375	934,128	1,180,228	26.3%
Capital	4,593,246	1,456,000	4,310,500	196.1%
Expenditure Total	\$ 7,690,999	\$ 4,339,589	\$ 7,640,088	76.1%
Per Capita	\$ 187.93	\$ 105.40	\$ 184.51	75.1%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Water and Sewer Fund	7,690,999	4,339,589	7,640,088	76.1%
Revenue Total	\$ 7,690,999	\$ 4,339,589	\$ 7,640,088	76.1%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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

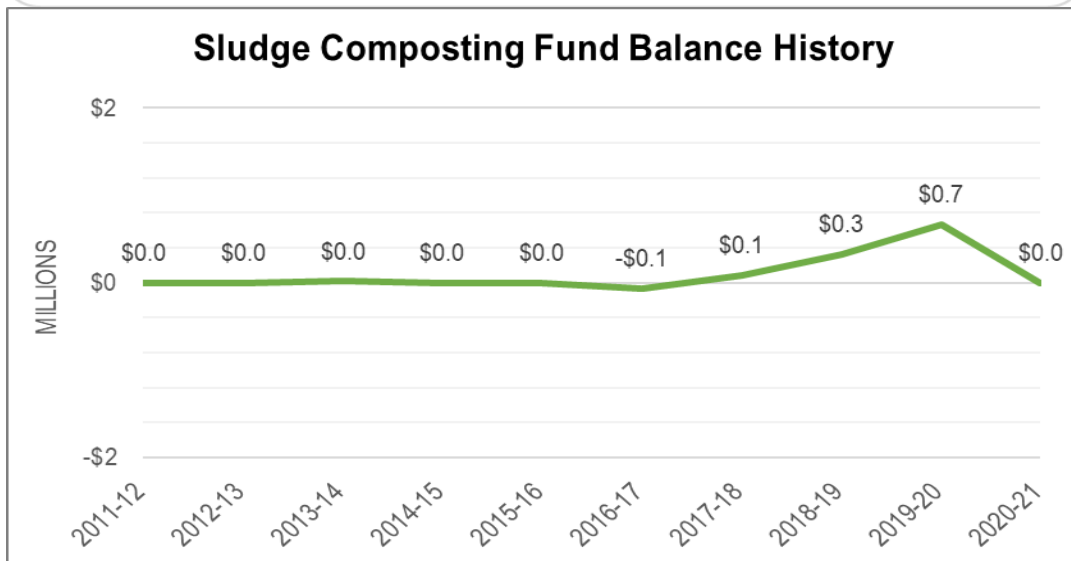
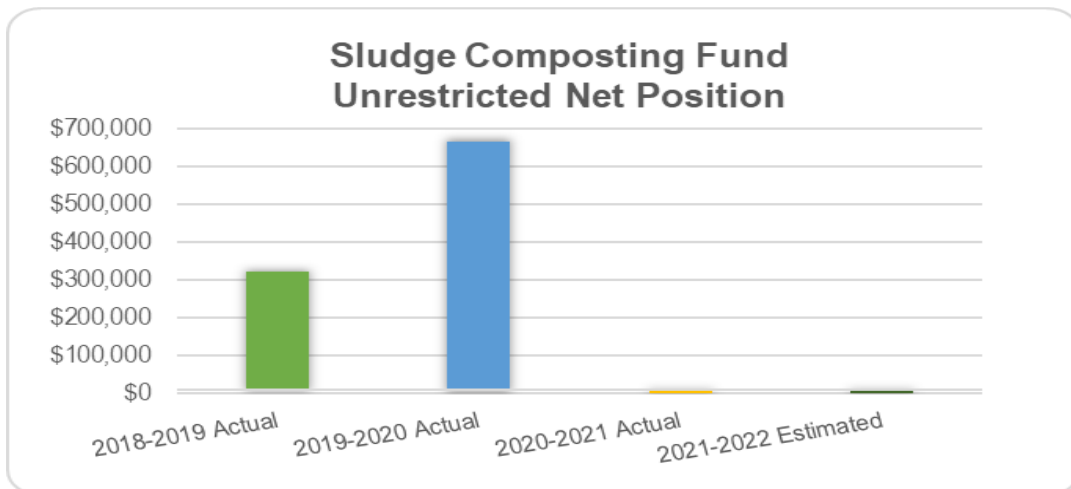


The Sludge Composting Fund consists of only one department, the Sludge Compost Facility of the Public Services Department. The fund exists because of the shared ownership of the facility between the cities of Hickory and Conover. Hickory serves as the lead agent. The original facility was built in the 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	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Sludge Composting Fund	321,043	663,821	-	-
Dollar Change	236,112	342,778	(663,821)	-
Percent Change	278%	107%	-100%	0%



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.

2021/2022 Accomplishments

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

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Average million gallons of sludge treated (annually)	16,996,700	18,194,500	19,197,000	16,750,000
Average dry tons treated (daily)	10.84	11.81	11.47	11.00
Cubic Yards of compost sold	6,348	13,885	0	6,000
Efficiency				
Avg. cost per dry ton produced	\$726.85	\$641.00	\$560.00	\$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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Operations	1,602,806	1,723,058	1,767,443	2.6%
Capital	-	50,000	240,000	380.0%
Pro Rata Reimbursement	128,680	131,254	133,880	2.0%
Expenditure Total	\$ 1,731,486	\$ 1,904,312	\$ 2,141,323	12.4%
Per Capita	\$ 42.31	\$ 46.25	\$ 51.71	11.8%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Restricted Intergovernmental	1,956,816	1,904,312	2,141,323	12.4%
Miscellaneous	4,127	-	-	0.0%
Revenue Total	\$ 1,960,943	\$ 1,904,312	\$ 2,141,323	12.4%

Stormwater Fund

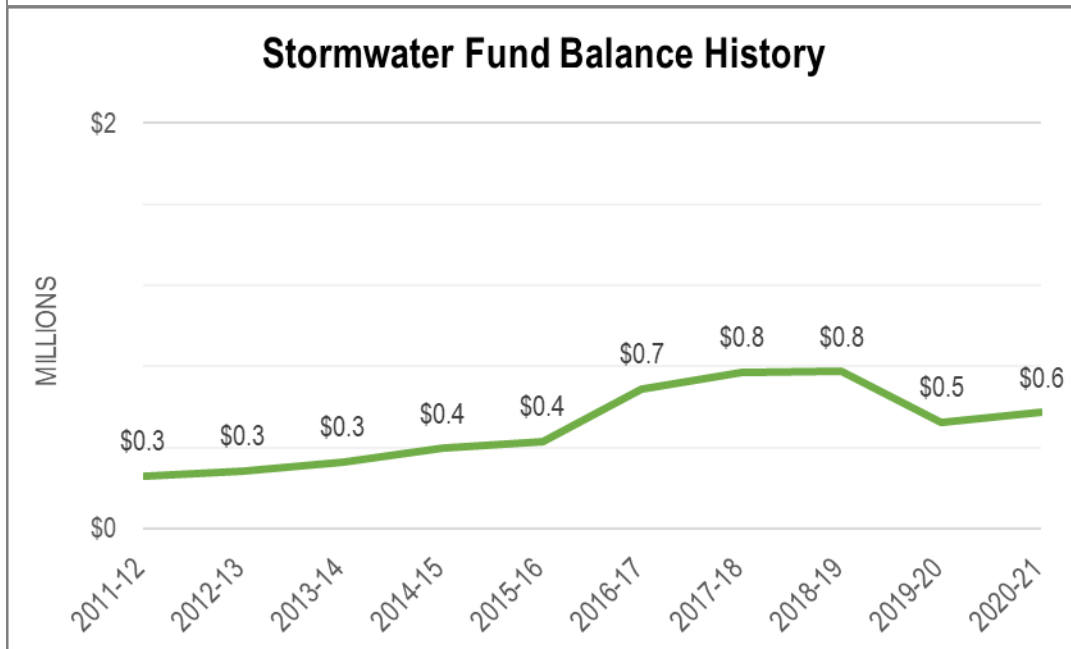
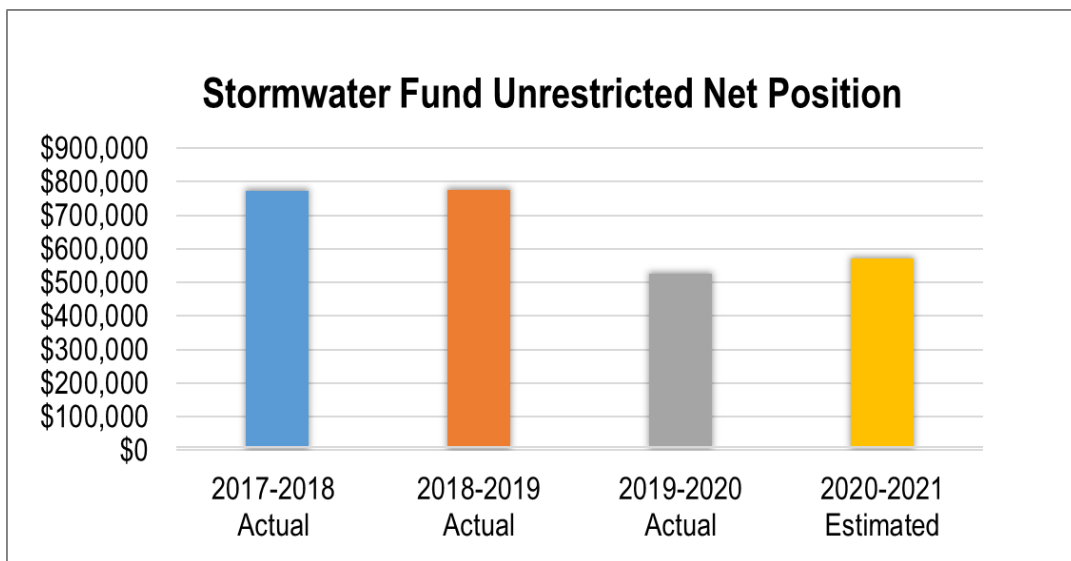


The Stormwater Fund consists of only one department.

Unrestricted Net Position Projection

The Stormwater Fund's unrestricted net position was \$572,016 on June 30, 2021. This amount is expected to increase by \$47,782 during FY2021-2022. The unrestricted net position of the Stormwater Fund is expected to be \$572,672 going into FY2022-2023.

Unrestricted Net Position	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Stormwater Fund	774,036	524,234	572,016	572,672
Dollar Change	2,916	(249,802)	47,782	656
Percent Change	0%	-32%	9%	0%



Stormwater Division



The Stormwater Fund was presented for the first time in the FY 2007-2008 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 FY 2007-2008. 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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	105,780	100,075	105,198	5.1%
Operations	155,776	165,787	168,358	1.6%
Capital	-	-	-	0.0%
Expenditure Total	\$ 261,556	\$ 265,862	\$ 273,556	2.9%
Per Capita	\$ 6.44	\$ 6.50	\$ 6.64	2.3%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Investment Earnings	258	-	-	0.0%
Other Financing Sources	322,573	265,862	273,556	2.9%
Revenue Total	\$ 322,831	\$ 265,862	\$ 273,556	2.9%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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

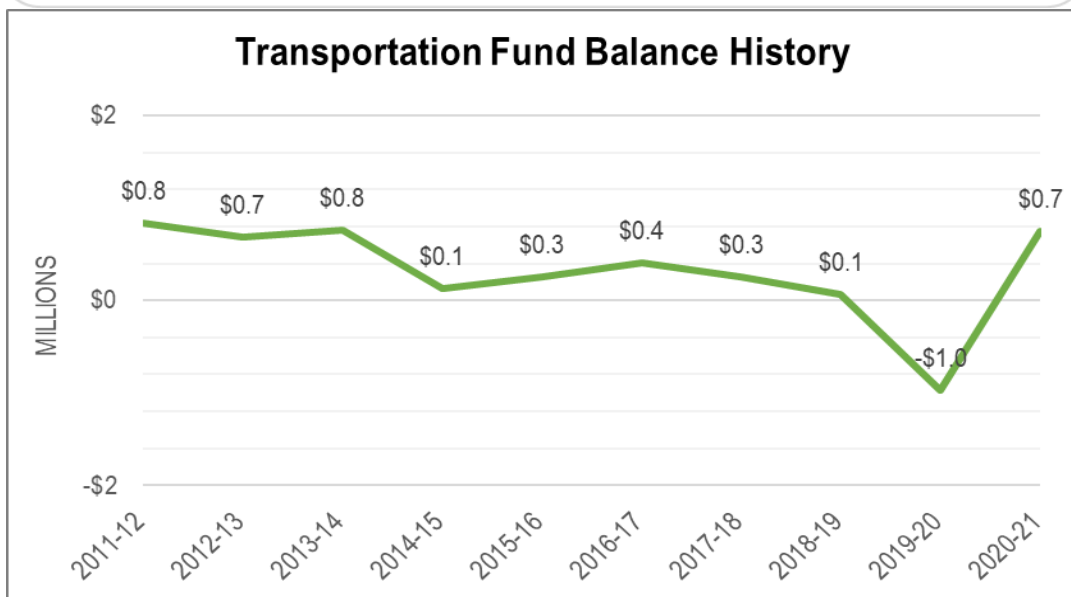
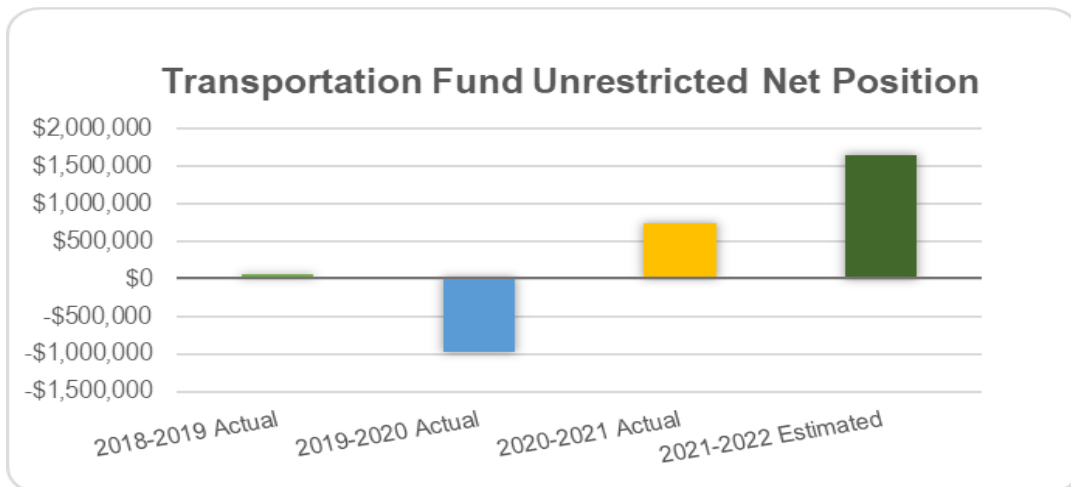


With the growth of Hickory Metro Area, no issue is more prominent than the very conduit that feeds that growth, the transportation system. The Transportation Fund includes the Hickory Regional Airport (including tower operations) and the FBO (Fixed Based Operations). The Transportation Fund was established 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, 2021. During FY2021-2022 this amount is expected to increase by \$1,716,218. Going into FY2022-2023 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	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Transportation Fund	61,916	(969,462)	746,756	1,647,861
Dollar Change	(190,334)	(1,031,378)	1,716,218	901,105
Percent Change	-75%	-1666%	177%	121%



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.

2021/2022 Accomplishments

- Successful Part 139 Certification Inspection
- Continued Progress on Various NCDOT Grant Projects
- Completed Runway Rehabilitation Project i.e. runway cleaned, crack sealed, a rejuvenator was applied and restriped (painted) at Zero cost to the City of Hickory. Estimated repair values were between \$350,000 - \$400,000
- Updated Airport Layout Plan
- Accomplished exterior makeover on Airport Control Tower with weatherproof coating
- Purchased Ventrac slope mower to aid in upkeep and appearance of airport
- Began Comprehensive Update to Airport Certification Manual

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of airfield Inspections	732	732	730	730
Efficiency				
# of operations per year	24,375	29,010	28,437	29,500
Effectiveness				
# of airfield incursions	0	1	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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	247,867	239,151	231,807	-3.1%
Operations	271,336	203,081	213,625	5.2%
Capital	4,107	183,419	136,500	-25.6%
Pro Rata Reimbursement	129,314	131,901	134,539	2.0%
Expenditure Total	\$ 652,624	\$ 807,552	\$ 716,471	-11.3%
Per Capita	\$ 15.95	\$ 19.61	\$ 17.30	-11.8%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Restricted Intergovernmental Revenue	10,400	6,365	58,000	811.2%
Sales and Services	47,518	38,368	45,368	18.2%
Investment Earnings	145	2,500	1,250	-50.0%
Transportation Fund	594,562	760,319	611,853	-19.5%
Revenue Total	\$ 652,624	\$ 807,552	\$ 716,471	-11.3%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	3	3	3	0.0%
Part Time	1	1	1	0.0%
Seasonal	-	-	-	0.0%
Total	4	4	4	0.0%

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 and 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.

2021/2022 Accomplishments

- Provided FBO Services to Appalachian State University Athletic Teams
- Began construction of W5 hanger to be completed by June 2022
- NATA software purchased for line services, fire training, safety, quality control and CSR
- Purchase of Cushman Tow-Cart for general use towing of aircraft

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Gallons of aviation fuel sold at Airport	474,900	743,786	633,763	697,139
# of based aircraft	74	82	83	90
Efficiency				
# of aircraft fueled	4,599	5,547	5,696	5,980
Effectiveness				
Value of based aircraft (annual)	40,917,555	40,973,612	62,503,612	63,000,000

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.

Fixed Base Operations Division



Expenditures by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	489,228	433,638	504,077	16.2%
Operations	278,235	241,771	310,172	28.3%
Capital	6,846	105,000	186,500	77.6%
Expenditure Total	\$ 774,309	\$ 780,409	\$ 1,000,749	28.2%
Per Capita	\$ 18.92	\$ 18.96	\$ 24.17	27.5%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	1,665,901	1,305,052	1,561,352	19.6%
Investment Earnings	145	2,500	1,250	-50.0%
Transportation Fund	-	-	-	0.0%
Revenue Total	\$ 1,666,046	\$ 1,307,552	\$ 1,562,602	19.5%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	7	8	10	25.0%
Part Time	-	-	2	100.0%
Total	7	8	12	50.0%

Solid Waste Fund

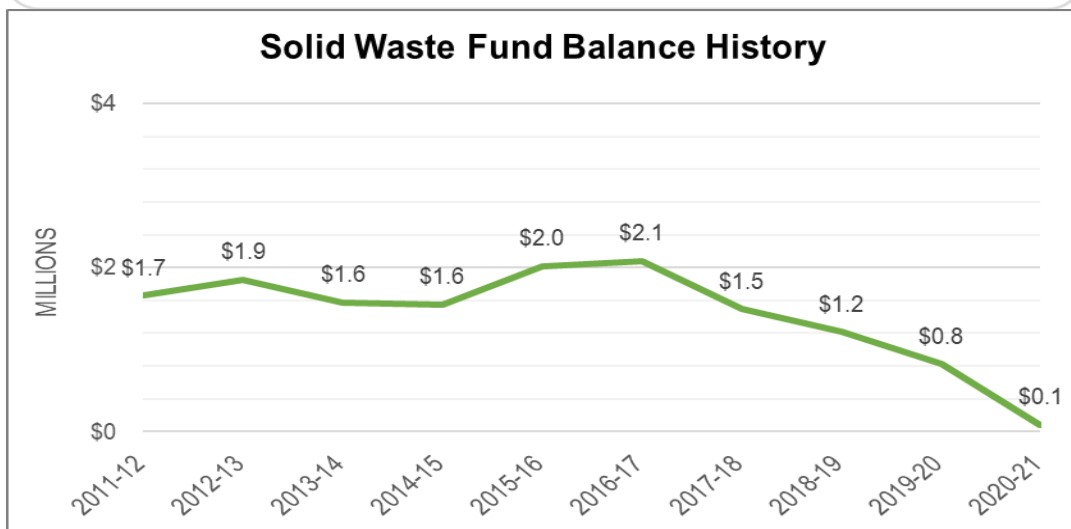
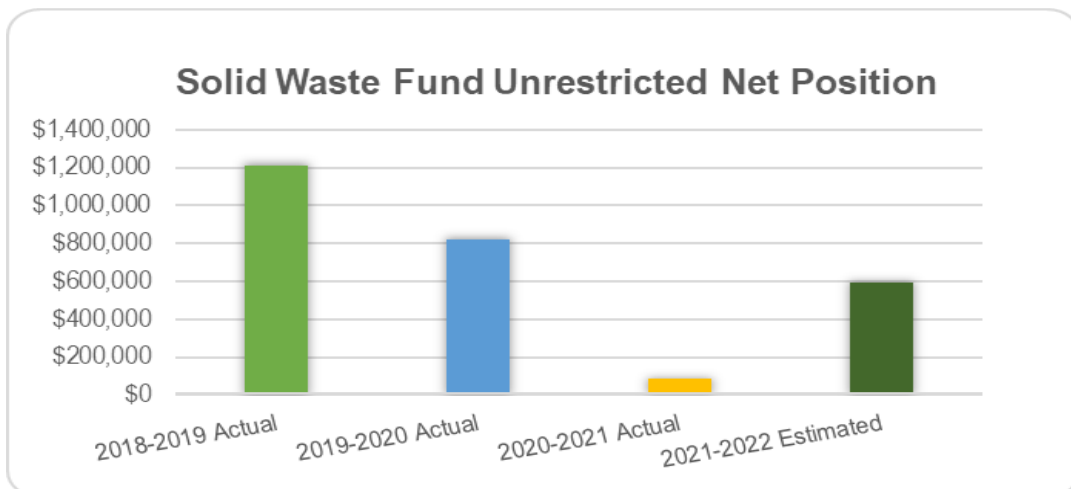


The Solid Waste Fund accounts for the City’s recycling operations, as well as commercial and residential sanitation services. This fund is considered an Enterprise Fund because it generates revenues through sales and services to support operations.

Unrestricted Net Position Projection

The unrestricted net position of the Solid Waste Fund was \$820,703 on June 30, 2021. That amount is expected to decrease by \$735,115 during FY2021-2022. Going into FY2022-2023, 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 2022-23 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	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Solid Waste Fund	1,212,690	820,703	85,588	591,800
Dollar Change	(279,571)	(391,987)	(735,115)	506,212
Percent Change	-19%	-32%	-90%	591%



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.

2021/2022 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
- Yard waste picked up over 14 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

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Tons of curbside recyclables collected	3190	3104	2900	3250
# of curbside collection points	12200	12200	12200	12200
Efficiency				
Direct cost per ton of curbside recyclables collected (annual)	\$98.99	\$101.73	\$110.42	101.48
Direct cost per curbside collection point (annual contract amount)	\$25.88	\$25.88	\$26.25	\$27.03
Effectiveness				
% of residential solid waste diverted by curbside program	24%	21.5%	20%	22%
% of eligible curbside pick-up points participating	68.9%	72.5%	74%	75%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	850,232	765,842	834,998	9.0%
Operations	1,956,779	2,046,419	2,102,986	2.8%
Capital	443,022	413,000	696,399	68.6%
Pro Rata Reimbursement	517,580	527,932	538,491	2.0%
Expenditure Total	\$ 3,767,613	\$ 3,753,193	\$ 4,172,874	11.2%
Per Capita	\$ 92.06	\$ 91.16	\$ 100.78	10.5%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Other Taxes	17,978	14,610	14,333	-1.9%
Sales and Services	3,430,692	3,455,620	2,980,534	-13.7%
Investment Earnings	866	5,844	2,389	-59.1%
Miscellaneous	68,042	1,169	956	-18.2%
Other Financing Sources	299,890	275,951	151,735	-45.0%
Revenue Total	\$ 3,817,468	\$ 3,753,193	\$ 3,149,947	-16.1%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- The Residential Division handled over 635,000 rollouts resulting in over 14 million pounds of residential waste being collected.
- The rear packer trucks loaded over 5.4 million pounds of garbage/junk by hand.

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Tons collected per 1,000 population	331.98	288.52	285.41	295.00
Tons per 1,000 collection points	1,088.44	945.97	935.78	963.11
Efficiency				
Direct cost per ton collected (annual)	\$24.09	\$29.56	\$31.00	\$34.00
Direct cost per collection point (annual)	\$26.22	\$27.96	\$30.00	\$33.00
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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	591,262	669,012	712,329	6.5%
Operations	378,351	398,230	429,467	7.8%
Capital	-	328,000	362,000	10.4%
Expenditure Total	\$ 969,613	\$ 1,395,242	\$ 1,503,796	7.8%
Per Capita	\$ 23.69	\$ 33.89	\$ 36.32	7.2%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Other Taxes	5,823	5,431	7,336	35.1%
Sales and Services	1,111,256	1,284,620	1,525,575	18.8%
Investment Earnings	281	2,172	1,223	-43.7%
Miscellaneous	22,040	434	489	12.5%
Other Financing Sources	97,139	102,584	77,665	-24.3%
Revenue Total	\$ 1,236,539	\$ 1,395,242	\$ 1,612,288	15.6%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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.

2021/2022 Accomplishments

- We have approximately 1,250 dumpster boxes in use by our customers.
- We collected over 13,750 tons of commercial waste.
- To date in this fiscal year we have gained 37 new customers overall which translates into a 3% increase in our customer base thus far.

2022/2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
# of boxes serviced per route	120	94	96	100
Efficiency				
Direct cost per ton collected	\$26.46	\$26.75	\$28.00	\$29.00
Effectiveness				
# of new permanent accounts	15	37	45	50

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	600,084	636,926	664,542	4.3%
Operations	519,081	530,375	557,363	5.1%
Capital	4,107	-	266,000	100.0%
Pro Rata Reimbursement	(91,155)	(92,977)	(94,838)	2.0%
Expenditure Total	\$ 1,032,117	\$ 1,074,324	\$ 1,393,067	29.7%
Per Capita	\$ 25.22	\$ 26.09	\$ 33.64	28.9%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Other Taxes	6,728	4,182	7,259	73.6%
Sales and Services	1,283,957	989,146	1,509,454	52.6%
Investment Earnings	324	1,673	1,210	-27.7%
Miscellaneous	25,465	335	484	44.7%
Other Financing Sources	112,235	78,989	76,884	-2.7%
Revenue Total	\$ 1,428,709	\$ 1,074,324	\$ 1,595,291	48.5%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 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	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Environmental Protection					
Catawba County EDC	41,500	42,862	43,941	43,941	0%
Habitat for Humanity	5,436	16,638	25,319	25,398	0%
Western Piedmont Council of Governments	6,222	6,422	6,463	6,463	0%
Total	53,158	65,922	75,723	75,802	0%

Enterprise Debt Fund Service



Water and Sewer Fund Debt	2019-2020	2020-2021	2021-2022	2022-2023	Percent
	Actual	Actual	Budgeted	Budgeted	Change
NC Revolving Loan					
Cripple Creek	40,057	40,058	40,058	40,058	0%
Interest	372,751	386,360	321,701	227,358	-29%
Geitner Basin	163,616	119,821	149,018	163,617	10%
Central Business District Sewer	68,205	68,205	68,205	68,205	0%
Northeast Plant	875,000	875,000	875,000	910,000	4%
<i>Subtotal</i>	1,519,629	1,489,444	1,453,982	1,409,238	-3%
Installment Purchases					
Henry Fork Sewer	475,000	475,000	475,000	475,000	0%
Hickory-Catawba Wastewater Treatment Plant	642,211	656,872	671,869	687,206	2%
Interest	233,791	154,721	146,319	117,042	-20%
Maiden Waterline	369,045	369,045	369,046	0	-100%
<i>Subtotal</i>	1,720,047	1,655,638	1,662,234	1,279,248	-23%
Total	3,352,048	3,145,082	3,116,216	2,688,486	-14%

Solid Waste Fund Debt	2019-2020	2020-2021	2021-2022	2022-2023	Percent
	Actual	Actual	Budgeted	Budgeted	Change
Installment Purchases					
Replacement of four (4) Solid Waste vehicles	0	70,731	169,755	169,755	0%
Solid Waste Fund Total	0	70,731	169,755	169,755	0%

Transfers/Other Financing Uses



Transfers from Water and Sewer Fund	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Capital Reserve Fund	940,000	1,140,000	1,340,000	1,340,000	0%
General Capital Project	143,765	3,663,605	0	0	0%
General Fund	400,000	14,000	0	0	0%
Insurance Fund	146,438	0	0	0	0%
Sludge Composting Fund	229,268	0	0	0	0%
Stormwater Fund	694,591	127,298	132,931	132,931	0%
Water and Sewer Capital Projects Fund	2,176,583	718,000	0	0	0%
Water and Sewer Capital Reserve Fund	515,103	757,259	515,103	865,643	68%
Total	5,245,748	6,420,162	1,988,034	2,338,574	18%

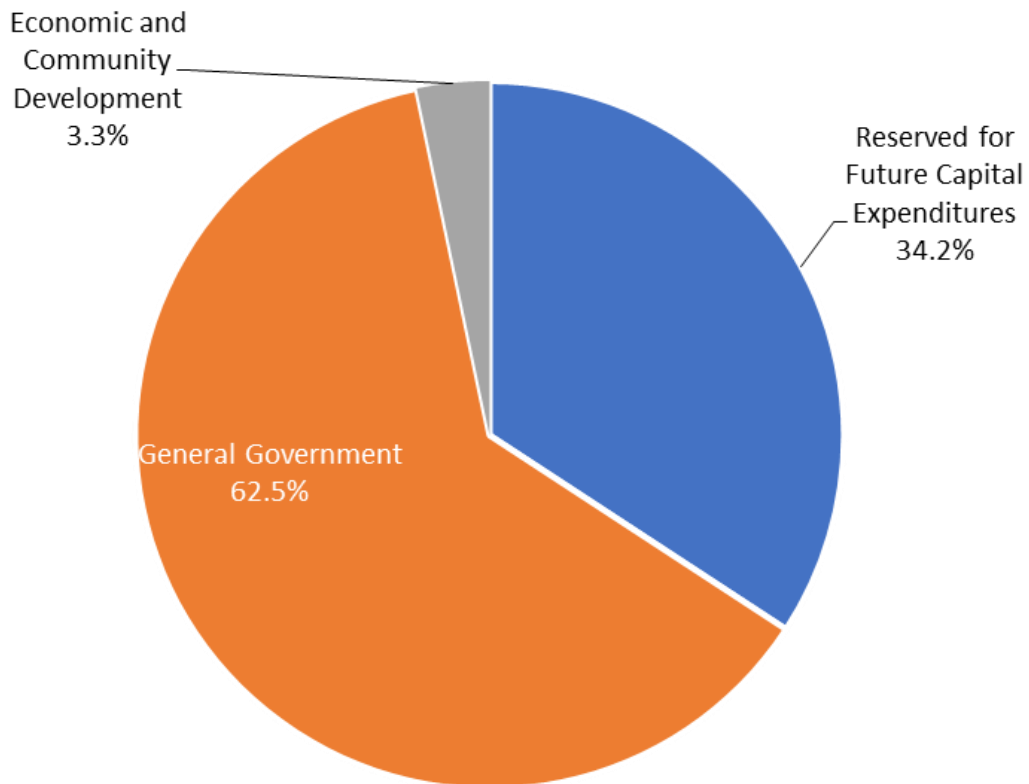
Transfer from Transportation Fund	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Enterprise Capital Project	1,719,766	1,172,808	0	0	0%
Total	1,719,766	1,172,808	0	0	0%

Transfers from Solid Waste Fund	2019-2020 Actual	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Insurance Fund	22,244	0	0	0	0%
Total	22,244	0	0	0	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. The CDBG Ordinance can be found in the Budget Ordinance section of the book.

Other Fund Expenditures By Functional Area

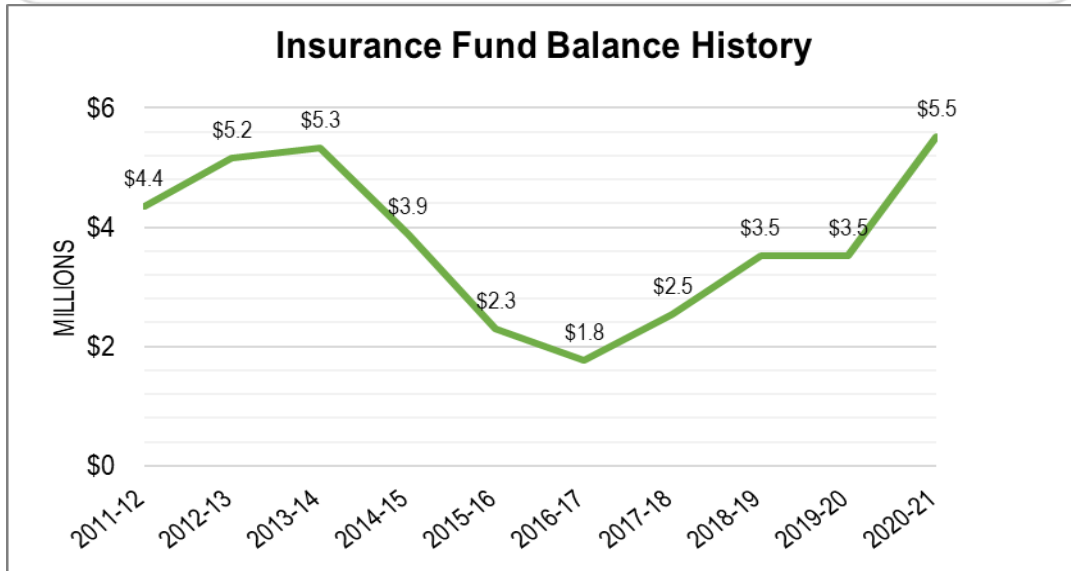
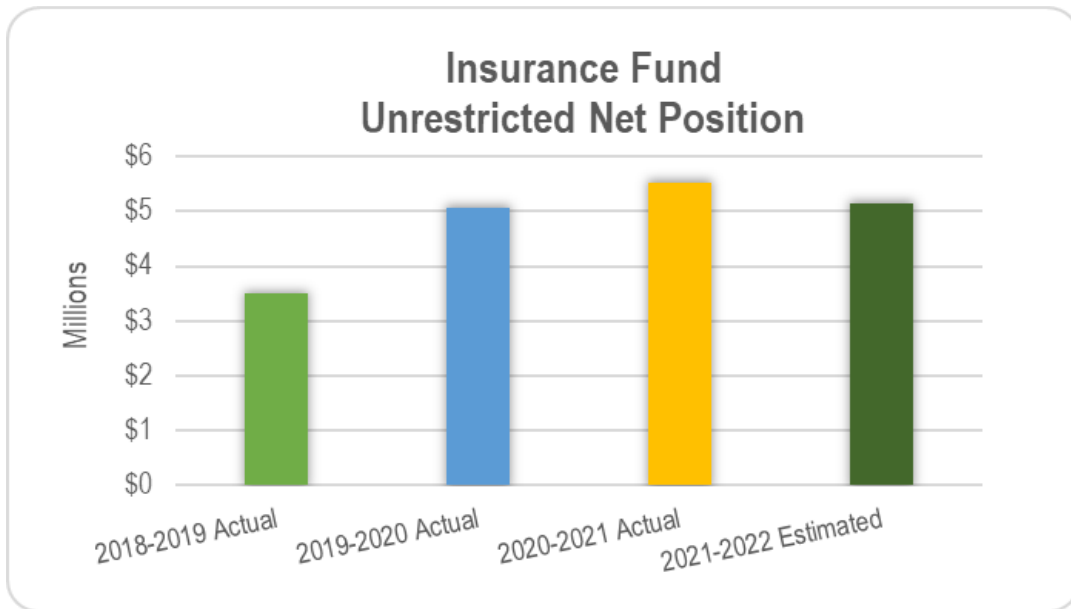


Insurance Fund

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, 2021, the unrestricted net position of this fund was \$5,510,197. This amount is expected to decrease by \$364,095 in FY2021-2022. Going into FY2022-2023, the unrestricted net position of this fund is estimated to be \$5,145,292. 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	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Insurance Fund	3,515,806	5,071,066	5,510,197	5,145,292
Dollar Change	975,321	1,555,260	439,131	(364,905)
Percent Change	38%	44%	9%	-7%



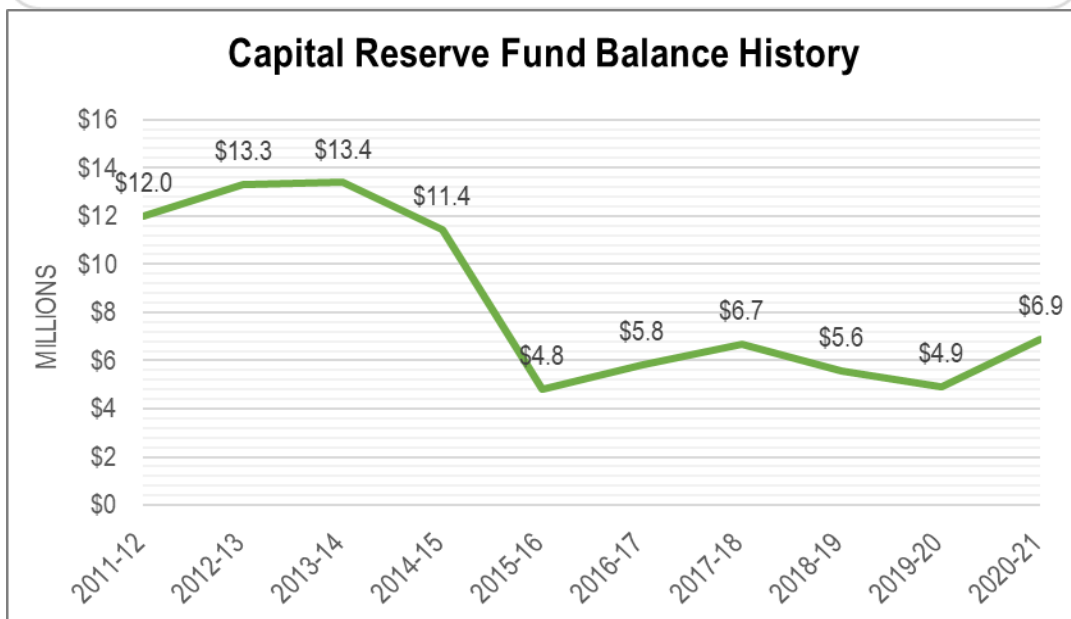
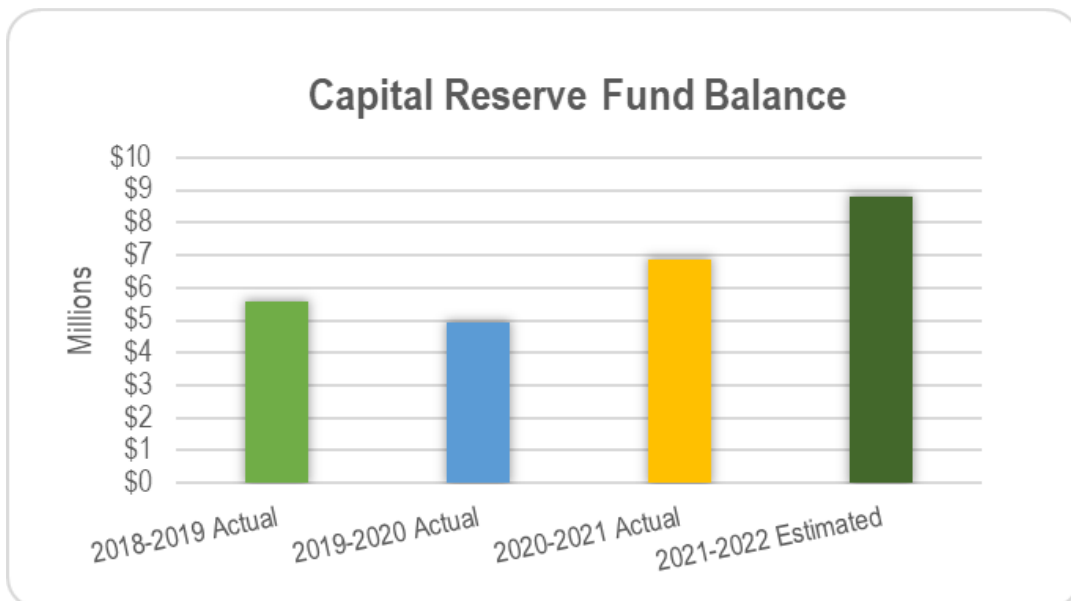
Capital Reserve Fund



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 \$6,888,222 at June 30, 2021. It is expected to increase by \$1,962,609 through FY2021-2022. Going into FY2022-2023, the Capital Reserve Fund Balance is expected to be \$8,782,984.

Capital Reserve Fund Balance	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Capital Reserve	5,584,238	4,925,613	6,888,222	8,782,984
Dollar Change	(1,082,093)	(658,625)	1,962,609	1,894,762
Percent Change	-16%	-12%	40%	28%



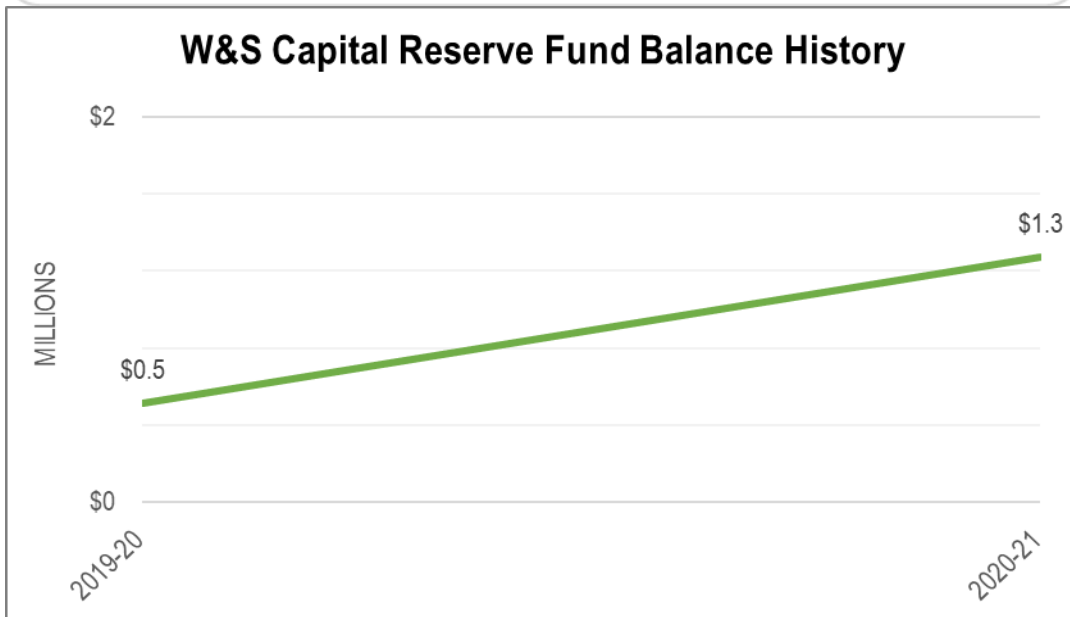
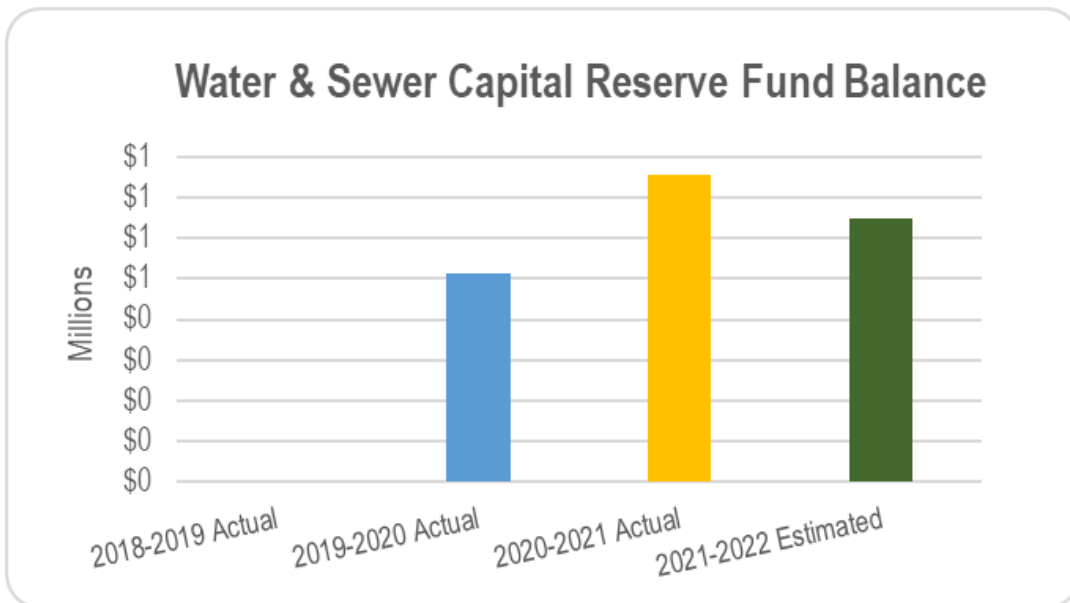
Water and Sewer Capital Reserve Fund



Water and Sewer Capital Reserve Fund Balance

The Water and Sewer Capital Reserve Fund includes funds set aside for future Water and Sewer capital projects. These funds are specifically designated for capacity related improvements according to state statutes. The fund balance of the Water and Sewer Capital Reserve Fund totaled \$757,259 at June 30, 2021. It is expected to decrease by \$107,259 through FY2021-2022. Going into FY2022-2023, the Capital Reserve Fund Balance is expected to be \$650,000.

Water & Sewer Capital Reserve Fund Balance	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Capital Reserve	-	515,103	757,259	650,000
Dollar Change	-	515,103	242,156	(107,259)
Percent Change	0%	0%	47%	-14%

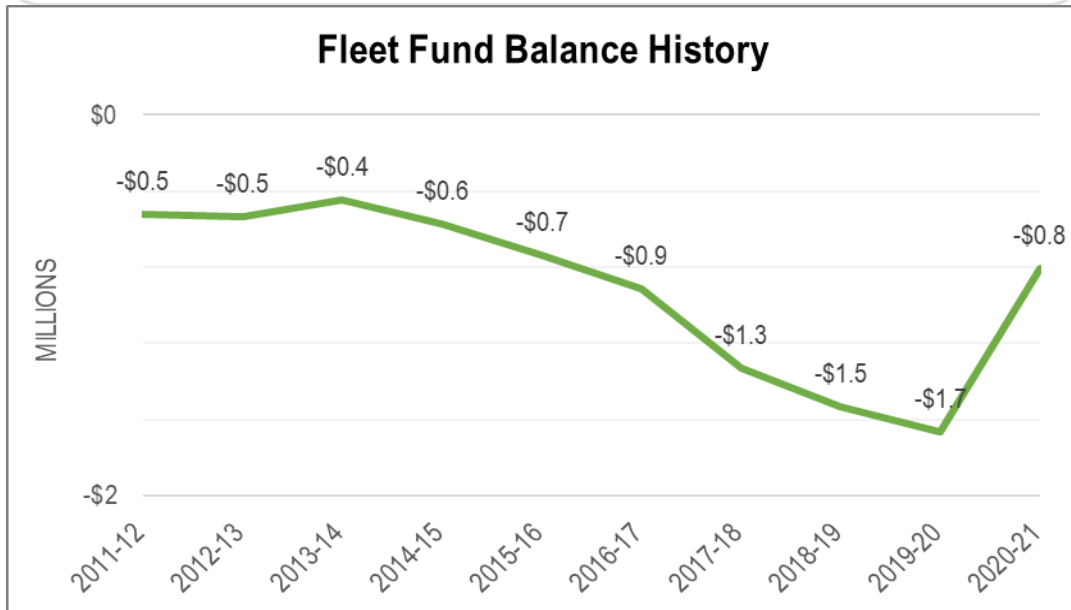
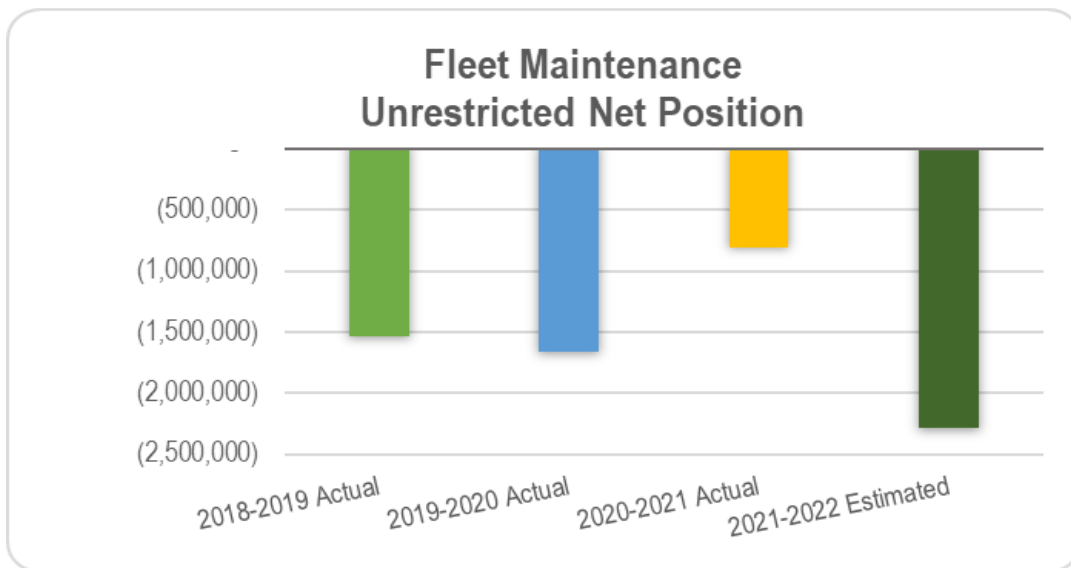


Fleet Fund

Fleet Fund Unrestricted Net Position Projection

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, 2021, the unrestricted net position of the Fleet Maintenance Fund was (\$805,455). It is expected to decrease during FY2021-2022 by \$857,635. Entering FY2022-2023, the unrestricted net position of the Fleet Maintenance Fund is projected to be (\$2,290,169).

Unrestricted Net Position	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated
Fleet Maintenance Fund	(1,534,154)	(1,663,090)	(805,455)	(2,290,169)
Dollar Change	(205,864)	(128,936)	857,635	(1,484,714)
Percent Change	-15%	-8%	52%	-184%



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.

2021/2022 Accomplishments

- Accounting for billable hours up by 7%
- Preventative maintenance is paying off as vehicle repair downtime has decreased
- Mechanics training on MACK truck software
- Phase 1 of Garage remodel complete: created a store front entrance, remodeled the parts room by adding a parts counter.

2022/2023 Goals and Objectives

- **Goal:** Use alternative fuels
 - **Objective:** Research the feasibility of different types of alternative fuels - added a non-ethanol tank for all the small engine equipment.
- **Goal:** Improve quality repairs to vehicles and equipment
 - **Objective:** Expand training opportunities for mechanics
- **Goal:** To be able to stock more inventory
 - **Objective:** Complete Phase 2 of the Garage remodel

Performance Measures	2019-2020 Actual	2020-2021 Actual	2021-2022 Estimated	2022-2023 Goal
Work Load				
Total job orders completed	5,354	4,958	4,191	5000
Efficiency				
Job orders per mechanic	832	750	838	700
Effectiveness				
Unscheduled repairs per mechanic FTE	652	614	604	550
% of repairs that are unscheduled	73%	81%	72%	60%

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	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Personnel	655,797	723,935	755,815	4.4%
Operations	1,945,015	1,897,530	1,899,691	0.1%
Capital	(178,907)	89,500	73,700	-17.7%
Pro Rata Reimbursement	280,426	286,035	291,756	2.0%
Expenditure Total	2,702,331	2,997,000	3,020,962	0.8%
Per Capita	\$ 66.03	\$ 72.79	\$ 72.96	0.2%

Revenues by Type	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Sales and Services	2,681,851	2,997,000	3,020,962	0.8%
Miscellaneous Revenues	47,381	-	-	0.0%
Other Financing Sources	30,000	-	-	0.0%
Fleet Maintenance Fund		-	-	0.0%
Revenue Total	2,759,232	2,997,000	3,020,962	0.8%

Authorized Personnel	2020-2021 Actual	2021-2022 Budgeted	2022-2023 Budgeted	Percent Change
Full Time	12	12	12	0.0%
Total	12	12	12	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. Please see the Budget Ordinance section of the book for a cost breakdown of the CDBG Budget.

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



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
General Fund						
Administration						
Computer Replacements/Software	\$ 3,750				\$ 5,000	\$ 6,250
Desktop				\$ 1,250		
CMO Conference Room Desktop				\$ 1,250		
CMO Laptop (Vault Laptop)				\$ 1,250		
Governing Body						
Computer Equipment		\$ 6,250				
Communications						
Computer Replacements/Software	\$ 5,400		\$ 2,000			
Laptop with Graphics package		\$ 3,700		\$ 5,400	\$ 5,400	
Human Resources						
Computer Replacements/Software	\$ 5,300					
Computer Equipment		\$ 4,000	\$ 5,000	\$ 6,000	\$ 6,000	
Budget						
Computer Replacements/Software	\$ 1,500					
Risk Management						
Computer Replacements	\$ -					
Finance						
Computer Replacements/Software	\$ 7,500	\$ 7,800	\$ 9,000	\$ 8,300	\$ 7,500	\$ 9,600
Information Technology						
APC UPS Batteries						
Azure P1 License	\$ 75,000					
Cloud Backup Services	\$ 15,000					
Cisco Phones	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Core Switches						\$ 100,000
Cisco Webex Cloud Conversion						
Council Chamber Audio/Video Refresh						
Firewalls						\$ 250,000
Computer / Laptop Replacements	\$ 7,000	\$ 5,000	\$ 5,000	\$ 13,000	\$ 7,000	\$ 5,000
Data Center for Public Services		\$ 100,000				
Discretionary Funds	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Electronic Signature						
Fiber Infrastructure for City Buildings		\$ 300,000	\$ 300,000	\$ 300,000		
Hyperconverged SAN / Compute					\$ 400,000	
iSeries Replacement / Update			\$ -			
Managed SOC						
Network - LAN / WAN Infrastructure						
Offsite Disaster Recovery	\$ 75,000					
Phone System E911						
SAN Upgrade						
Security Discretionary	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
Switch Replacement / Upgrades	\$ 47,500					
Time Clocks			\$ 35,000			
Upgrade Office Suite / G3			\$ 100,000			
UPS Upgrade	\$ 100,000					
Vehicle replacement						
VMWARE VDI License Increase						
VMWARE VDI - Microsoft License						
Vehicle replacement		\$ 30,000				
City Clerk						
Computer Replacements	\$ -	\$ 1,500	\$ 2,000		\$ 2,000	\$ 2,136
Legal						
Computer Replacements	\$ 1,500	\$ 2,000	\$ 3,000	\$ 2,000		\$ 1,500
Engineering						
Computer Replacements	\$ 7,000		\$ 9,000	\$ 3,000		\$ 8,000
Inkjet Plotter / Scanner		\$ 17,500				
F150 Survey Truck		\$ 42,000				
Truck Mounted Scanner						\$ 150,000
Level, Wild Self		\$ 5,000				
Computers (2)		\$ 7,000				
Ford Escape			\$ 35,000			
Topcon Long Range Reflectrless				\$ 42,500		

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Planning and Development						
Computer Replacements	\$ 5,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 5,000	\$ 5,000
Police Department						
Police Vehicles	\$ 684,000	\$ 989,000				
Radios-Vehicle						
Generator for Headquarters	\$ 130,000					
Marine Unit Boat, Trailer, & Upfitting						
LED lighting conversion - Police Station						
Repave Parking Lot			\$ 129,513			
AV Upgrade for Multipurpose Training Room			\$ 15,000			
License Plate Reader						
Radio System Refresh - Phase I Viper Migration						
Handheld Radios	\$ 30,000	\$ 30,000		\$ 30,000	\$ 30,000	\$ 30,000
Flashbangs and Simunition						
Tasers		\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Marked Vehicles and Upfitting			\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Unmarked Vehicles			\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Vehicle Taxes			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Weapons	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Special Operations' Team Vests						\$ 75,000
Space Saver System	\$ 30,000					
Batteries for UPS System		\$ 15,000		\$ 15,000		\$ 15,000
Firing Range Maintenance	\$ 3,500			\$ 3,500	\$ 3,500	\$ 3,500
Computer / Laptop Replacements	\$ 70,000	\$ 70,000	\$ 89,000	\$ 70,000	\$ 55,000	\$ 70,000
CAD/RMS replacement						
Renovation of Multipurpose Room	\$ 8,200					
Painting of Lobby	\$ 4,600					
Data Switch upgrade						
Combat Gauze			\$ 5,000			
Digital Records Archiving System						
Wi-Fi Infrastructure						
Cabinets for Armory/Card Key System	\$ 21,000					
Furniture and Fixtures	\$ 5,000	\$ 11,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 11,000
Window and Asbestos Removal-Police Annex		\$ 38,800				
Viper Migration System (Radio)		\$ 250,000	\$ 60,000			
Hardware Refresh-Forensic Digital Analyst		\$ 20,000				
Hard Drive Shredder		\$ 12,000				
Hot Spot/LPR Cameras		\$ 20,000				
Windows in Communications		\$ 27,480				
Radio Console Network Switching				\$ 50,000		
Replacement PC's					\$ 15,000	
Drones				\$ 15,000		
Fire Department						
Apparatus Replacement Engine 1						
Equipment for Engine 1						
Apparatus Replacement Engine 2	\$ 730,000					
Air System	\$ 90,000					
Equipment for Engine 2	\$ 80,000					
Apparatus Replacement Ladder 16						\$ 1,500,000
Equipment for Ladder 3						
Apparatus Replacement Engine 5						
Equipment Replacement for Engine 5						
Apparatus Replacement Engine 6		\$ 775,000				
Station 2 Driveway	\$ 20,000					
Station 3 Asphalt Sealing	\$ 75,000					
Equipment for Engine 6		\$ 125,000				
Apparatus Replacement Tanker 5			\$ 600,000			
Equipment for Tanker 5			\$ 80,000			
Appliances & Furniture	\$ 27,000	\$ 241,000	\$ 152,000	\$ 27,000	\$ 152,000	\$ 27,000
Diesel Exhaust Removal System	\$ 65,000	\$ 65,000	\$ 45,000	\$ 1		
Computer Replacements	\$ 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	\$ 200,000
Fitness Equipment Replacements	\$ 15,000	\$ 15,000	\$ 17,000	\$ 15,000	\$ 15,000	\$ 15,000
Personal Protective Turn-out Gear						
SCBA Breathing Equipment / Replacements		\$ 250,000	\$ 250,000			
Software - Staff Tracking, Scheduling/Timekeeping		\$ 28,000				
Software - Wireless Accountability System						
Station Alerting System		\$ 500,000				
Station 7 Interior Improvements						
Station 6 Interior Improvements						\$ 40,000
Technical Rescue Equipment	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Vehicle Replacements (Operations and Administration)	\$ 50,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 120,000	\$ 120,000

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Mobile Portable Radio Upgrades	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Fire Station Construction		\$ 5,000,000	\$ 5,000,000		\$ 5,000,000	
Learning Management System (LMS)		\$ 35,000				
Land Acquisition			\$ 500,000	\$ 500,000		
Station 1 Interior Improvements				\$ 40,000		
Technology				\$ 50,000	\$ 50,000	\$ 50,000
Building Services						
Air Compressor Replacement	\$ 17,000					
JLG 80 Boom Lift		\$ 80,000				
Pole/Auger Truck			\$ 65,000			
Service Truck	\$ 70,000					
2-Ton Dump Truck				\$ 75,000		
Utility Trailer			\$ 10,000			
Bucket Truck	\$ 175,000			\$ 80,000		
Computer Replacements		1,600			\$ 1,600	\$ 3,600
iPads for Crews		\$ 3,200			\$ 3,400	
80' Scissor Lift			\$ 40,000			
Computer for Electrician Shop and Supervisor			\$ 3,200			
Trencher						\$ 40,000
Central Services						
Computer / Laptop Replacements	\$ 5,000			\$ 4,000		\$ 6,000
Shredder			\$ 2,000			
Color-printer replacement	\$ 4,500					
Digital Recorder Replacement		\$ 2,500				\$ 2,500
Gate Replacement	\$ 70,000					
Ice-maker Replacement		\$ 4,000				
Building Renovations & Maintenance	\$ 50,000	\$ 110,000				
Vehicle Replacement		\$ 40,000				\$ 45,000
Street Shed		\$ 5,000	\$ 5,000	\$ 5,000		
Replace Payroll and Dispatch Computer		\$ 4,000				
Public Services Addition			\$ 750,000			
Security Cameras			\$ 2,400			
Traffic						
Arrowboard Replacement				\$ 5,000		
Computer Replacement / Software / Monitors	\$ 7,500		\$ 3,500	\$ 3,000	\$ 10,000	
Core Network Switch for Signal System						
Fiber Optic Fusion Splicer replacement						
Fiber Optic Replacement	\$ 16,000		\$ 17,000	\$ 17,500	\$ 18,000	\$ 18,500
Generator for Sign Truck					\$ 4,300	
Heat Pump - Paint Shop			\$ 6,500			
iPads						
Network Video Recorder				\$ 15,000		
Optical Fusion Cleaver replacement						
Paint Striper						
Cutting Machine for Signs						\$ 25,000
Digital Oscilloscope						\$ 13,715
Pavement Marking Eraser			\$ 7,500			
Rotary Hammer replacement						
Sign-Making Software Upgrade			\$ 2,750			\$ 3,000
Sign Post Driver			\$ 2,000			
Synchro Software						\$ 6,000
Sign Post Puller					\$ 5,100	
Sign Post Driver Unit			\$ 6,500			
Signal Corridor Retiming (yearly per NCDOT request)	\$ 30,000		\$ 56,000	\$ 57,750	\$ 59,500	\$ 61,500
Signal System Program	\$ 185,000		\$ 40,000	\$ 40,000	\$ 225,000	\$ 45,000
Signal Parts and Traffic Cameras						
Single-Axle Trailer replacement						
Traffic Counter replacement	\$ 5,000		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Traffic Signal Parts and Cameras			\$ 20,000	\$ 21,000	\$ 22,000	\$ 23,000
Traffic Signal Video Equipment	\$ 18,000					
Truck Replacement						
Upgrade Synchro						
Crew Cab 4x4 Replacements	\$ 70,000					
Ford Explorer/Ford Van E-150			\$ 35,000		\$ 80,000	\$ 40,000
Crew Cab 4x4 F350			\$ 45,000			
F-450						\$ 65,000
Street						
Air Compressor replacement						
4x4 SUV / Pickup		\$ 35,000				
GPS						

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Backhoe		\$ 5,500			\$ 100,000	
Bomag Roller					\$ 110,000	
Brine Machine and Building						
Cargo Emergency Trailer						
Cement Mixer						
Computer Replacements			\$ 2,500		\$ 2,750	\$ 2,750
Concrete Saw replacement		\$ 20,000				
Crack Seal Machine replacement				\$ 40,000		
Crew Cab 4x4 Replacements			\$ 35,000	\$ 155,000		
Tandem Dump Truck						\$ 155,000
International Crew Cab Replacement of #2601			\$ 100,000			
International Crew Cab Replacement of #2531			\$ 169,373			
2 Tandem Dump Truck Replacement of 2603 and 3549			\$ 310,000			
Dump Truck Replacement #2606					\$ 85,000	
Dump Truck Replacement #2651	\$ 70,000					
Dump Truck Replacement #2763		\$ 85,000				
Front Deck Mower					\$ 18,500	
Grader for Skidsteer						
Hudson Trailer			\$ 15,000	\$ 11,000		
iPads						
Lowboy Trailer						
Road Tractor replacement				\$ 175,000		
Rubber Tire Loader						
Sidewalk Construction	\$ 180,000	\$ 170,000				
Pavement Study	\$ 45,000		\$ 45,000			
Track Hoe		\$ 300,000				
Tractor / Mower replacement				\$ 100,000		
Track Loader						\$ 260,000
Changeable Message Sign						\$ 14,000
Salt Brine Tank				\$ 15,000		
Salt Brine Tank Sprayer					\$ 15,000	
Salt Spreader				\$ 25,000		\$ 25,000
Small Pad Tamp						\$ 2,500
Straw Blower & Trailer						
Street Flusher		\$ 150,000				
Street Sweeper		\$ 330,000				
Walk-behind Wacker Tamp		\$ 2,000				
Laptop		\$ 2,000				
Z-Mowers						
Emergency Trailer		\$ 20,000				
John Deer Z-Mower					\$ 15,600	
Landscape						
Mowers / Snowplows		\$ 61,500		\$ 41,000		
Building Repairs						
Bleachers at Tat Broome			\$ 42,438			
ATV replacement						
B&G Special Projects						
Concession Trailer				\$ 2,500		
Winkler Play System		\$ 150,000				
Dump Truck Replacements		\$ 61,000	\$ 86,000	\$ 64,600	\$ 130,400	\$ 177,000
Crew Cab/Extended Cab/Pickup Trucks	\$ 32,150		\$ 61,000	\$ 99,000	\$ 187,600	
Civitan Park Restroom Replacement			\$ 180,000			
Civitan Park Basketball Court	\$ 46,200					
Boy Scout Cabin Restroom	\$ 74,200					
Cemetery Signs		\$ 20,000				
Bobcat Skid Steer w/Attachments						
Broome Ballfield Fence	\$ 34,000					
Bleachers for Kiwanis	\$ 109,210	\$ 110,000				
Kiwanis Park Amenities						\$ 5,600
Bleachers at Jaycee Park		\$ 44,700				
Skid Steer with Track/Bucket	\$ 85,500			\$ 80,000		
Computer Replacement			\$ 8,250			\$ 2,700
Buffalo Blower						\$ 8,700
(4) 52" Zero Turn						\$ 54,000
EZ-Go Golf Cart replacement	\$ 10,000					
E-Van						\$ 60,000
Greenhouse Roof					\$ 20,000	
Henry Fork Amenities				\$ 50,000		
Henry Fork Playground				\$ 241,000		
Henry Fork Park Lighting	\$ 385,000	\$ 192,500				
Hudson Trailer replacement						
Large Sprayer				\$ 12,000		
Lawn Tractor / Snow Plow replacement						

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Mowers	\$ 84,000				\$ 26,600	
Miracle of Hickory Park Play System		\$ 150,000				
Miracle of Hickory Amenities		\$ 15,000				
Neil Clark Play System					\$ 57,000	
Neil Clark Park Amenities					\$ 14,000	
City Park Amenities					\$ 8,629	
Tractors	\$ 60,000		\$ 50,000			
Snow Blower replacement						
Park Amenities						
Park Sign Replacements	\$ 22,000					
Pickup Trucks		\$ 257,600				\$ 290,000
Ridgeview Play System						
Sidewalk/Street Sweeper for Citywalk & Union Square areas		\$ 110,000				
Stanford Park Play System			\$ 126,500			
Stanford Park Amenities			\$ 15,908			
Taft Broome Tennis Upgrade		\$ 16,000				
Toro Deep-tire Aerator			\$ 10,000			
Toro Sidewinder RM						\$ 35,000
525 Gal Water Tank/Trailer						\$ 7,150
Computer		\$ 3,000				
Trailer replacements				\$ 5,200		
UTV XTR		\$ 21,000				
XRT Golf Cart replacement	\$ 10,000					
Int/Ext Painting Neil Clark		\$ 90,000				
Reel Mower			\$ 40,000			
Trailers for Mowers		\$ 8,000	\$ 3,100			
Oakwood Cemetery Roof			\$ 20,000			
Extended Cab Trucks			\$ 77,000			
Additional fields at Henry Fork Parl			\$ 4,300,400			
INT./ EXT Painting of Highland Recreatio			\$ 35,000			
Tractor 4x4 W/Bucket				\$ 64,800		
Sprayer HF				\$ 12,000		
Parks and Recreation						
Batting Cage - Jaycee ballfield						
Cameras						
Ceramic Kiln Replacement	\$ 5,000					
Computer Replacements	\$ 7,500	\$ 4,500	\$ 7,500	\$ 6,000	\$ 7,500	\$ 9,000
Electronic Gate Replacements						
Fitness Center Equip. Replacement	\$ 32,586	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000
Indoor Soccer Padding at Neil Clark gym						
Key Fob System at Fairbrook Optimist						
Bruce Meisner Park Development Phase I-B		\$ 1,652,223				
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					
Lighting Prediction and Warning System Kiwanis Park			\$ 8,075			
Scoreboard Replacement	\$ 6,000					
TRX Room						
Lighting Prediction and Warning System						
Parks and Recreation Maintenance						
HVAC System Replacement						
Reel Mower Replacement						
Toro Sand-Pro replacement						
Library						
Computer Replacements	\$ 25,000	\$ 20,000	\$ 25,000			
Upgrade componets of HVAC System-PB		\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
HVAC System Update	\$ 20,000					
Replace Public Computers		\$ 5,000				
Public Buildings						
Christmas Decorations	\$ 50,000					
General Fund Total	\$ 5,014,171	\$ 13,808,678	\$ 5,014,171	\$ 4,030,876	\$ 8,290,879	\$ 5,110,201
Fleet Fund						
Garage						
Air Jack (10 ton)						
Air Compressor 200 Gal 30HP		\$ 10,000				
BTU Furnance					\$ 14,000	
Computer Replacement	\$ 3,500	\$ 3,500		\$ 3,500		
Dewalt 3-phase replacement						
Exterior Door Replacement				\$ 5,500		

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Forklift (Toyota) replacement						
Fluid Pumps, Reels and Tanks					\$ 8,000	
Mobile Lifts			\$ 18,600	\$ 37,200	\$ 18,600	
Garage Bay Expansion Phase III	\$ 60,000					
Garage Bay expansion (4)			\$ 383,000			
Rotary Lifts - 10 Ton (2)	\$ 10,200	\$ 14,200				
Solar Fixed Jumpstarter replacement						
Tire Balancer						
Tire Truck replacement		\$ 35,000				
Transmission Jack						
Upgrade Facility		\$ 60,000				
Service Truck				\$ 27,000		
Spectrum Plasma Cutter						
Fleet Fund Total	\$ 73,700	\$ 122,700	\$ 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	
Computer Replacements	\$ 4,000	\$ 2,000			\$ 4,000	
Network Firewall upgrade (cost-share with Gen Fund)						
Radio Read Meters	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600	
Truck	\$ 30,000	\$ 30,000	\$ 25,000	\$ 26,000	\$ 26,000	
Computer For PU Technician				\$ 2,000		
Computer For Budget Coordinator				\$ 2,000		
Computer For PU Engineer				\$ 2,000		
Collection System						
ATV for accessing Sewer Rights-of-way	\$ 20,000					
Computer Replacement	\$ 2,000	\$ 6,000	\$ 2,000	\$ 3,000	\$ 2,000	
Full-size 4x4 Trucks		\$ 140,000	\$ 145,000			
Jett Trailer					\$ 75,000	
Collections Manager Vehicle						
Pickup Trucks	\$ 55,000					
Service Trucks	\$ 35,000				\$ 150,000	
Skid Steer w/ Mulcher		\$ 100,000				
SUV/Truck for Environmental Manager						
Tractor Replacement					\$ 50,000	
Unanticipated Sewer Line Installation	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	
Vac-All Jett Vac Truck				\$ 450,000		
Computer for Enviromental Manager			\$ 3,000			
Collections Manager Vehicle					\$ 40,000	
Henry Fork Plant						
Aeration Basin Mixer						
Aeration Basin Drain Pump replacement				\$ 45,000	\$ 50,000	
Barscreen Conveyor replacement						
Blower						
Computer Replacement		\$ 2,000				
Effluent Sampler	\$ 9,500					
EZ GO Electric Powered Cart replacement						
Influent Sampler						\$ 8,000
Mower	\$ 10,000					\$ 10,000
Paving at Facility			\$ 500,000			
Replacement Pumps (Various)	\$ 115,000					
Scum Pump			\$ 25,000			
Truck Replacements	\$ 30,000	\$ 30,000			\$ 34,000	
Grit Pump		\$ 48,000				
Process Blower			\$ 95,000			
Northeast Plant						
Anoxic Mixer replacement	\$ 20,000					
Computer Replacement	\$ 2,000	\$ 2,000		\$ 2,000	\$ 2,000	
Effluent Flow Meter				\$ 4,000		
Effluent Sampler						
Influent Pumps			\$ 80,000			
Influent Sampler						
LED Lighting Upgrade						
Mower / Lawn Tractor		\$ 20,000				
Oxidation Ditch Aerator			\$ 120,000			
Oxidation Ditch Mixer		\$ 60,000				
Pick-Up Truck		\$ 28,000	\$ 30,000			
Sludge Transer Pump				\$ 45,000		
Barscreen				\$ 120,000		

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Sludge Tank Mixer				\$ 12,000		
Replacement Pumps (Various)						
SCADA System Upgrades	\$ 30,000					\$ 35,000
OD DO Meter						\$ 6,000
Security Cameras	\$ 35,000					
Sludge Road Tractor		\$ 100,000				
Thickened Sludge Pump			\$ 43,000		\$ 18,000	\$ 22,000
VFD Drive (2)	\$ 50,000					
Belt Wash Pump					\$ 16,000	
Scum Pumps		\$ 30,000				
Ras Pump		\$ 40,000			\$ 30,000	\$ 40,000
Computer for WWTP Superintendent			\$ 2,000			
Lawn Tractor				\$ 13,000	\$ 15,000	
Polymer Pump					\$ 10,000	
Chlorine Induction Pump					\$ 8,000	
Water Treatment Plant						
Airwash Actuator replacements						
Computer Replacements	\$ 2,000		\$ 2,000	\$ 2,000	\$ 2,000	
Clearwell Top		\$ 1,000,000				
Backwash Actuator replacements				\$ 75,000		
Backwash Pump		\$ 55,000				
Backwash VFD's	\$ 120,000					
Backwash Blower			\$ 80,000			
Brine tank						
Chemical Feed Pumps	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000		
Dechlorination System						
Electrical Panelboards Replacement				\$ 15,000	\$ 17,000	\$ 17,000
Elevator upgrades						
Equalization and Sludge Basin Repairs						
Eyewash Stations/Safety Showers replacement						
Finish Water Pumps	\$ 735,000			\$ 55,000	\$ 55,000	\$ 60,000
Filter Control Consoles				\$ 25,000		
Fire Alarm System upgrade			\$ 15,000			
Flash Mixer						
Flocculators						
HVAC replacements - rooftop			\$ 30,000			
Lab Autoclave		\$ 15,000				
Lab Incubator						
Lab PH Meter				\$ 5,000		
Lab Quanti-Tray Sealer		\$ 6,000				
Lab Titrator						\$ 7,000
Lab Spectrophotometer			\$ 6,000			
2MG Clearwell Top replacement						
Raw Water Turbidimeter						
Raw Water VFD's		\$ 60,000				
Remote Water Quality Sensors				\$ 25,000	\$ 25,000	
Replacement Pumps (Various)						
Rewash Actuators					\$ 50,000	
Scada Upgrade						
Sedimentation Basin Interior Sealing					\$ 580,000	
Sludge Loading Station	\$ 90,000					
Streaming Current Monitor replacement						
Tube Settlers	\$ 40,000	\$ 40,000				
Van for Sample Tech				\$ 30,000		
Vehicle Replacement		\$ 30,000				
Wireless Telemetry upgrade				\$ 25,000		
Raw Water Pump		\$ 55,000	\$ 50,000		\$ 55,000	\$ 60,000
Streaming Current Monitor		\$ 10,000				
E/Q & Sludge Basin			\$ 65,000			
SCADA				\$ 50,000		\$ 20,000
Alum Pumps						\$ 12,000
Fluoride Pumps					\$ 12,000	
Replace Roof Drains on Admin and Filter Buildings						\$ 200,000
Pretreatment & Lab						
Computer Replacement			\$ 4,000	\$ 4,000		\$ 1,200
Autoclave replacement					\$ 23,000	
Dishwasher #2 (Lab Supplies)				\$ 900		
Dishwasher #3 (Lab Supplies)					\$ 900	
Electronic Balance Replacement			\$ 10,000			
Cargo Van						
Conductivity Meter					\$ 1,000	\$ 1,000
Heated Water Bath				\$ 1,200		\$ 1,200

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Hot Air Sterilizer replacement						
ISCO GLS Sampler	\$ 7,500	\$ 3,750	\$ 8,000	\$ 8,000	\$ 4,000	\$ 8,000
ISCO Sequential Sampler	\$ 6,000					
Lab Supplies	\$ 900					
Low Temp Incubator	\$ 6,000					
Meters/Samplers/Storage Tank						
Muffle Furnace replacement						
PH/DO Meter	\$ 3,000	\$ 900	\$ 900	\$ 900		\$ 900
Sample Refrigerator					\$ 6,000	\$ 8,000
Spectrophotometer				\$ 6,000	\$ 4,800	
Stainless Steel Manifold						
SUVs						\$ 30,000
Van				\$ 32,000		
Truck			\$ 32,000			
Vacuum Pump						
Sample Pump			\$ 2,000			\$ 2,100
PH/ION Meter			\$ 2,600			\$ 3,000
Dishwasher #1			\$ 900			
Hickory Catawba Wastewater Plant						
Replacement Pumps (Various)						
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	
DO Meter	\$ 2,000					
Oxidation Ditch Mixer replacement	\$ 5,000					
OD Mixer (channel)		\$ 15,000				
Effluent Pump			\$ 28,000			
RAS Pump				\$ 12,000		
SCADA Upgrade			\$ 30,000			
Sand Filter Cones 1-4 replacement						
Storage Building for Equipment						
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	\$ 4,500	\$ 4,000		\$ 4,000	\$ 4,000	\$ 4,000
Dump Truck Replacement						
Mini Excavator					\$ 91,100	\$ 91,000
Piercing Tools, Tamps, Miscellaneous	\$ 17,000	\$ 18,000	\$ 17,000	\$ 18,000	\$ 18,000	
Pipe Saw, Metal Detectors, Misc.	\$ 15,000	\$ 14,000	\$ 15,000	\$ 15,000	\$ 13,000	\$ 17,000
Pumps, Locators, Pipe Saws						\$ 15,000
Vehicles	\$ 120,000		\$ 37,000			\$ 148,000
Tractor Replacements				\$ 25,000		
Unanticipated Water Line Repairs	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Truck Replacement		\$ 131,000	\$ 35,000	\$ 63,000	\$ 73,000	
Water and Sewer Fund Equipment Total	\$ 1,868,200	\$ 2,358,450	\$ 1,814,200	\$ 1,474,800	\$ 1,726,600	\$ 842,400
Capital Improvement						
2nd Ave & 4th St PI SW waterline						
5th St SW Sewer Rehab	\$ 125,000					
6th Ave SW Sewer Rehab						
3rd St PI SW Aerial						
Clark Creek Pump Station Generator				\$ 200,000		
Education Center waterline						
Glen Hilton Park Sewerline			\$ 200,000			
Henry Fork Outfall Repl Engineering SSO Program						
Highland House pump station upgrade						
Hwy 321 Water and Sewer Improvements		\$ 4,000,000	\$ 4,000,000			
Kiwanis 3/4 + Aviation Walk Bathroom	\$ 500,000					
Waterline to Serve Southern Cald Co.	\$ 1,500,000					
Sasavich PL NE Waterline	\$ 300,000					
PRV Town of Catawba	\$ 250,000					
Lakeshore Forcemain						
Lakeshore Generator						
Manhole Rehab	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
Moose Club Pumpstation Generator				\$ 200,000		
Moose Club Forcemain Relocation Design	\$ 350,000					
Old MDI Pump Station Rehab	\$ 85,000					
Old River Trails Generator					\$ 100,000	

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Pump Station Mission RTU Upgrade		\$ 225,000				
Radio-Read Meters - AMI Installation Project	\$ 2,000,000	\$ 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 Phase 2			\$ 270,000			
South Side Pump Station Upgrade					\$ 200,000	
Sulpher Springs Tie-In				\$ 806,000		
TOC Fore Main Replacement - 3rd Street Pump Station	\$ 125,000					
Ward Hosiery - SSO Program	\$ 300,000					
Water Lines						
Water and Sewer Fund Construction Total	\$ 5,720,000	\$ 9,575,000	\$ 9,570,000	\$ 6,306,000	\$ 5,400,000	\$ -
Water and Sewer Fund Total	\$ 7,588,200	\$ 11,933,450	\$ 11,384,200	\$ 7,780,800	\$ 7,126,600	\$ 842,400
Sludge Fund						
Housing and Chains for Conveyors	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Drag Chain #7 Rebuild	\$ 95,000					
Inline Grinder	\$ 15,000					
Triple Screw	\$ 80,000					
Sludge Fund Total	\$ 240,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Transportation Fund						
Airport						
Airfield Signs and Panels	\$ 15,000				\$ 5,000	
Boom Mower		\$ 20,000				
Computer Replacements	\$ 1,500			\$ 3,000	\$ 1,500	
Access Road Pavement	\$ 30,000					
Construction Maintenance/Storage Building		\$ 150,000				
Maintenance Truck	\$ 40,000					
Replace Snow Removal Truck & Plow						\$ 150,000
Replace Tractor			\$ 75,000			
Replace Airport Director's vehicle						
Security Improvements	\$ 20,000		\$ 20,000			
Rehab of West Ramp Access Road			\$ 150,000			
Replace Main Terminal Carpeting					\$ 75,000	
Replace Mowers				\$ 25,000		
Renovate Main Terminal Restrooms					\$ 250,000	
South Ramp Access Road Improvements					\$ 100,000	
South Ramp Entrance Landscaping	\$ 5,000	\$ 10,000				
Utility Terrain Vehicle						
Video Surveillance	\$ 20,000	\$ 20,000		\$ 30,000	\$ 30,000	\$ 30,000
Replace Main Terminal HVAC Units		\$ 75,000				\$ 25,000
Repair Stormwater Catch Basin		\$ 15,000				
Replace Zero-Turn Mower		\$ 15,000				
Multipurpose Maintenance vehicle		\$ 40,000				
Replace Fencing Along 2nd Ave NW			\$ 25,000	\$ 25,000		\$ 50,000
Replace Airfield Sign/Panels			\$ 10,000			
Refurbish Fire Station #4				\$ 150,000		\$ 150,000
Tower						
Voice Logging Recorder replacement			\$ 6,000			
Security Improvements	\$ 5,000	\$ 5,000		\$ 10,000		
Renovations					\$ 20,000	
Paint Interior of Control Tower						\$ 15,000
Control Tower Repairs				\$ 25,000		\$ 15,000
Replace Control Tower HVAC				\$ 25,000		
FBO						
Computer Replacements	\$ 1,500		\$ 4,500		\$ 1,500	
Hangar Repairs	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Golf Carts (6-8 passenger, and 4-passenger)						
Paint Various Hangers				\$ 50,000	\$ 100,000	
Paint Hangar #1	\$ 45,000					
Replace FBO Counter	\$ 50,000					
Replace HVAC Units	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Security Improvements	\$ 10,000			\$ 10,000		
TUG Replacement		\$ 45,000				
Replace FBO Roof		\$ 50,000				
Refurbish Downstairs Restrooms-FBO Lobby			\$ 75,000	\$ 75,000		
Transportation Fund Total	\$ 323,000	\$ 430,000	\$ 370,500	\$ 433,000	\$ 663,000	\$ 515,000

Capital Improvements/Grant Projects



CIP Items	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28
Solid Waste Fund						
Recycling						
Boom Truck replacement						
Computer replacement			\$ 1,750			
Front Loader / Automated Truck replacements			\$ 340,000			\$ 287,000
Hook Lift Truck replacement			\$ 165,000			
Leaf Truck (automated) Replacements						
Pickup Truck Replacement		\$ 41,000				
Rear Packer		\$ 330,000	\$ 350,000		\$ 415,000	
Trailblazer						
Yard Waste Facility		\$ 250,000				
Rubber Tire Loader		\$ 200,000				
Automated Leaf Truck			\$ 263,000			
Yard Waste Grinder				\$ 750,000		
Track Hoe				\$ 250,000		
John Deer Loader						\$ 201,000
Residential Sanitation						
Automated Truck	\$ 362,000	\$ 383,720		\$ 431,500		
Computer replacement			\$ 3,500			
Pickup Truck / SUV		\$ 41,000				
Rear Packer		\$ 330,000				\$ 409,000
Automated Side Loader			\$ 814,000		\$ 457,500	\$ 485,000
Commercial Bulk Services						
Box Truck			\$ 129,250			
Compaction Trailer	\$ 90,000	\$ 95,500	\$ 101,250	\$ 215,000	\$ 114,000	\$ 121,000
Computer replacement		\$ 3,500				
Front Loader Replacement		\$ 321,250		\$ 371,000	\$ 393,500	\$ 417,000
Hook Lift Truck Replacement		\$ 161,000				
Pickup Truck Replacement					\$ 47,000	
Paint Sprayer replacement				\$ 5,500		
Road Tractor Replacement	\$ 176,000	\$ 186,500	\$ 198,000	\$ 210,000	\$ 222,750	\$ 236,000
Steam Pressure Washer Replacement					\$ 6,000	
Transfer Station Renovation		\$ 100,000				
Fuel Tank						\$ 50,000
Oil Tank						\$ 15,000
Solid Waste Fund Total	\$ 628,000	\$ 2,343,470	\$ 2,365,750	\$ 2,233,000	\$ 1,649,750	\$ 2,156,000
Total Funds	\$ 13,867,071	\$ 28,688,298	\$ 13,867,071	\$ 14,600,876	\$ 17,820,829	\$ 8,673,601

Capital Improvements/Grant Projects

Citywalk

Project#B1C001
 Total Project Cost: \$25,284,331
 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

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,806,626 of which Citywalk represents approximately 29%.



	Citywalk (B1C001)					
	Citywalk (B1C001)		Citywalk - Union Square (B1C002)		Total	
	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date
Design	\$ 1,351,401.00	\$ 1,304,272.57			\$ 1,351,401.00	\$ 1,304,272.57
Construction	\$ 15,015,250.00	\$ 13,338,560.12	\$ 5,517,303.00	\$ 5,386,845.76	\$ 20,532,553.00	\$ 18,725,405.88
Engineering	\$ 1,156,959.00	\$ 945,168.15			\$ 1,156,959.00	\$ 945,168.15
Miscellaneous	\$ 682,984.00	\$ 487,338.55	\$ 465,283.00	\$ 450,962.64	\$ 1,148,267.00	\$ 938,301.19
Transfer to General	\$ 1,095,151.00	\$ 1,095,151.00			\$ 1,095,151.00	\$ 1,095,151.00
					\$ -	\$ -
TOTAL	\$ 19,301,745.00	\$ 17,170,490.39	\$ 5,982,586.00	\$ 5,837,808.40	\$ 25,284,331.00	\$ 23,008,298.79

Capital Improvements/Grant Projects

Riverwalk

Project # B1R001
 Total Project Cost: \$16,806,586
 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

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,806,626 of which Riverwalk represents approximately 41%.

	Riverwalk (B1R001)					
	Riverwalk (B1R001)		Riverwalk - NCDOT (B1R002)		Total	
	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date
Design	\$ 1,349,124.00	\$ 1,308,872.20			\$ 1,349,124.00	\$ 1,308,872.20
Construction	\$ 6,718,477.00	\$ 5,166,303.90	\$ 7,244,406.00	\$ 2,347,828.54	\$ 13,962,883.00	\$ 7,514,132.44
Engineering			\$ 618,265.00	\$ 297,952.09	\$ 618,265.00	\$ 297,952.09
Miscellaneous	\$ 27,750.00	\$ 25,610.00	\$ 50,000.00	\$ 13,764.79	\$ 77,750.00	\$ 39,374.79
Transfer to General Fund	\$ 798,564.00	\$ 798,564.00			\$ 798,564.00	\$ 798,564.00
					\$ -	\$ -
TOTAL	\$ 8,893,915.00	\$ 7,299,350.10	\$ 7,912,671.00	\$ 2,659,545.42	\$ 16,806,586.00	\$ 9,958,895.52

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. All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,681,626 of which Trivium Corporate Center represents approximately 12%.



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

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,806,626 of which Streetscapes and Gateways represents approximately 3%.

Capital Improvements/Grant Projects

Historic Ridgeview Walk

Project # B1L001
 Total Project Cost: \$6,220,946
 Project Start Date: 2019
 Project End Date: 2021
 Project Manager: Rick Beasley



Description

Historic Ridgeview 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. Historic Ridgeview Walk will specifically provide this connectivity within the Ridgeview community and connect the Ridgeview community to Downtown Hickory and U.S. 70. Historic Ridgeview 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 Historic Ridgeview Walk project by the Greater Hickory Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation (NCDOT).

Impact on Operating Budget

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,806,626 of which Historic Ridgeview Walk represents approximately 3%.

	Historic Ridgeview Walk (B1L001)					
	Historic Ridgeview Walk (B1L001+B1L003)		Historic Ridgeview Walk South (B1L002+B1L004)		Total	
	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date
Design	\$ 399,844.00	\$ 351,835.37	\$ 331,837.00	\$ 281,999.34	\$ 731,681.00	\$ 633,834.71
Construction	\$ 2,081,484.00	\$ 21,191.15	\$ 2,128,878.00	\$ -	\$ 4,210,362.00	\$ 21,191.15
Right-of-Way	\$ 344,000.00	\$ 282,643.00	\$ 47,000.00	\$ 45,150.00	\$ 391,000.00	\$ 327,793.00
Engineering	\$ 272,949.00		\$ 310,954.00		\$ 583,903.00	\$ -
Miscellaneous	\$ 254,000.00	\$ 4,897.26	\$ 50,000.00		\$ 304,000.00	\$ 4,897.26
Transfer to General Fund					\$ -	\$ -
TOTAL	\$ 3,352,277.00	\$ 660,566.78	\$ 2,868,669.00	\$ 327,149.34	\$ 6,220,946.00	\$ 987,716.12

Capital Improvements/Grant Projects

Aviation Walk

Project # B1N001
 Total Project Cost: \$28,628,665
 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. All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,806,626 of which Aviation Walk represents approximately 9%.



	Aviation Walk			
	Aviation Walk (B1N001)		Total	
	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date
Design	\$ 2,377,927.00	\$ 2,297,721.18	\$ 2,377,927.00	\$ 2,297,721.18
Construction	\$ 22,261,582.00	\$ 3,626,872.28	\$ 22,261,582.00	\$ 3,626,872.28
Right-of-Way	\$ 1,727,148.00	\$ 1,311,432.70	\$ 1,727,148.00	\$ 1,311,432.70
Engineering	\$ 1,808,919.00	\$ 285,510.72	\$ 1,808,919.00	\$ 285,510.72
Miscellaneous	\$ 453,089.00	\$ 17,881.69	\$ 453,089.00	\$ 17,881.69
TOTAL	\$ 28,628,665.00	\$ 7,539,418.57	\$ 28,628,665.00	\$ 7,539,418.57

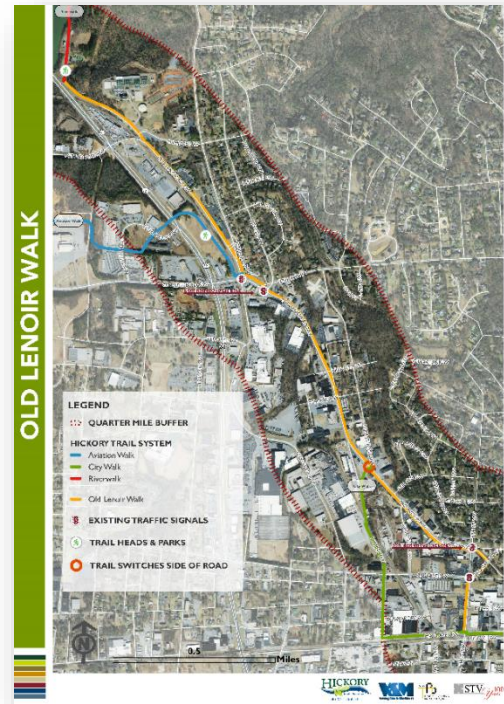
Capital Improvements/Grant Projects

OLLE Art Walk

Project # B10001
 Total Project Cost: \$16,001,137
 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 OLLE Art 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

All \$40 million in Bonds have been issued, resulting in annual Debt Service of \$2,806,626 of which OLLE Art Walk represents 5%.

	OLLE Art Walk (B10001)					
	OLLE Art Walk (B10001)		OLLE Art Walk - 9th Street (B10002)		Total	
	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date	Budgeted	Actual-to-Date
Design	\$ 1,268,928.00	\$ 1,217,637.11	\$ 255,443.00	\$ 234,153.41	\$ 1,524,371.00	\$ 1,451,790.52
Construction	\$ 10,530,537.00	\$ -	\$ 1,086,797.00		\$ 11,617,334.00	\$ -
Right-of-Way	\$ 1,255,000.00	\$ 894,189.00	\$ 158,000.00	\$ 9,721.00	\$ 1,413,000.00	\$ 903,910.00
Engineering	\$ 1,210,454.00	\$ 59,050.00	\$ 117,018.00	\$ 14,847.17	\$ 1,327,472.00	\$ 73,897.17
Miscellaneous	\$ 10,000.00	\$ 625.08	\$ 108,960.00		\$ 118,960.00	\$ 625.08
Transfer to General Fund					\$ -	\$ -
TOTAL	\$ 14,274,919.00	\$ 2,171,501.19	\$ 1,726,218.00	\$ 258,721.58	\$ 16,001,137.00	\$ 2,430,222.77

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 FY2022-2023 we continue to service the debt the 2018, 2019, and 2021 General Obligation Bond issues. The current payments on the 2018 and 2019 Bonds comprise 51% 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 22% 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 27% of all debt service requirements for the City of Hickory in FY2022-2023. Funds borrowed through this means of financing were for the Hickory Metro Convention Center and upgrades to the Hickory-Catawba Wastewater Treatment Plant.

Debt Service



DEBT SERVICE		FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2026-27
General Obligation Bonds						
Purpose	G.O. Bond Series 2018					
Interest Rate	3%-5% variable					
Issued	8/28/2018					
Due	Annually to 2038					
Outstanding	\$12,750,000					
Principal		750,000	750,000	750,000	750,000	750,000
Interest		504,375	466,875	429,375	391,875	354,375
Purpose	G.O. Bond Series 2019					
Interest Rate	2.55%-5% variable					
Issued	11/19/2019					
Due	Annually to 2039					
Outstanding	\$13,500,000					
Principal		750,000	750,000	750,000	750,000	750,000
Interest		527,250	489,750	452,250	414,750	377,250
Purpose	G.O. Bond Series 2021					
Interest Rate	2.55%-5% variable					
Issued	11/19/2021					
Due	Annually to 2039					
Outstanding	\$10,000,000					
Principal		500,000	500,000	500,000	500,000	500,000
Interest		357,500	332,500	307,500	282,500	257,500
Subtotal		\$ 3,389,125	\$ 3,289,125	\$ 3,189,125	\$ 3,089,125	\$ 2,989,125
State Revolving Loan						
Purpose	S-SRF-T-0900181 Northeast Plant					
Interest Rate	2.48%					
Issued	1/20/2013					
Due	Annually to 2033					
Outstanding	\$9,695,000					
Principal		910,000	910,000	905,000	895,000	890,000
Interest		169,663	153,738	137,900	122,150	106,488
Purpose	Central Business District					
Interest Rate	1.66%					
Issued	11/4/2017					
Due	semi-annual through 2038					
Outstanding	\$1,159,485					
Principal		68,205	68,205	68,205	68,205	68,205
Interest		18,115	16,983	15,851	14,719	13,586
Purpose	Geitner Basin Sewer					
Interest Rate	1.66%					
Issued	12/24/2017					
Due	semi-annual through 2038					
Outstanding	\$2,533,299					
Principal		149,018	149,018	149,018	149,018	149,018
Interest		39,579	37,105	34,632	32,158	29,684
Purpose	Cripple Creek ARRA Loan					
Interest Rate	0%					
Issued						
Due	Annually to 2031					
Outstanding	\$320,458					
Principal		40,057	40,057	40,057	40,057	40,457
Interest						
Subtotal		\$ 1,394,637	\$ 1,375,106	\$ 1,350,662	\$ 1,321,307	\$ 1,297,438

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					
	1.98% Reduced Interest Rate 04/22/21					
Outstanding	\$1,358,388					
Principal		200,000	200,000	200,000	200,000	200,000
Interest		25,906	21,946	17,986	14,026	10,066
Purpose	Henry River Basin Sewer					
Interest Rate	3.55%					
Issued	4/5/2005					
Due	Semi-annually to 2025					
	3.19% Reduced Interest Rate 03/21/2012					
	1.67% Reduce Interest Rate 11/30/2020					
Outstanding	\$1,662,500					
Principal		475,000	475,000	237,500		
Interest		21,814	13,882	5,949		
Purpose	Radio System Upgrade					
Interest Rate	2.92%					
Issued	10/9/2018					
Due	Semi-annually to 2023					
Outstanding	\$230,000					
Principal		115,000	57,500			
Interest		4,198	840			
Purpose	Hickory-Catawba WWTP Upgrade					
Interest Rate	2.27%					
Issued	2/1/2013					
Due	Semi-annually to 2028					
Outstanding	\$4,703,670					
Principal		687,205	702,894	718,940	735,352	752,140
Interest		95,227	79,539	63,492	47,080	30,293
Purpose	Truist-Combined Debt					
Interest Rate	1.69%					
Issued	12/16/2020					
Due	Semi-annually to 2035					
Outstanding	\$7,000,000					
Principal		500,000	500,000	500,000	500,000	500,000
Interest		111,963	103,513	95,063	86,613	78,163
Purpose	Dell Financial - Police Laptops					
Interest Rate	7.14%					
Issued	12/16/2020					
Due	Semi-annually to 2023					
Outstanding	\$102,666					
Principal		51,333	51,333			
Interest		3,667	3,667			
Purpose	Delage Landen - Sanitation Trucks					
Interest Rate	0.00%					
Issued	2/1/2021					
Due	Monthly to 2024					
Outstanding	\$353,656					
Principal		169,755	113,170			
Interest						
Subtotal		\$ 2,461,068	\$ 2,323,283	\$ 1,838,930	\$ 1,583,071	\$ 1,570,661
Grand Total		\$ 7,244,830	\$ 6,987,514	\$ 6,378,717	\$ 5,993,502	\$ 5,857,223

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.

Below is a detailed history of the City's outstanding debt over the last ten years:

Schedule 12										
CITY OF HICKORY, NORTH CAROLINA										
LEGAL DEBT MARGIN INFORMATION										
LAST TEN FISCAL YEARS										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 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	\$ 455,120,048
Total net debt applicable to limit	37,998,427	45,103,768	-	-	-	31,172,053	32,420,573	43,026,003	58,591,268	93,014,231
Legal debt margin	\$ 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	\$ 362,105,817
Total net debt applicable to the limit as a percentage of debt limit	10.12%	11.95%	0.00% ▲	0.00% ▲	0.00%	8.37%	8.43%	10.98%	14.30%	20.44%
Legal Debt Margin Calculation for Fiscal Year 2020										
Assessed value of taxable property						\$ 5,689,000,595 ▼				
Debt limit - 8 percent of assessed value						\$ 455,120,048 ▼				
Debt applicable to limit:										
Gross debt						93,014,231 ▼				
Less - water bonds						-				
Total net debt applicable to limit						93,014,231				
Legal debt margin						\$ 362,105,817				

Five Year Financial Forecast



FIVE YEAR FINANCIAL FORECAST 2022-2023 THROUGH 2027-2028

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

Five Year Financial Forecast

budgetary problems. The single largest source of revenue in this category is Powell Bill revenues, which are used solely for road maintenance.

- **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

Five Year Financial Forecast

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.

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.

Five Year Financial Forecast

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.
- **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.

Five Year Financial Forecast

- **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.
- **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 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.

Five Year Financial Forecast



- **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.

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.

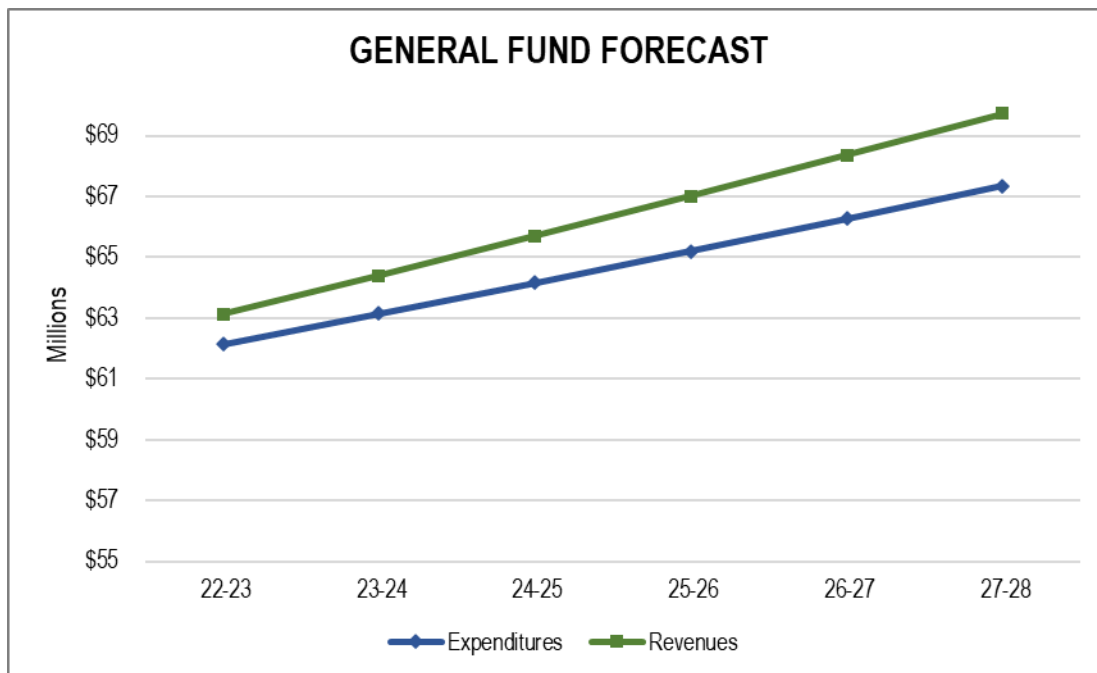
Five Year Financial Forecast



General Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Ad Valorem Taxes	\$ 34,321,707	\$ 35,008,141	\$ 35,708,304	\$ 36,422,470	\$ 37,150,919	\$ 37,893,938
Other Taxes	\$ 20,605,321	\$ 21,017,427	\$ 21,437,776	\$ 21,866,531	\$ 22,303,862	\$ 22,749,939
Unrestricted Intergovernmental	\$ 752,250	\$ 767,295	\$ 782,641	\$ 798,294	\$ 814,260	\$ 830,545
Restricted Intergovernmental	\$ 2,591,725	\$ 2,643,560	\$ 2,696,431	\$ 2,750,359	\$ 2,805,366	\$ 2,861,474
Licenses and Permits	\$ 4,500	\$ 4,590	\$ 4,682	\$ 4,775	\$ 4,871	\$ 4,968
Sales and Services	\$ 1,251,607	\$ 1,276,639	\$ 1,302,172	\$ 1,328,215	\$ 1,354,780	\$ 1,381,875
Investment Earnings	\$ 100,000	\$ 105,000	\$ 110,250	\$ 115,763	\$ 121,551	\$ 127,628
Miscellaneous	\$ 381,000	\$ 388,620	\$ 396,392	\$ 404,320	\$ 412,407	\$ 420,655
Other Financing Sources	\$ 3,133,325	\$ 3,195,992	\$ 3,259,911	\$ 3,325,110	\$ 3,391,612	\$ 3,459,444
Total	\$ 63,141,435	\$ 64,407,264	\$ 65,698,559	\$ 67,015,838	\$ 68,359,627	\$ 69,730,466

Expenditures	22-23	23-24	24-25	25-26	26-27	27-28
Personnel	\$ 36,694,961	\$ 37,428,860	\$ 38,177,437	\$ 38,940,986	\$ 39,719,806	\$ 40,514,202
Operational	\$ 16,768,368	\$ 16,936,052	\$ 17,105,412	\$ 17,276,466	\$ 17,449,231	\$ 17,623,723
Capital	\$ 5,014,171	\$ 5,064,313	\$ 5,114,956	\$ 5,166,105	\$ 5,217,766	\$ 5,269,944
Contingency	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Special Appropriations Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ 4,192,361	\$ 4,276,208	\$ 4,361,732	\$ 4,448,967	\$ 4,537,946	\$ 4,628,705
Interfund Transfers	\$ 2,010,778	\$ 2,050,994	\$ 2,092,013	\$ 2,133,854	\$ 2,176,531	\$ 2,220,061
Pro-Rata Reimbursements	\$ (3,539,204)	\$ (3,609,988)	\$ (3,682,188)	\$ (3,755,832)	\$ (3,830,948)	\$ (3,907,567)
Total	\$ 62,141,435	\$ 63,146,438	\$ 64,169,363	\$ 65,210,547	\$ 66,270,332	\$ 67,349,069

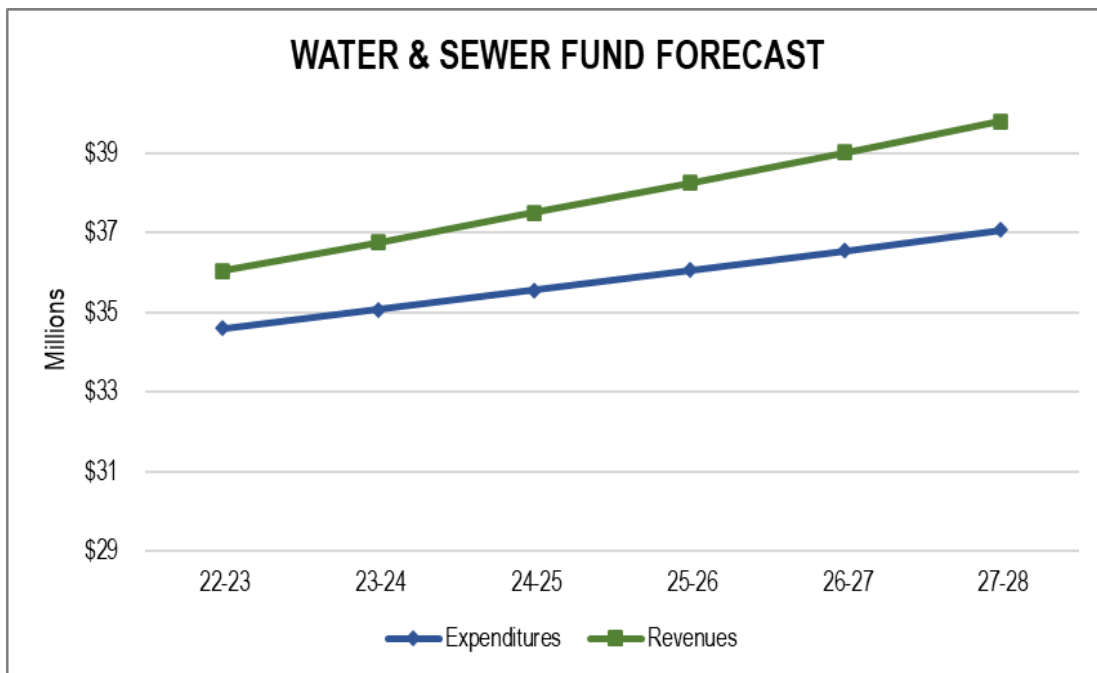


Five Year Financial Forecast



Water and Sewer Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Restricted Intergovernmental	\$ 1,105,679	\$ 1,127,793	\$ 1,150,348	\$ 1,173,355	\$ 1,196,823	\$ 1,220,759
Sales and Services	\$ 26,634,190	\$ 27,166,874	\$ 27,710,211	\$ 28,264,416	\$ 28,829,704	\$ 29,406,298
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	\$ 7,636,011	\$ 7,788,731	\$ 7,944,506	\$ 8,103,396	\$ 8,265,464	\$ 8,430,773
Total	\$ 36,045,880	\$ 36,768,598	\$ 37,505,860	\$ 38,257,961	\$ 39,025,204	\$ 39,807,896
Expenditures						
Personnel	\$ 6,991,264	\$ 7,131,089	\$ 7,273,711	\$ 7,419,185	\$ 7,567,569	\$ 7,718,920
Operational	\$ 9,757,682	\$ 9,855,259	\$ 9,953,811	\$ 10,053,350	\$ 10,153,883	\$ 10,255,422
Capital	\$ 7,588,200	\$ 7,664,082	\$ 7,740,723	\$ 7,818,130	\$ 7,896,311	\$ 7,975,274
Contingency	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Debt Service	\$ 3,563,486	\$ 3,599,121	\$ 3,635,112	\$ 3,671,463	\$ 3,708,178	\$ 3,745,260
Interfund Transfers	\$ 2,342,421	\$ 2,389,269	\$ 2,437,055	\$ 2,485,796	\$ 2,535,512	\$ 2,586,222
Pro-Rata Reimbursements	\$ 4,205,604	\$ 4,289,716	\$ 4,375,510	\$ 4,463,021	\$ 4,552,281	\$ 4,643,327
Total	\$ 34,598,657	\$ 35,078,536	\$ 35,565,923	\$ 36,060,945	\$ 36,563,734	\$ 37,074,425

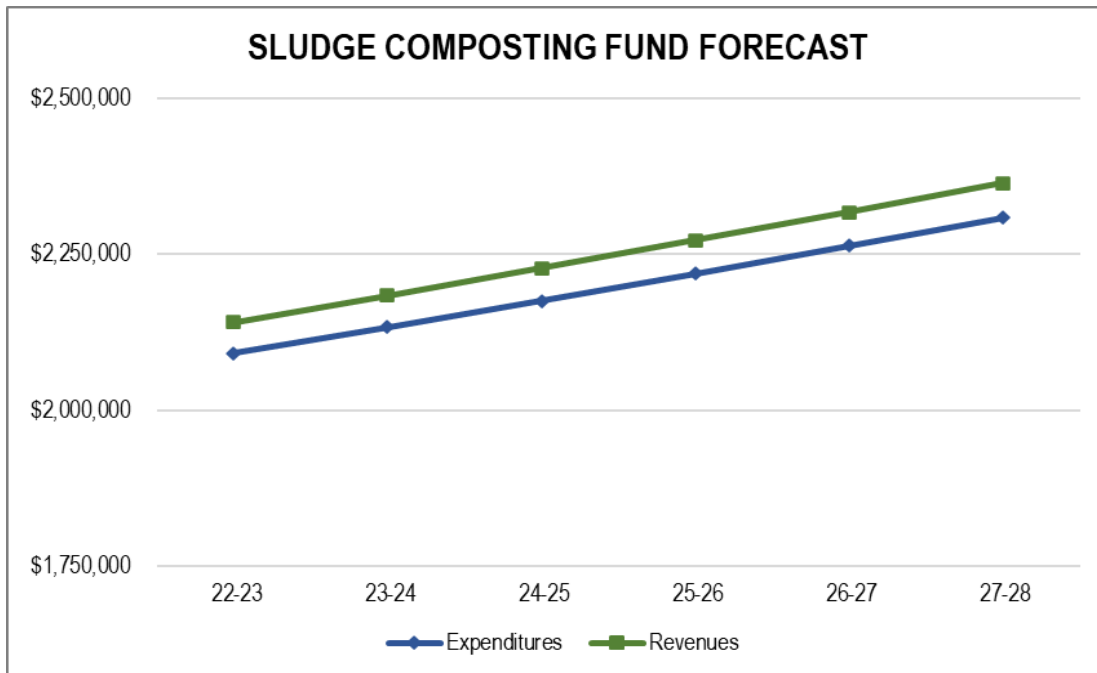


Five Year Financial Forecast



Sludge Composting Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Restricted Intergovernmental	\$ 2,141,323	\$ 2,184,149	\$ 2,227,832	\$ 2,272,389	\$ 2,317,837	\$ 2,364,194
Total	\$ 2,141,323	\$ 2,184,149	\$ 2,227,832	\$ 2,272,389	\$ 2,317,837	\$ 2,364,194
Expenditures						
Operational	\$ 1,717,443	\$ 1,751,792	\$ 1,786,828	\$ 1,822,564	\$ 1,859,016	\$ 1,896,196
Capital	\$ 240,000	\$ 244,800	\$ 249,696	\$ 254,690	\$ 259,784	\$ 264,979
Pro-Rata Reimbursements	\$ 133,880	\$ 136,558	\$ 139,289	\$ 142,075	\$ 144,916	\$ 147,814
Total	\$ 2,091,323	\$ 2,133,149	\$ 2,175,812	\$ 2,219,329	\$ 2,263,715	\$ 2,308,990

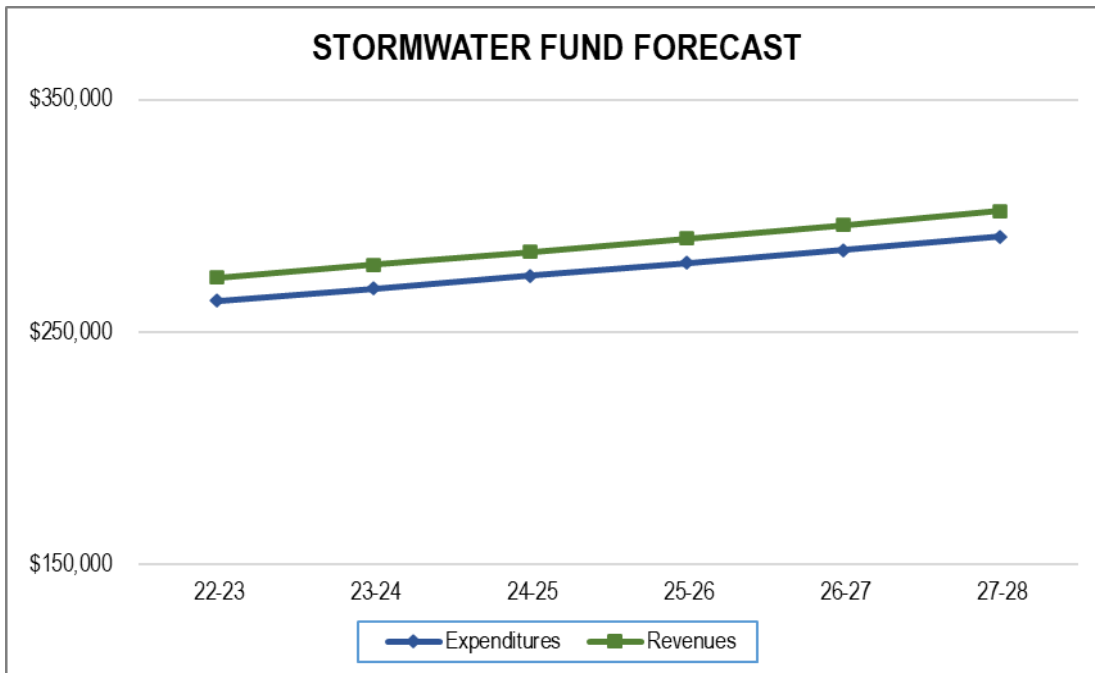


Five Year Financial Forecast



Stormwater Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Other Financing Sources	\$ 273,556	\$ 279,027	\$ 284,608	\$ 290,300	\$ 296,106	\$ 302,028
Total	\$ 273,556	\$ 279,027	\$ 284,608	\$ 290,300	\$ 296,106	\$ 302,028
Expenditures						
Personnel	\$ 109,723	\$ 111,917	\$ 114,156	\$ 116,439	\$ 118,768	\$ 121,143
Operational	\$ 153,833	\$ 156,910	\$ 160,048	\$ 163,249	\$ 166,514	\$ 169,844
Total	\$ 263,556	\$ 268,827	\$ 274,204	\$ 279,688	\$ 285,281	\$ 290,987



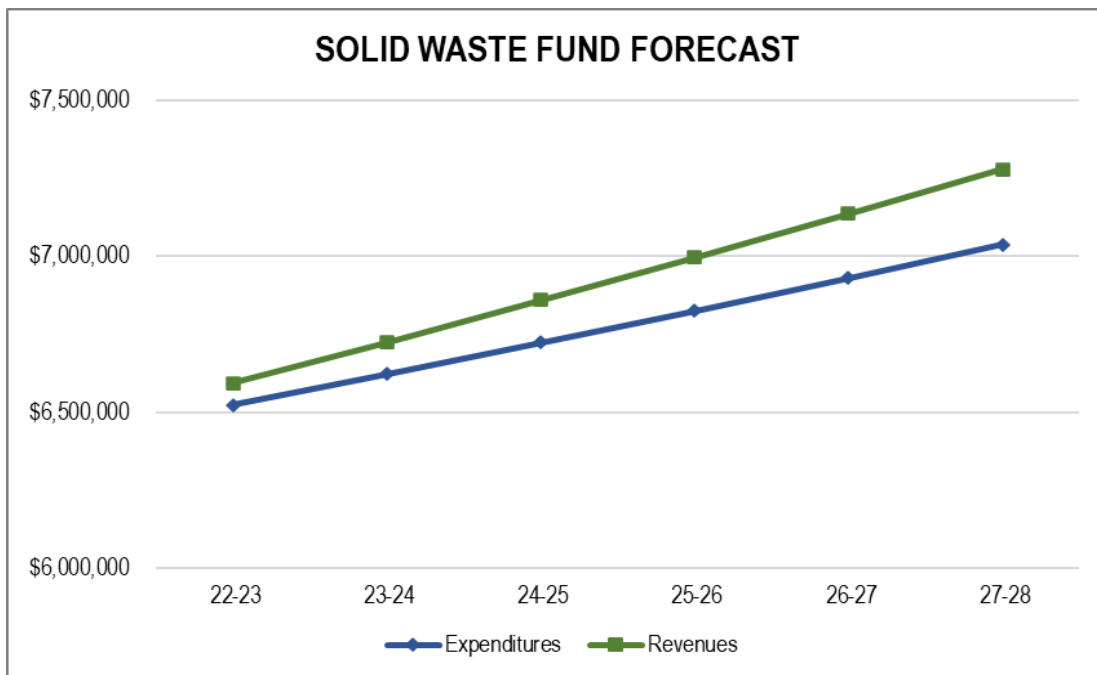
Five Year Financial Forecast



Solid Waste Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Other Taxes	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122
Sales and Services	\$ 6,238,500	\$ 6,363,270	\$ 6,490,535	\$ 6,620,346	\$ 6,752,753	\$ 6,887,808
Investment Earnings	\$ 5,000	\$ 5,100	\$ 5,202	\$ 5,306	\$ 5,412	\$ 5,520
Miscellaneous	\$ 2,000	\$ 2,040	\$ 2,081	\$ 2,122	\$ 2,165	\$ 2,208
Other Financing Sources	\$ 317,593	\$ 323,945	\$ 330,424	\$ 337,032	\$ 343,773	\$ 350,648
Total	\$ 6,593,093	\$ 6,724,955	\$ 6,859,454	\$ 6,996,643	\$ 7,136,576	\$ 7,279,307

Expenditures	22-23	23-24	24-25	25-26	26-27	27-28
Personnel	\$ 2,196,905	\$ 2,240,843	\$ 2,285,660	\$ 2,331,373	\$ 2,378,000	\$ 2,425,560
Operational	\$ 3,014,881	\$ 3,045,030	\$ 3,075,480	\$ 3,106,235	\$ 3,137,298	\$ 3,168,671
Capital	\$ 628,000	\$ 640,560	\$ 653,371	\$ 666,439	\$ 679,767	\$ 693,363
Contingency	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Pro-Rata Reimbursements	\$ 633,329	\$ 645,996	\$ 658,915	\$ 672,094	\$ 685,536	\$ 699,246
Total	\$ 6,523,115	\$ 6,622,428	\$ 6,723,427	\$ 6,826,140	\$ 6,930,601	\$ 7,036,840



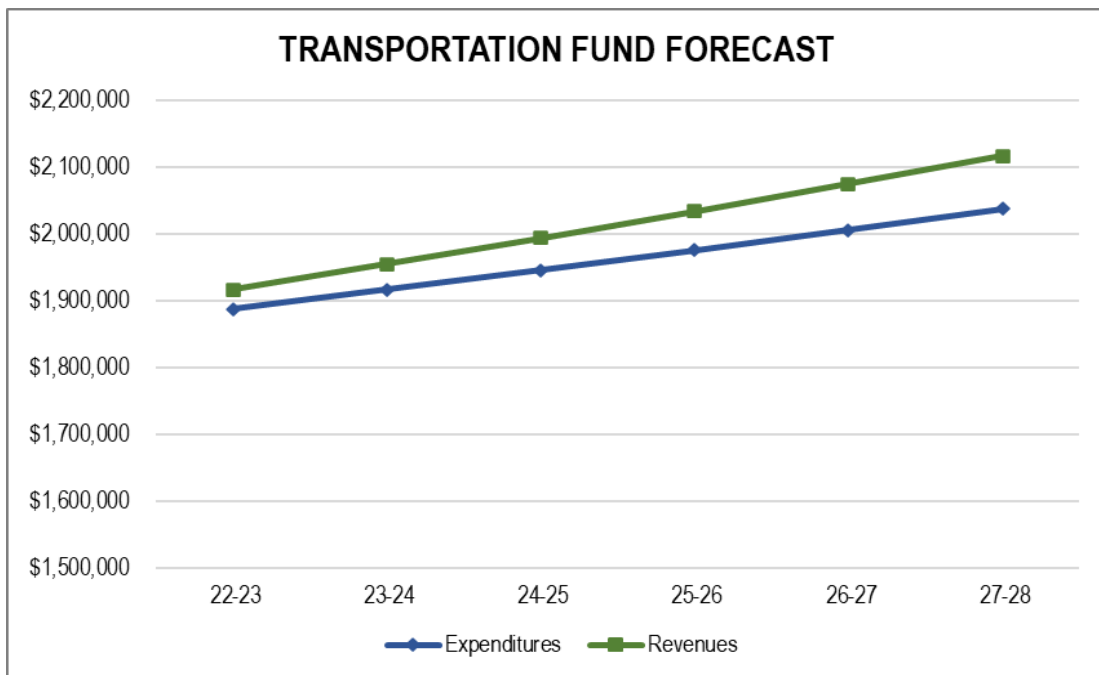
Five Year Financial Forecast



Transportation Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Sales and Services	\$ 1,606,720	\$ 1,638,854	\$ 1,671,631	\$ 1,705,064	\$ 1,739,165	\$ 1,773,949
Restricted Governmental	\$ 58,000	\$ 59,160	\$ 60,343	\$ 61,550	\$ 62,781	\$ 64,037
Investment Earnings	\$ 2,500	\$ 2,550	\$ 2,601	\$ 2,653	\$ 2,706	\$ 2,760
Other Financing Sources	\$ 250,000	\$ 255,000	\$ 260,100	\$ 265,302	\$ 270,608	\$ 276,020
Total	\$ 1,917,220	\$ 1,955,564	\$ 1,994,676	\$ 2,034,569	\$ 2,075,261	\$ 2,116,766

Expenditures	22-23	23-24	24-25	25-26	26-27	27-28
Personnel	\$ 744,209	\$ 759,093	\$ 774,275	\$ 789,761	\$ 805,556	\$ 821,667
Operational	\$ 485,961	\$ 490,821	\$ 495,729	\$ 500,686	\$ 505,693	\$ 510,750
Capital	\$ 323,000	\$ 329,460	\$ 336,049	\$ 342,770	\$ 349,626	\$ 356,618
Contingency	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Pro-Rata Reimbursements	\$ 134,539	\$ 137,230	\$ 139,974	\$ 142,774	\$ 145,629	\$ 148,542
Total	\$ 1,887,709	\$ 1,916,604	\$ 1,946,027	\$ 1,975,991	\$ 2,006,504	\$ 2,037,577

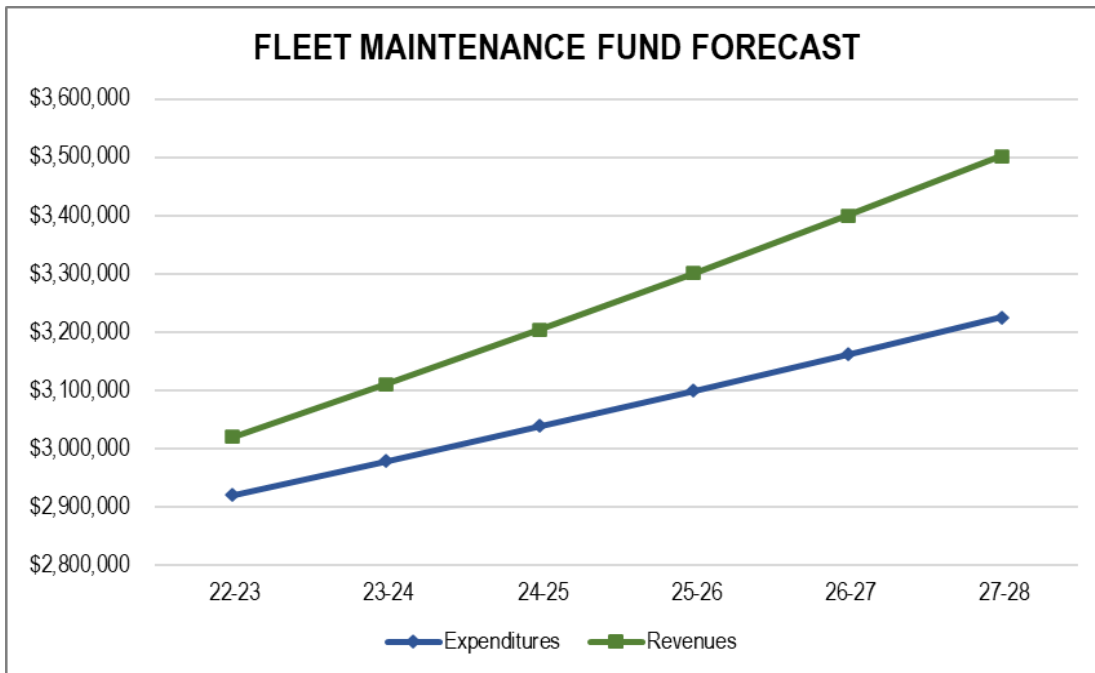


Five Year Financial Forecast



Fleet Maintenance Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Sales and Services	\$ 3,020,962	\$ 3,111,591	\$ 3,204,939	\$ 3,301,087	\$ 3,400,119	\$ 3,502,123
Total	\$ 3,020,962	\$ 3,111,591	\$ 3,204,939	\$ 3,301,087	\$ 3,400,119	\$ 3,502,123
Expenditures						
Personnel	\$ 761,315	\$ 776,541	\$ 792,072	\$ 807,914	\$ 824,072	\$ 840,553
Operational	\$ 1,794,191	\$ 1,830,075	\$ 1,866,676	\$ 1,904,010	\$ 1,942,090	\$ 1,980,932
Capital	\$ 73,700	\$ 75,174	\$ 76,677	\$ 78,211	\$ 79,775	\$ 81,371
Pro-Rata Reimbursements	\$ 291,756	\$ 297,591	\$ 303,543	\$ 309,614	\$ 315,806	\$ 322,122
Total	\$ 2,920,962	\$ 2,979,381	\$ 3,038,969	\$ 3,099,748	\$ 3,161,743	\$ 3,224,978



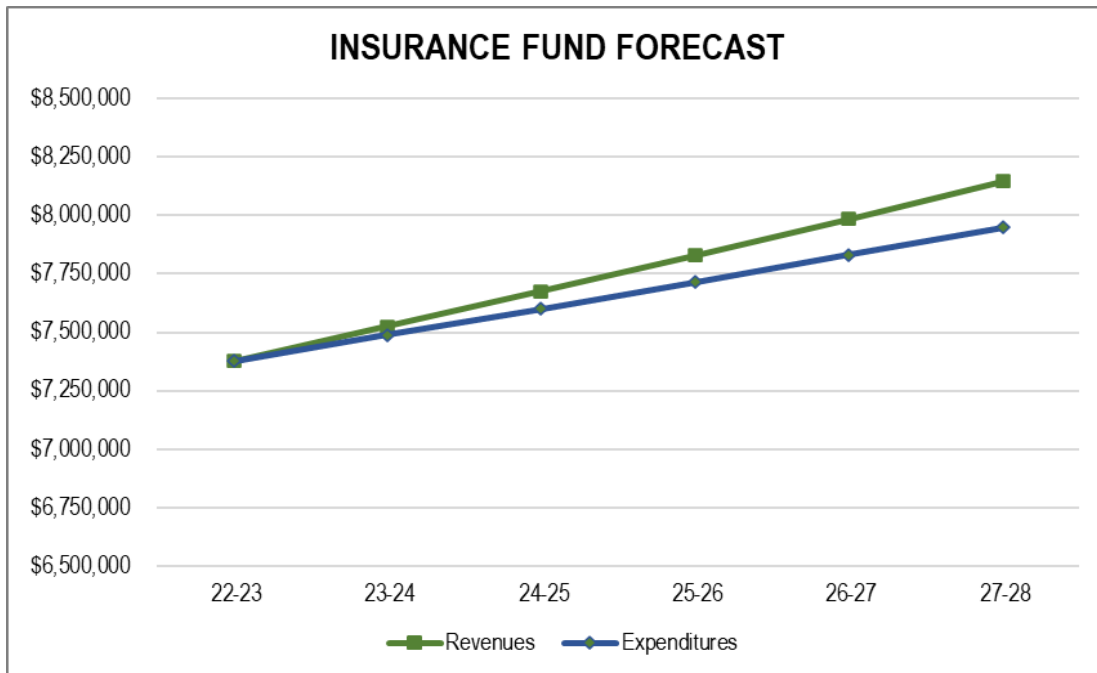
Five Year Financial Forecast



Insurance Fund Forecast

Revenues	22-23	23-24	24-25	25-26	26-27	27-28
Sales and Services	\$ 7,293,419	\$ 7,439,287	\$ 7,588,073	\$ 7,739,835	\$ 7,894,631	\$ 8,052,524
Investment Earnings	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082
Other Financing Sources	\$ 63,994	\$ 65,274	\$ 66,579	\$ 67,911	\$ 69,269	\$ 70,655
Total	\$ 7,377,413	\$ 7,524,961	\$ 7,675,460	\$ 7,828,970	\$ 7,985,549	\$ 8,145,260

Expenditures	22-23	23-24	24-25	25-26	26-27	27-28
Operational	\$ 7,377,413	\$ 7,488,074	\$ 7,600,395	\$ 7,714,401	\$ 7,830,117	\$ 7,947,569
Total	\$ 7,377,413	\$ 7,488,074	\$ 7,600,395	\$ 7,714,401	\$ 7,830,117	\$ 7,947,569



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.

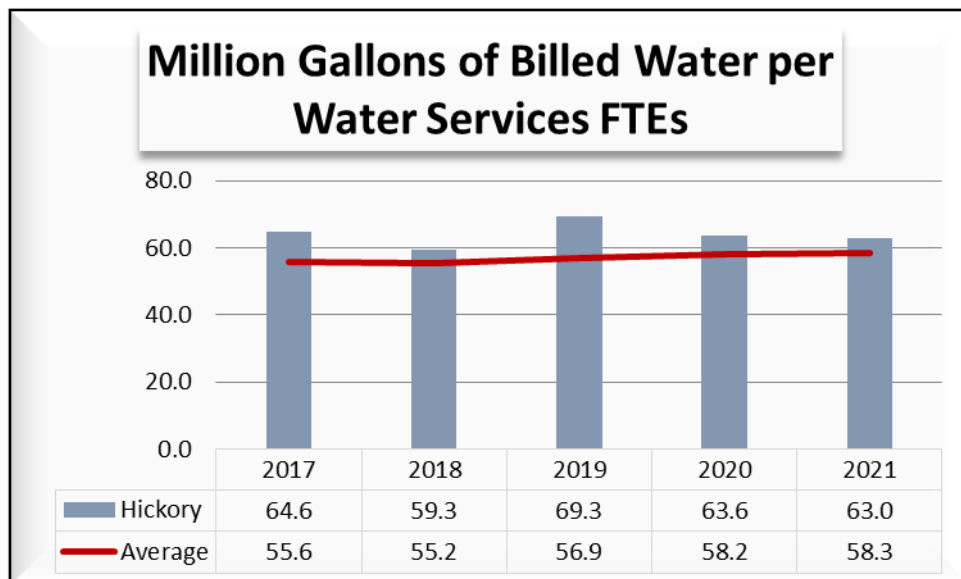
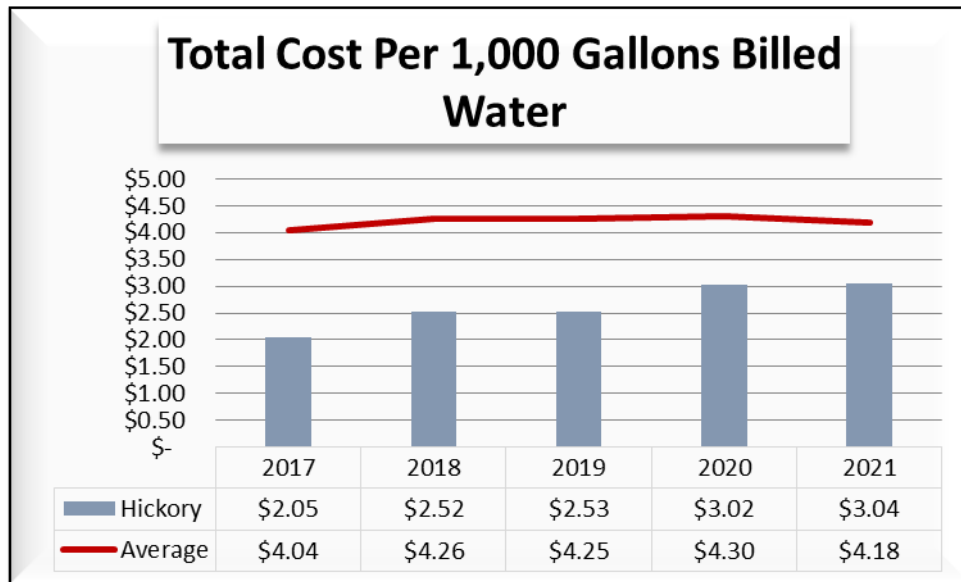
Since FY1998-1999 the City has participated in the North Carolina Local Government Performance Measurement Project (NCPMP). The primary purpose of the project is to develop a model that North Carolina cities can duplicate and use to support ongoing efforts in performance measurement and benchmarking. 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:

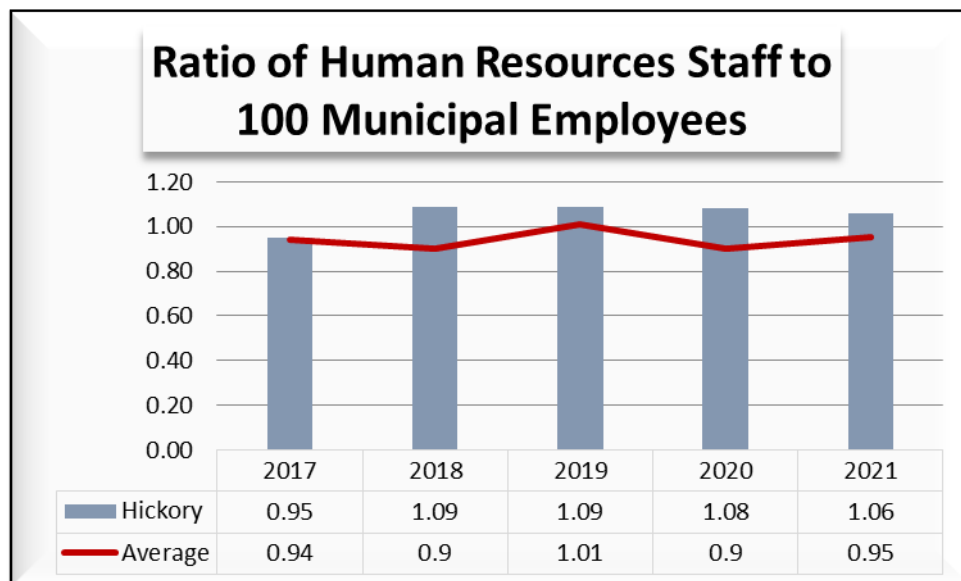
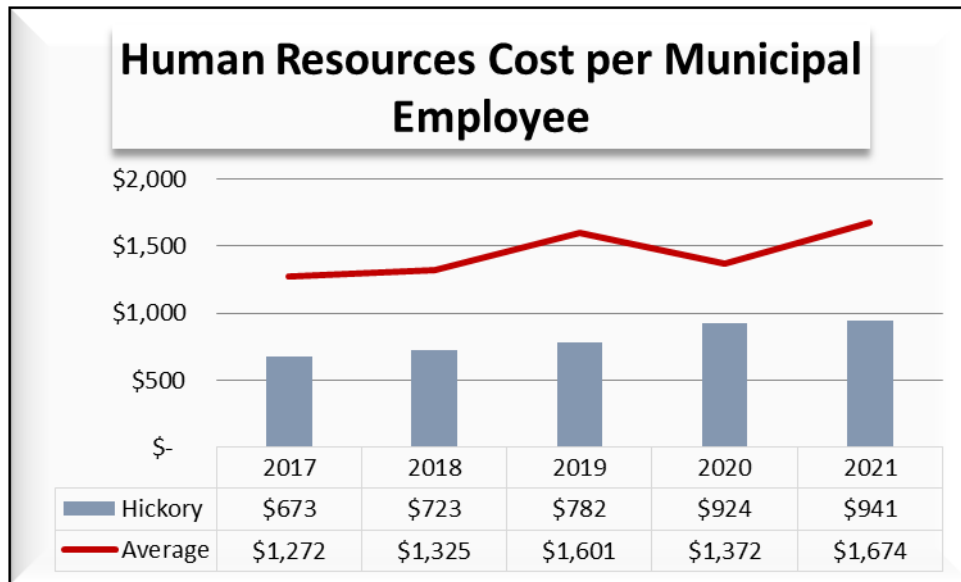
- Residential Refuse Collection
- Household Recycling
- Yard Waste & Leaf Collection
- Police Services
- Emergency Communications
- Asphalt Maintenance and Repair
- Fire Services
- Fleet Maintenance
- Central Human Resources
- Water Services
- Wastewater Services
- Core Parks and Recreation

Current participants in the NCPMP include the cities of: Apex, Chapel Hill, Charlotte, Concord, Goldsboro, Greensboro, Greenville, Hickory, Raleigh, Wilson, and Winston-Salem. The following are the most recent services measured (FY2020-21) and a sampling of the results.

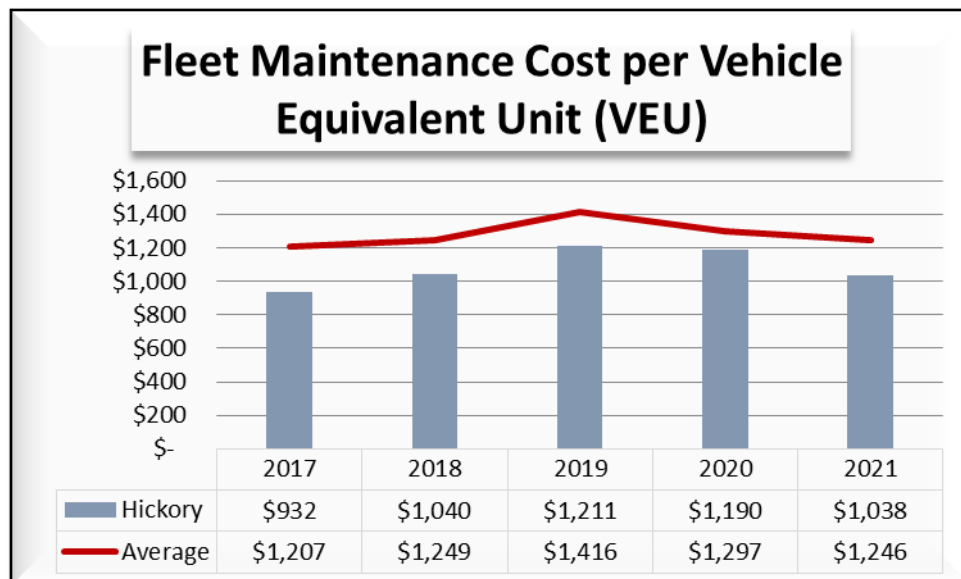
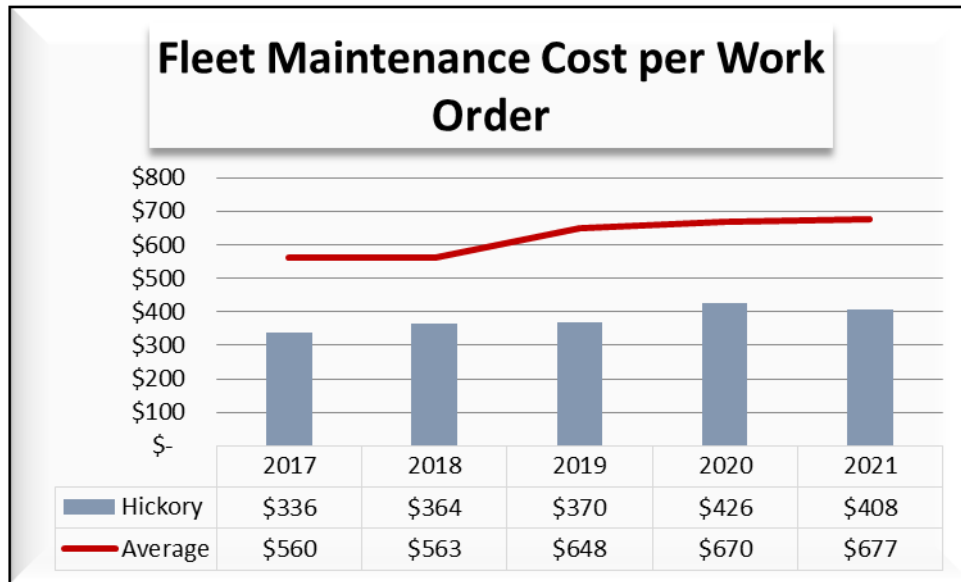
Water Services



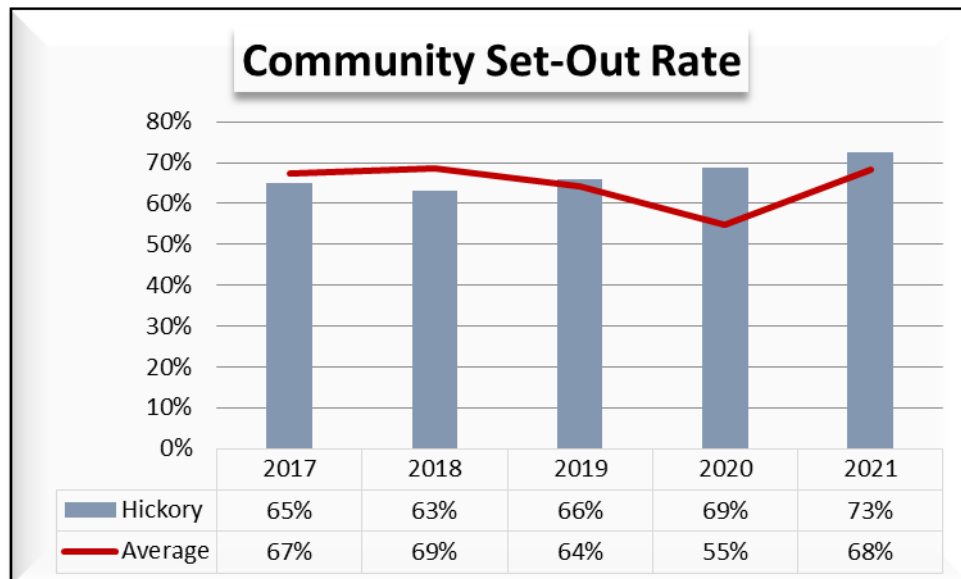
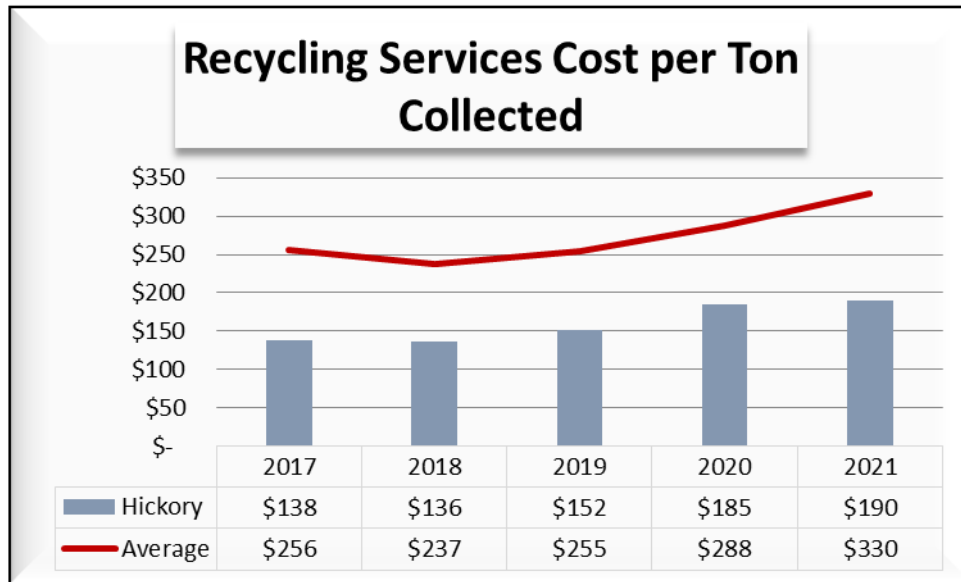
Human Resources



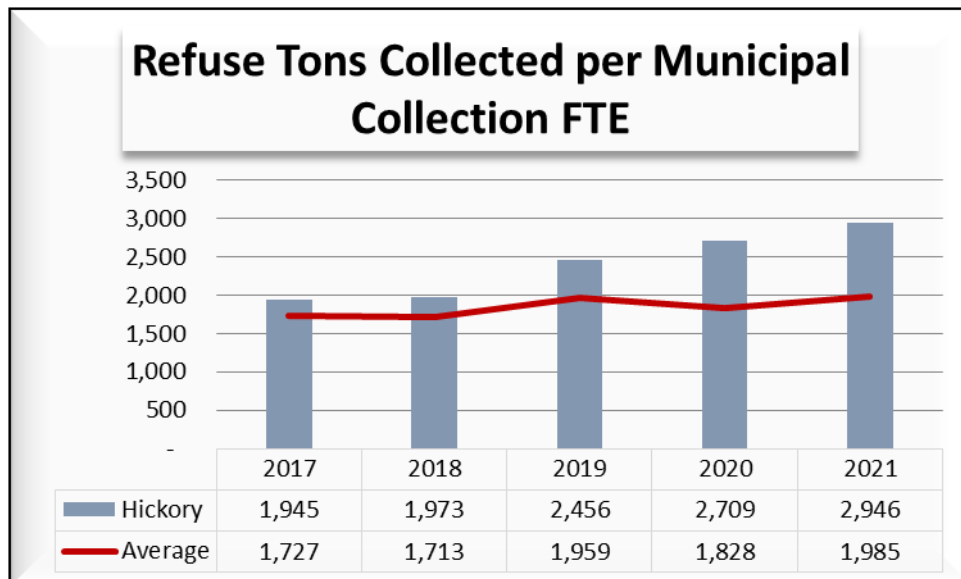
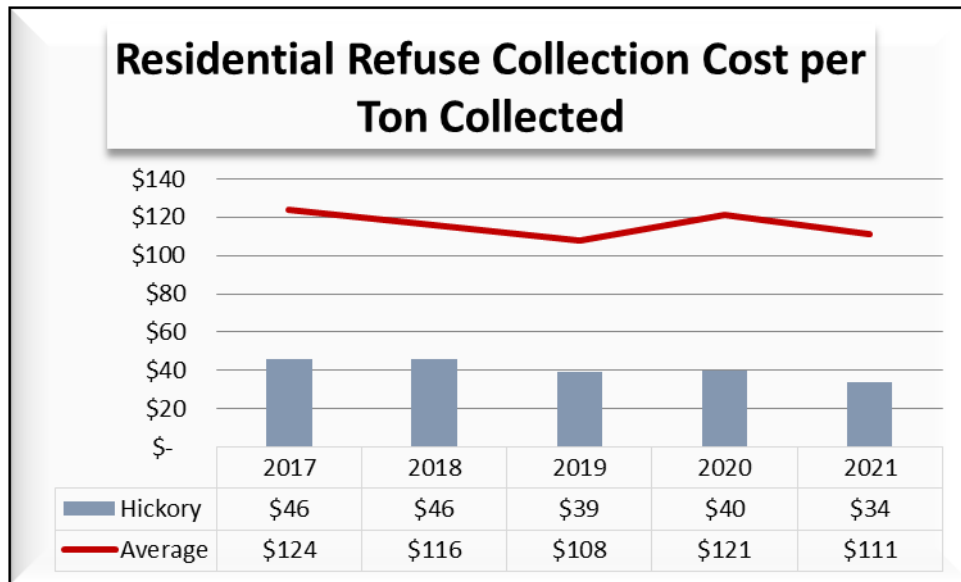
Fleet Maintenance



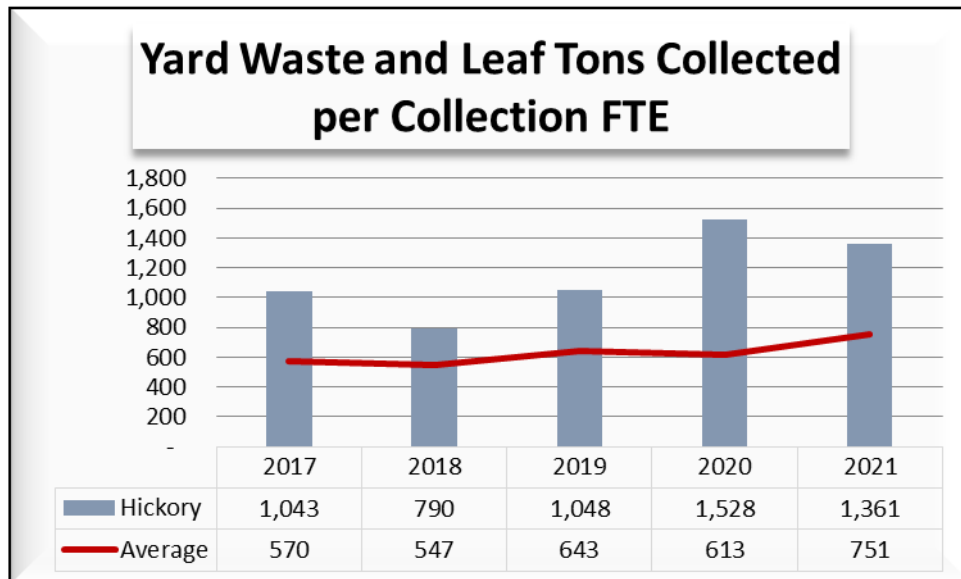
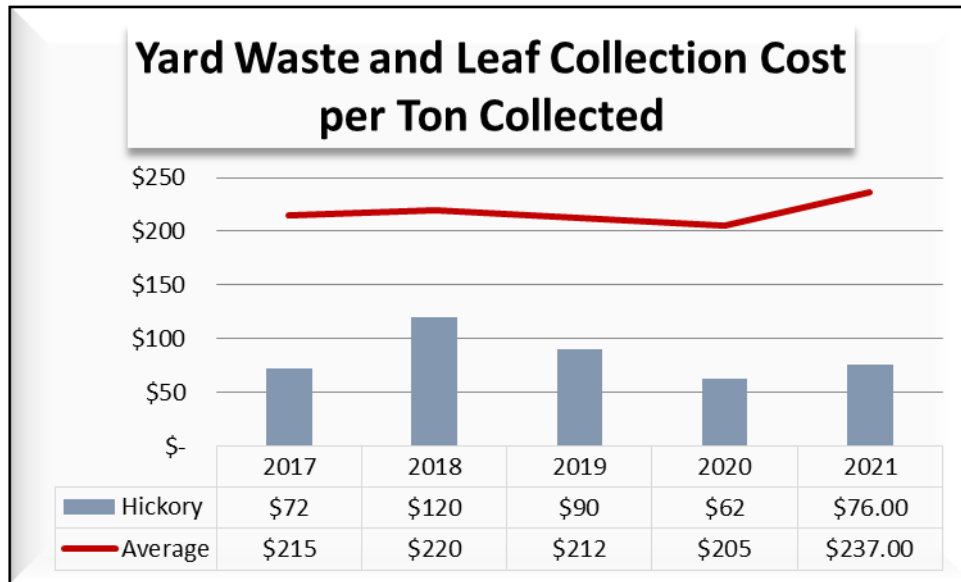
Household Recycling



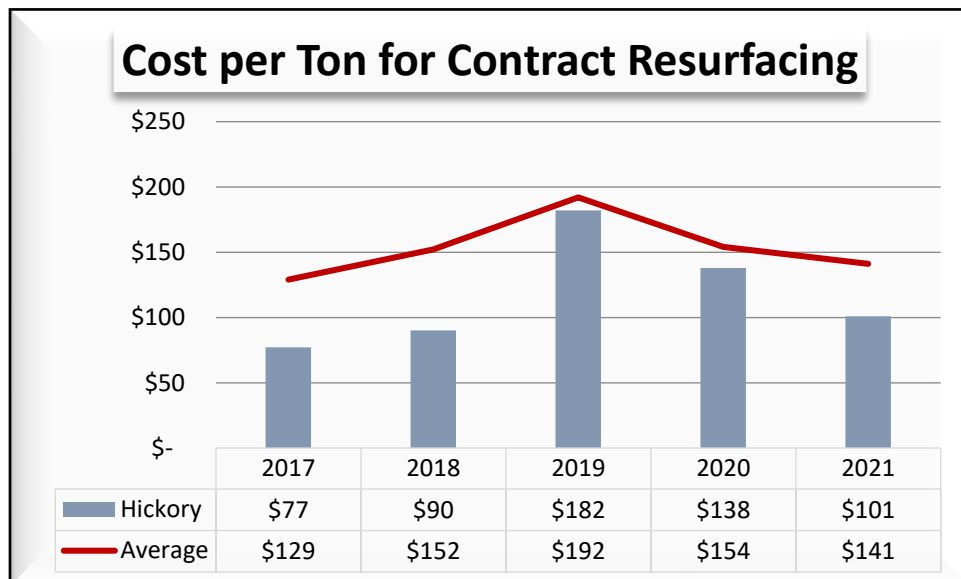
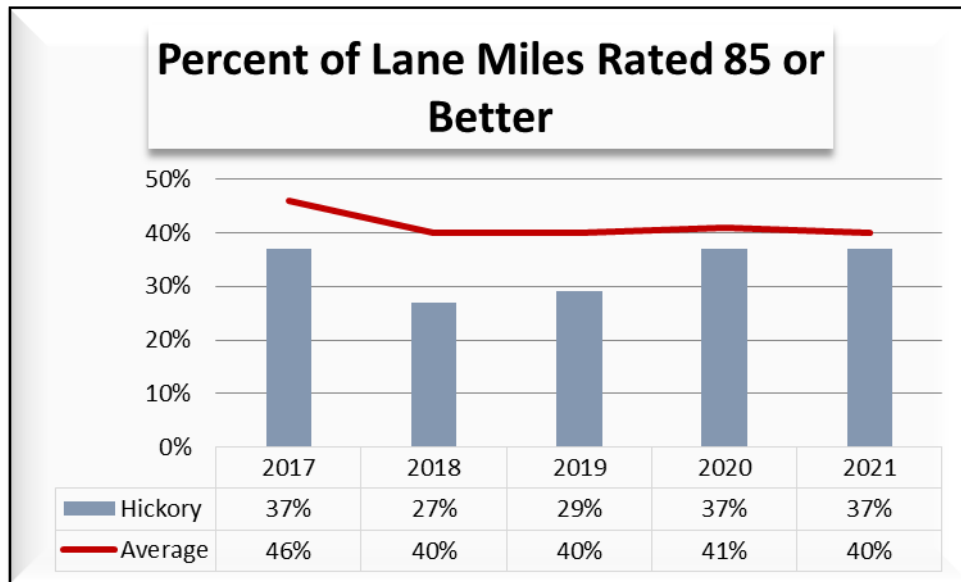
Residential Refuse Collection



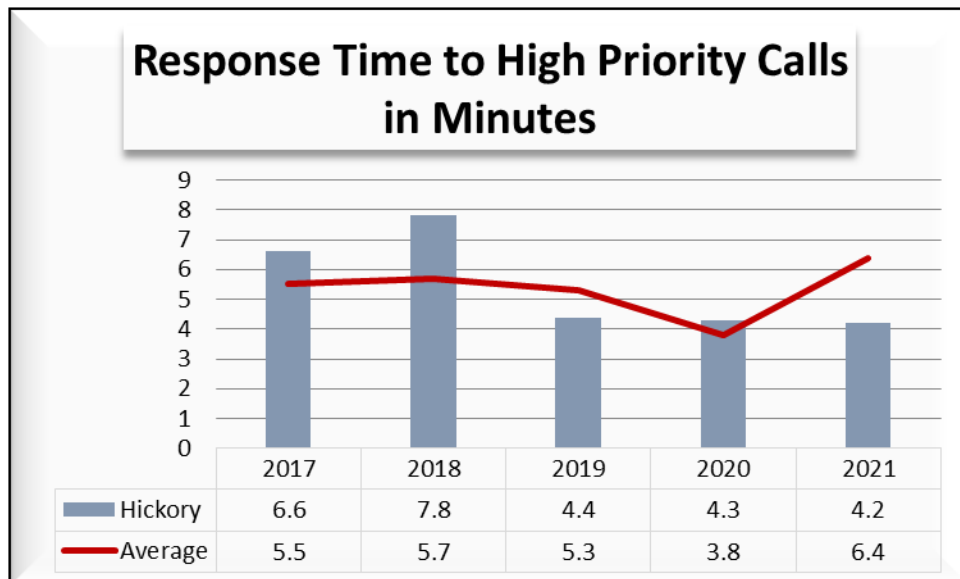
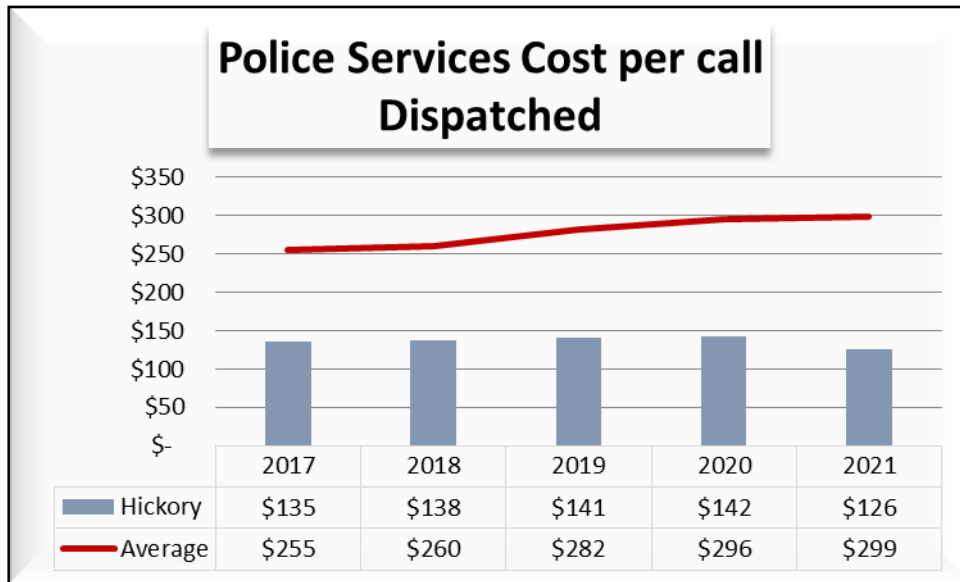
Yard Waste and Leaf Collection



Asphalt Maintenance

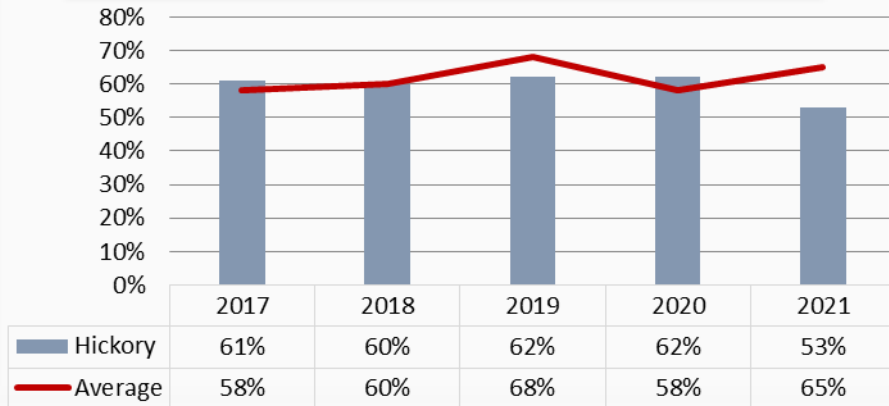


Police Services

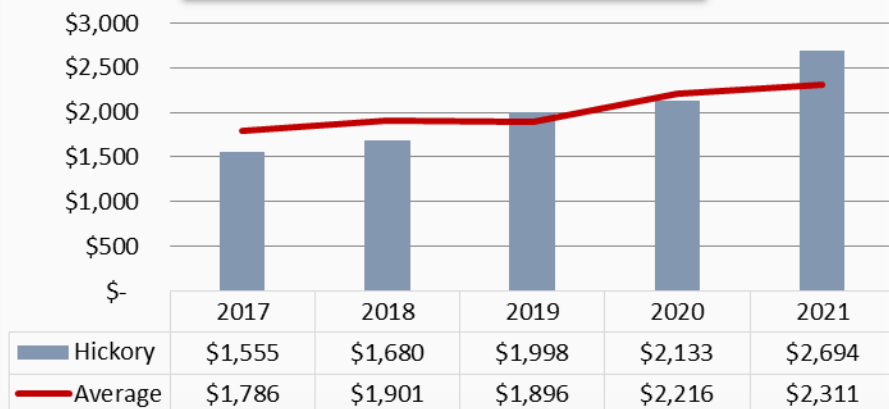


Fire Services

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 43,578 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.

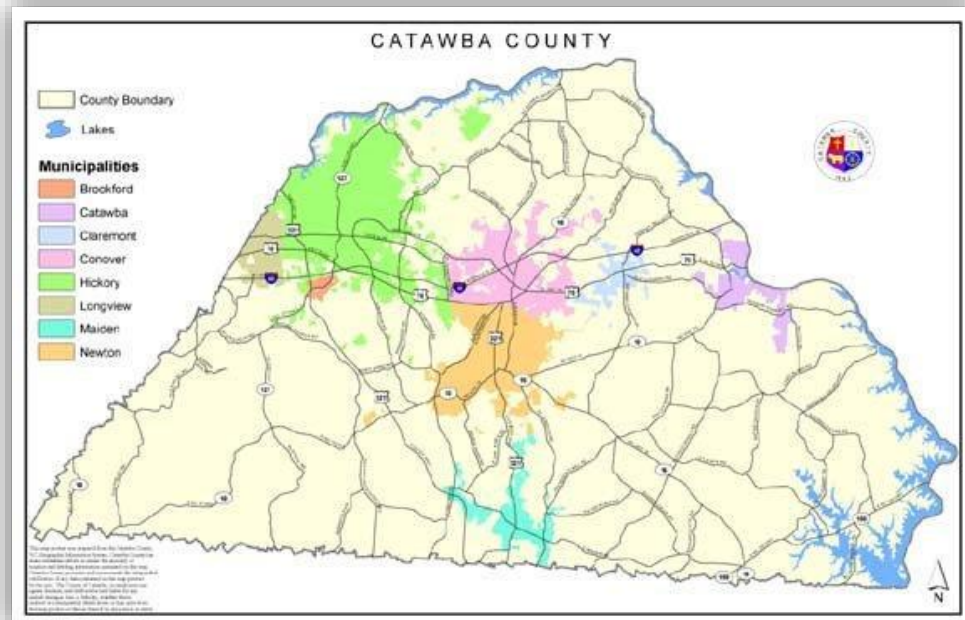
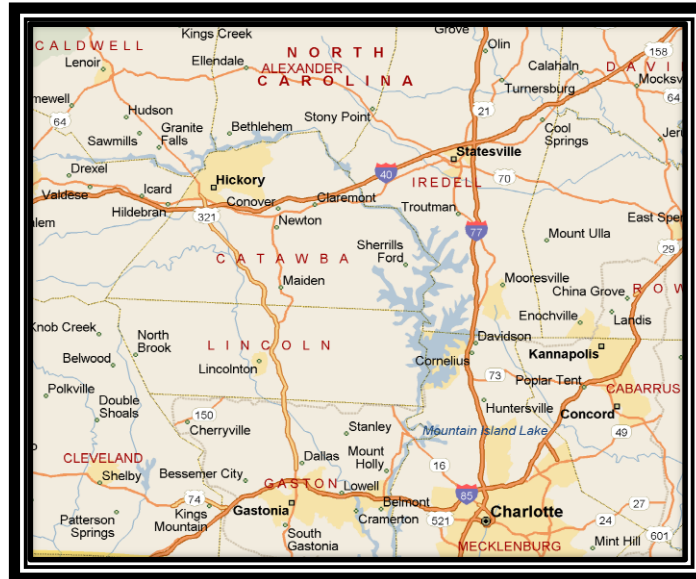


The citizens of Hickory and surrounding areas enjoy minor league baseball at L.P. Frans Stadium, home of the Hickory Crawdads.

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

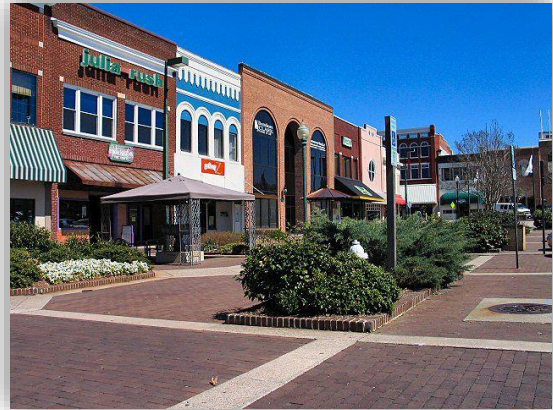


JURISDICTION	POPULATION	SIZE (SQUARE MILES)
City of Hickory	43,578	29.8
Catawba County	160,924	398.7

(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 2021-2022

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 (FY2021-2022) Estimated through June 2022

Type	Catawba	Burke	Caldwell	Total
Real	3,931,023,860	10,792,000	79,066,650	4,020,882,510
Personal	1,113,853,304	46,576,543	29,321,357	1,189,751,204
Public Services	126,521,315	706,385	56,720,086	183,947,786
TOTAL	5,171,398,479	58,074,928	165,108,093	5,394,581,500

CITY OF HICKORY, NORTH CAROLINA						
PRINCIPAL PROPERTY TAXPAYERS						
CURRENT YEAR AND NINE YEARS AGO						
Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value
Merchants Distributors Inc	\$ 132,242,629	1	2.49%	\$ 121,898,304	1	2.60%
Corning Optical Communications LLC	114,896,553	2	2.17%	67,070,329	2	1.43%
Duke Lifepoint	81,159,218	3	1.53%			
Duke Energy Carolinas LLC	60,170,258	4	1.13%	34,313,856	6	0.73%
Shurtape Technologies Inc	42,854,858	5	0.81%	25,949,335	9	0.55%
DLP Frye Regional Medical Center LLC	34,453,500	6	0.65%	35,837,200	5	0.76%
Valley Hills Mall LLC	28,700,000	7	0.54%	45,907,420	3	0.98%
Hickory Springs Mfg Co	25,018,507	8	0.47%	25,141,769	10	0.54%
Health Care Property Investors	23,837,400	9	0.45%			
Tate Boulevard I, II, III & IV LLC	23,499,300	10	0.44%	29,603,500	7	0.63%
American Med International	-		0%	39,828,688	4	0.85%
Inland Western Hickory -Catawba LLC	-		0%	26,753,200	8	0.57%
Total	\$ 566,832,223		10.68%	\$ 452,303,601		9.64%

Source: Catawba County, Caldwell County and City of Hickory Administrative Services

Supplementary Information



HICKORY METRO AREA WATER & SEWER RATE COMPARISONS

**As of January 12, 2022 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	\$ 49.40	\$ 54.00	\$ 103.40
City of Conover	\$ 26.19	\$ 34.06	\$ 60.25
City of Newton	\$ 36.63	\$ 48.33	\$ 84.96
Town of Taylorsville	\$ 37.50	\$ 37.50	\$ 75.00
Average	\$ 37.43	\$ 43.47	\$ 80.90
City of Hickory	\$ 26.32	\$ 33.97	\$ 60.29 Current

Utilities

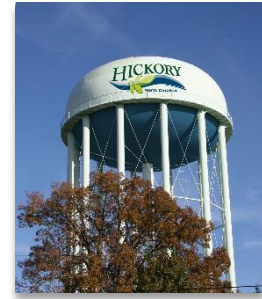
Sewer Lines (miles)	499
Water Lines (miles)	937
Finished Water (gal/day)	11.14 MGD

Water/Sewer Service Connections

Residential	39,485
Commercial	15,723
Total	55,208

Supplementary Information

TEN LARGEST WATER USERS By Volume July 1, 2020 – June 30, 2021



I. WATER

	CUSTOMERS	CUBIC FEET	GALLONS	REVENUE
1	CONOVER, CITY OF	81,973,577	613,162,356	\$ 492,071.07
2	MAIDEN, TOWN OF	45,788,634	342,498,982	\$ 403,402.50
3	LONGVIEW, TOWN OF	32,980,250	246,692,270	\$ 340,435.36
4	ICARD TOWNSHIP WATER CORP	23,681,214	177,135,481	\$ 247,706.26
5	APPLE	15,034,840	112,460,603	\$ 415,814.45
6	ALEXANDER CORR INST (PRISON)	5,881,710	43,995,191	\$ 160,357.27
7	CATAWBA VALLEY MEDICAL CENTER	5,473,853	40,944,420	\$ 95,270.76
8	MDI	3,485,762	26,073,500	\$ 61,840.46
9	COH/ CITY OF HICKORY	2,853,132	21,341,427	\$ 95,513.03
10	LEXINGTON HICKORY LLC	2,526,367	18,897,225	\$ 36,067.83
		219,679,339	1,643,201,455	\$ 2,348,478.99

II. SEWER

	CUSTOMERS	CUBIC FEET	GALLONS	REVENUE
1	LONGVIEW, TOWN OF	29,873,093	223,450,735	\$552,520.29
2	BURKE COUNTY	16,375,808	122,491,043	\$301,732.06
3	CATAWBA VALLEY MEDICAL CENTER	5,456,871	40,817,395	\$155,936.88
4	MDI	3,485,762	26,073,500	\$91,755.62
5	LEXINGTON HICKORY LLC	2,526,367	18,897,225	\$66,307.48
6	FRYE REGIONAL MEDICAL CENTER	2,341,030	17,510,904	\$48,751.42
7	NU-DIMENSIONS INC	2,320,198	17,355,081	\$83,267.58
9	SHURTAPE TECH	2,001,273	14,969,522	\$66,773.31
8	LENOIR RHYNE UNIVERSITY	1,857,314	13,892,709	\$81,823.49
10	LEGENDS AT HICKORY	1,754,544	13,123,989	\$72,163.12
		67,992,260	508,582,103	\$ 1,521,031.25

Supplementary Information



City of Hickory Pay Plan July 1, 2022

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
9	Airport Customer Service Representative Customer Service Representative I Fleet Vehicle Service Technician Library Assistant I Maintenance Tech I, II, III Meter Reader Police Records Clerk Transfer Station Operator	\$28,787.33	\$35,984.15	\$43,180.98
10	Administrative Technician Animal Control Officer Construction Worker Customer Service Representative II Electrician Apprentice Equipment Operator Groundskeeper Horticultural Technician Park Supervisor	\$30,244.67	\$37,805.85	\$45,367.02
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	\$31,775.81	\$39,719.77	\$47,663.72
12	Administrative Assistant Airport Maintenance Specialist Central Warehouse Coordinator Community Development Technician Crew Leader FBO Supervisor Human Resources Generalist Laboratory Technician I Library Maintenance Coordinator Library Technician Maintenance Mechanic Mechanic I Parts Specialist Planning Technician Police Telecommunicator	\$33,384.47	\$41,730.58	\$50,076.71

Supplementary Information



	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 Arbor Tech I CAD Operator / Land Survey Tech Recreation Programmer Senior Groundskeeper Sports Programmer Wastewater Treatment Plant Operator II Water Treatment Plant Operator II	\$35,074.56	\$43,843.19	\$52,611.81
14	Arbor Tech II Cemetery Sexton Central Services Supervisor Circulation Supervisor Electrician Fire Education Assistant Help Desk Specialist IT Administrative Specialist Library Outreach Coordinator Maintenance Mechanic Crew Leader Mechanic II Parks, Recreation & Sports Tourism Budget Coordinator Payroll Specialist Police Records Supervisor Senior Telecommunicator Special Projects Crew Leader Wastewater Treatment Plant Operator III Water Treatment Plant Operator III Zoning Enforcement Officer	\$36,850.20	\$46,062.75	\$55,275.30
15	Community Engagement Coordinator - Ridgeview Branch Horticulture Specialist Multimedia Coordinator Police Budget & Logistics Coordinator Police Media & Community Service Coordinator Senior Fire Mechanic Transportation Inspection and Plan Review Turf Grass Specialist	\$38,715.75	\$48,394.69	\$58,073.62
16	Accountant Building Services Supervisor Chemist	\$40,675.72	\$50,844.66	\$61,013.58

Supplementary Information



	Code Enforcement Officer			
	Executive Assistant			
	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			
	Sports Tourism Coordinator			
	Traffic Signal / Radio Operator			
	Utilities Budget Coordinator			
17	Airport Operations Supervisor	\$42,734.95	\$53,418.68	\$64,102.40
	Business Services Coordinator			
	Community Navigator			
	Fire Education Coordinator			
	Fire Maintenance Supervisor			
	Fire Prevention Inspector			
	GIS Analyst			
	Landscape Services Supervisor			
	Lead Telecommunicator			
	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			
18	Digital Services Coordinator	\$44,898.40	\$56,122.98	\$67,347.59
	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			

Supplementary Information



19	Budget Analyst Building Services Coordinator Fire Accreditation Manager Human Resources Analyst Occupational Health Nurse Organizational Development Coordinator Police Communication Supervisor Pretreatment Coordinator Senior Planner Special Operations Coordinator Systems Analyst	\$47,171.36	\$58,964.21	\$70,757.07
20	Billing and Collections Manager Civil Engineer I Communications Specialist Wastewater Treatment Plant Superintendent Water Treatment Plant Superintendent	\$49,559.41	\$61,949.28	\$74,339.13
21	Assistant Finance Officer City Clerk Civil Engineer II Collections Manager Community Development Manager Fleet Manager GIS Manager Governmental Affairs Analyst Library Branch Manager Library Head of Reference and Tech Services Library Head of Youth Services Network Architect Planning Manager Senior Police Digital Forensic Evidence Tech Senior Systems Analyst Solid Waste Manager Street Maintenance Manager	\$54,704.33	\$68,380.41	\$82,056.49
22	Asst. HR Director Business Services Manager Environmental Manager Infrastructure Manager	\$60,383.33	\$75,479.16	\$90,575.02

Supplementary Information



	Senior Civil Engineer Parks & Public Properties Manager Risk Manager			
23	Airport Manager Communications & Marketing Manager Construction Project Manager Finance Officer Information Technology Manager Transportation & Engineering Manager	\$66,651.92	\$83,314.90	\$119,973.45
24	Assistant Public Services Director Executive Assistant Manager Transportation Planning Manager	\$73,571.25	\$102,999.76	\$132,428.25
25	Deputy Attorney Human Resources Director Library Director Director of PRST Planning Director	\$77,249.82	\$108,149.74	\$139,049.67
26	Public Utilities Director Public Works Director	\$81,112.31	\$113,556.89	\$146,002.16
27	Assistant City Manager Deputy City Manager / CFO	\$98,945.14		

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.

