

City of Hickory North Carolina



Fiscal Year 2016-2017 Adopted Budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Hickory
North Carolina**

For the Fiscal Year Beginning

July 1, 2015

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget presentation to the City of Hickory for its annual budget for the fiscal year beginning July 1, 2015.

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

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

Hickory City Council



Mayor – G. Rudy Wright



Ward 1 – Brad Lail
Mayor Pro Tem



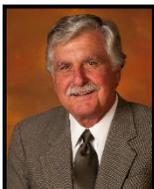
Ward 2 – Vernon Tarlton



Ward 3 – Danny Seaver



Ward 4 – Hank Guess



Ward 5 – David Zagaroli



Ward 6 – Jill Patton

City of Hickory Adopted Budget



Fiscal Year
July 1, 2016 – June 30, 2017



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

City Administration

City Manager	Mick Berry
Assistant City Manager/CFO	Rodney Miller
Assistant City Manager	Andrea Surratt
Public Services Director	Chuck Hansen
Police Chief	Thurman Whisnant
Fire Chief	Fred Hollar
Parks and Recreation Director	Mack McLeod
Planning Director	Brian Frazier
Library Director	Sarah Greene
Deputy City Attorney	Arnita Dula
Communications and Marketing Manager	Dana Kaminske
Airport Manager	Terry Clark
Finance Officer	Melissa Miller
Human Resources Director	Claudia Main
Information Technology Manager	Mike Woods

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

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 Priorities and Action Plan: 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 includes brief descriptions of the various City departments and divisions, and the responsibilities of each.

General Fund, Enterprise Funds, and Other Funds Sections: Every City department or division appears with individual presentations of performance measures, objectives, and budgets. The presentations of the departments, and how they relate to their individual funds, are the most specific presentations of the budget.

Capital Improvements/Grant Projects: A feature section that highlights special City capital improvement initiatives, including those with state or federal grant funding.

Debt Service: The City's debt position is discussed 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.

To find specific information that appears in individual sections, please refer to the *Table of Contents*, the first tab in the budget document

City of Hickory

Department Organizational Chart

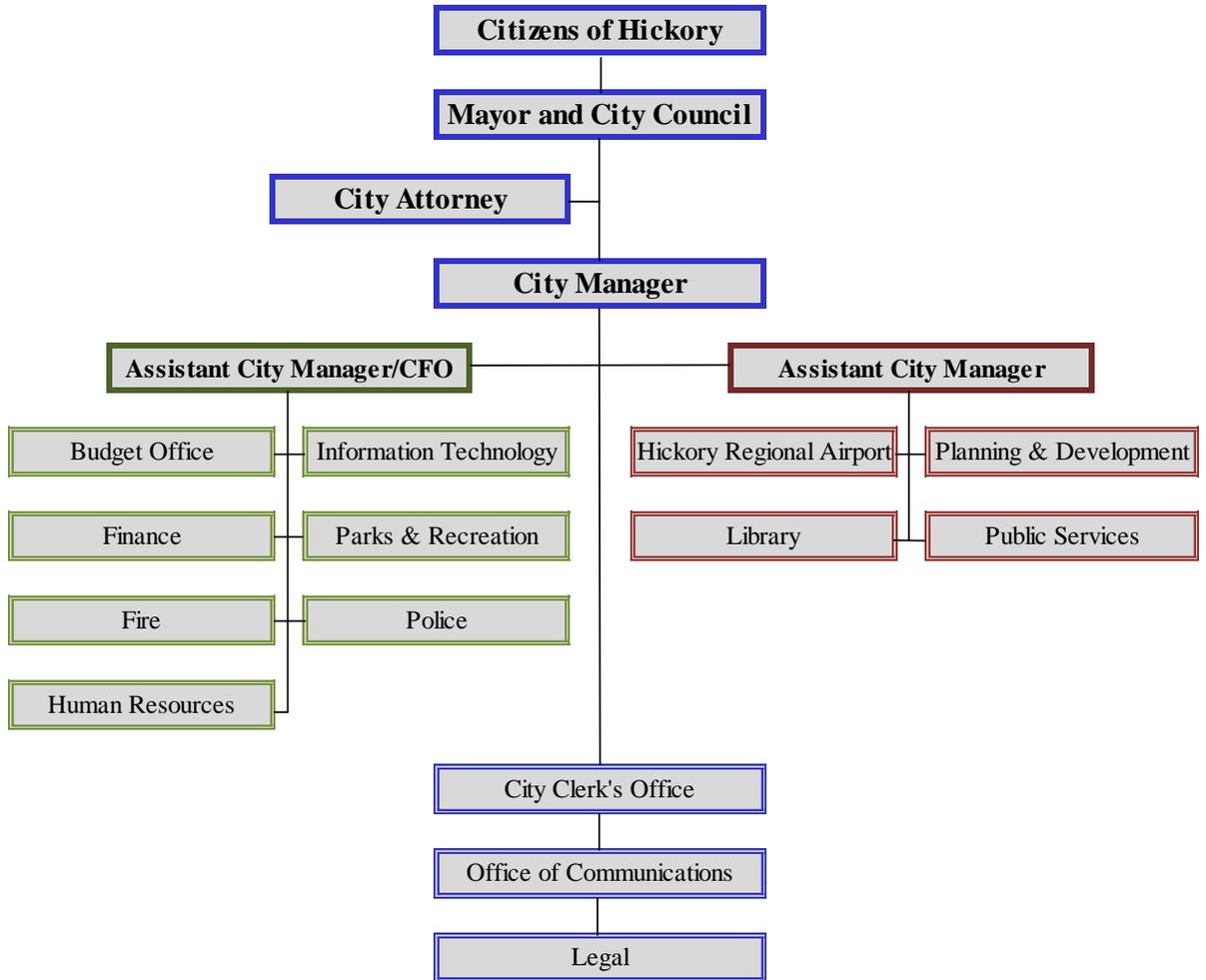


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2016-2017 Adopted Budget

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City Manager's Message



2016-2017 Adopted Budget



City of Hickory
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Email: mberry@hickorync.gov

Office of the City Manager

May 17, 2016

The Honorable Rudy Wright, Mayor
Members of the City Council
Hickory, North Carolina

Dear Mayor Wright and Members of the City Council:

Pursuant to Section 159-11 of the North Carolina General Statutes, I am pleased to present the Recommended City Budget for FY2016-2017 for your review and consideration. The \$93,510,834 annual spending plan is balanced and prepared in accordance with generally accepted budget standards.

The General Fund budget is recommended at \$47,989,733, a 4.1% increase over the current year. The property tax rate remains at \$.5665 cents per \$100 and no new positions are recommended. A 3% or 2% (depending on performance) annual increase is recommended for full-time City coworkers. Minor adjustments in prescription copays are recommended for the City's health insurance policy, but it continues to be fully funded by the City and other employee benefits remain unchanged.

The Water and Sewer Fund is proposed at \$24,969,585, a (12.3%) decrease from the prior year. Consistent with City Council Policy, utility rates are increased by the CPI along with a maintenance fee for water/sewer infrastructure which totals 1.8% to our customers. The sizeable decrease is due to three major projects totaling \$5.5 million for water and sewer line replacements in the downtown area and a replacement generator at the water plant that was funded in FY2015-2016.

Last year, residents received new 96 gallon roll out recycling containers, which has significantly increased the volume and number of recyclable items. Continuing an effort to promote self-sufficiency, the monthly sanitation rate is recommended to increase by \$1 per month from \$18.50 to \$19.50, which remains below many of our peers statewide.

The 42 member bond commission completed their initial work to determine the scope of projects to be included in the \$40 million bond package. The second phase of their work will commence with the selection of design engineers to provide the final details of each project and to begin construction. The actual issuing and repayment of the bonds is not anticipated to take place in FY2016-2017, but the budget will need to be amended during

the year to appropriate funds from reserves (fund balance) to pay those engineering, architecture, and design contracts which we do anticipate entering into during the year. The reserves will then be replenished from bonds funds, expected to be issued in FY2017-2018.

While the “Crafting Hickory” bond projects are center stage, I want to remind City Council and residents of the outstanding services provided day in and day out by our exceptional City coworkers. Crime rates are down, emergency response times are low, recreation and library services are highly valued, and we operate an award-winning regional utility system. Street and sanitation employees keep our City safe and clean, and we are grateful for the partnership between residents and employees which make Hickory such a wonderful and desirable community.

Sincerely,

A handwritten signature in black ink, appearing to read "Mick W. Berry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mick W. Berry
City Manager

Budget Overview



2016-2017 Adopted Budget

FY2016-2017 ADOPTED BUDGET OVERVIEW

<u>Operating Funds</u>	<u>Adopted Budget Amount</u>
General Fund	\$47,989,733
Water and Sewer Fund	24,969,585
Sludge Composting Fund	1,726,338
Stormwater Fund	267,702
Transportation Fund	2,591,027
Solid Waste Fund	4,645,860
Total	\$ 82,190,245
<u>*Internal Service Funds</u>	
Capital Reserve Fund	\$1,660,000
Fleet Maintenance Fund	2,666,033
Insurance Fund	6,994,556
Total	\$ 11,320,589
All Funds Total	\$ 93,510,834

*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, Parks and 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, the Capital Reserve Fund, and Residential Refuse Collection and Recycling operations in the Solid Waste Fund.

In the FY2016-2017 Budget, the General Fund is balanced with a property tax rate of fifty-six and sixty-five ten thousandths (\$0.5665) per one hundred dollars (\$100) valuation. This keeps the tax rate the same as FY2015-2016, the adoption of which was the first tax increase in twenty years. During FY2016-2017, this rate will provide \$24,800,000 in property tax revenue. The property tax base is estimated to be \$4,565,919,360. The City's property tax base has increased \$150,741,139 over the FY2015-2016 amount.

The FY2016-2017 General Fund Budget totals \$47,989,733.

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.

Budget Overview



There is a 1.8% increase proposed in water and sewer rates for FY2016-2017. 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 FY2016-2017 Water and Sewer Fund Budget totals \$24,969,585.

Sludge Composting Fund

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

A consortium consisting of Hickory, Conover, and Catawba County manages the Sludge Composting Fund. This fund receives its revenues from those jurisdictions. The finances of the fund are managed by the City of Hickory, and its budget is contained within the City of Hickory's Annual Budget.

The FY2016-2017 Budget for the Sludge Composting Fund totals \$1,726,338.

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 FY2016-2017 Stormwater Fund Budget totals \$267,702.

Transportation Fund

The Transportation Fund contains all Airport activities of the City. The Hickory Regional Airport assumed Fixed Based Operations responsibilities in December 2011. This fund is totally self-supporting, meaning it receives no supplement from any other fund to support its operations.

The FY2016-2017 Budget for the Transportation Fund totals \$2,591,027.

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 FY2016-2017 this fee is recommended to increase by \$1.00 from \$18.50 per month to \$19.50 per month. This increase reflects City Council's goal of moving the Solid Waste Fund towards self-supporting status.

The FY2016-2017 Solid Waste Fund Budget totals \$4,645,860.

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 (\$0.02) cents of the property tax rate towards the Capital Reserve Fund to ensure the availability of funds necessary for capital projects such as buildings,

Budget Overview



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 FY2016-2017 Budget, the General Fund and Water and Sewer Fund will both make financial contributions to the Capital Reserve Fund. The amounts will be \$920,000 and \$740,000 respectively.

The total budget for the Capital Reserve Fund for FY2016-2017 is \$1,660,000 which includes the appropriations toward major capital purchases and projects.

Fleet Maintenance Funds

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 FY2016-2017 Budget for the Fleet Maintenance Fund totals \$2,666,033.

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 FY2016-2017 Budget for the Insurance Fund totals \$6,994,556.

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 FY2016-2017 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

Budget Overview

- 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, 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

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

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

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

- Administration of Federal Stormwater Regulations
- Provide Water and Sewer Taps to Habitat for Humanity projects
- Sanitary Sewer Overflow Program
- Water Tank Maintenance Program
- Water Consumer Confidence Report
- Contract with Veolia Water North America for Sludge Composting Facility Operations
- Provide 66% of the Funding for the Sludge Composting Facility Operations (3 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

Budget Overview



- 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-Conover Tourism Development Authority (Funding for Convention and Visitors Bureau Marketing)
- 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 (Recreation, Parks Maintenance, 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

Other Financing Uses

- General Fund Transfer to Solid Waste Fund to support operations
- General Fund Transfer to General Capital Reserve (2 cents policy)
- Water and Sewer Fund Transfer to General Capital Reserve

Debt Service

- Hickory Metro Convention Center – General Fund
- Ridgeview Recreation Center – General Fund
- Revenue Sharing Projects with Catawba County – Water and Sewer Fund
- City of Conover (Northeast Sewer) – Water and Sewer Fund
- Annexation Area II Utilities – Water and Sewer Fund
- Maiden Waterline – Water and Sewer Fund
- North East Waste Water Treatment Plant – Water and Sewer Fund
- Henry River Basin Sewer Project – Water and Sewer Fund
- Hickory-Catawba Waste Water Treatment Plant – Water and Sewer Fund
- Cripple Creek Sewer Outfall – Water and Sewer Fund

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. Since the scope and scale of this plan is so broad, funding mechanisms for this plan are currently being developed. This plan was developed between 2012 and 2014.
- 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.
- 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 and Bikeway 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, and was updated in FY2000-2001.
- 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: Developed in 1990, the Airport Master Plan addresses the needs of the Airport and provides suggestions and recommendations for future needs and requirements of the Airport facility to satisfy the region's aviation demands.
- 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

Budget Overview

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.
 - West Hickory/Westmont - Adopted in 2000.
 - Highland - Adopted in 2002.
 - Claremont – Adopted in 2008.
- Hickory by Choice: This Comprehensive Land Use and Transportation Plan for Hickory was originally adopted in 1986. There are limited expenditures associated with this plan, as most of it relates to the City's land use and transportation policy. The City updated and revised this plan in FY2000-2001, and then again in FY2010-2011.

Budget Ordinance



2016-2017 Adopted Budget

Annual Budget Ordinance



CITY OF HICKORY Budget Ordinance Fiscal Year 2016-2017

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, 2016 and ending June 30, 2017:

Ad Valorem Taxes	\$25,390,000
Other Taxes	14,500,000
Unrestricted Intergovernmental Revenues	595,000
Restricted Intergovernmental Revenues	2,054,401
Licenses and Permits	7,200
Sales and Services	1,750,359
Investment Earnings	125,000
Miscellaneous	318,000
Other Financing Sources	<u>3,249,773</u>
	\$47,989,733

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, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

General Government	\$ 6,272,335
Public Safety	23,271,046
Transportation	6,262,037
Economic and Community Development	2,981,290
Culture and Recreation	5,937,195
Other Financing Uses	1,200,311
Debt Service	1,415,519
Contingency	<u>650,000</u>
	\$47,989,733

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, 2016 and ending June 30, 2017:

Restricted Intergovernmental Revenues	\$ 1,181,577
Sales and Services	21,716,880
Investment Earnings	50,000
Miscellaneous	340,000
Other Financing Sources	<u>1,681,128</u>
	\$24,969,585

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, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	\$19,892,096
Other Financing Uses	1,157,697
Debt Service	3,619,792
Contingency	<u>300,000</u>
	\$24,969,585

SECTION 5: It is estimated that the following revenue will be available in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017:

Restricted Intergovernmental Revenues	<u>\$1,726,338</u>
	\$1,726,338

SECTION 6: The following amounts are appropriated in the Sludge Compost Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$1,726,338</u>
	\$1,726,338

SECTION 7: It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017:

Other Financing Sources	<u>\$267,702</u>
	\$267,702

SECTION 8: The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$267,702</u>
	\$267,702

SECTION 9: It is estimated that the following revenues will be available in the Transportation Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017:

Sales and Services	\$2,584,027
Restricted Governmental Revenues	6,000
Investment Earnings	<u>1,000</u>
	\$2,591,027

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, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Transportation	<u>\$2,591,027</u>
	\$2,591,027

SECTION 11: It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017:

Other Taxes	\$ 25,000
Sales and Services	4,241,400
Investment Earnings	5,000
Miscellaneous	3,000
Other Financing Sources	<u>371,460</u>
	\$4,645,860

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, 2016 and ending June 30, 2017, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	<u>\$4,645,860</u>
	\$4,645,860

SECTION 13: It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2016 and ending June 30, 2017:

Other Financing Sources	<u>\$1,660,000</u>
	\$1,660,000

SECTION 14: The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2016, and ending June 30, 2017 in accordance with the chart of accounts heretofore established for this City:

Other Financing Uses	<u>\$1,660,000</u>
	\$1,660,000

SECTION 15: The following amounts form the revenue portion of the financial plan for the Fleet Maintenance Fund:

Sales & Services	<u>\$2,666,033</u>
	\$2,666,033

Annual Budget Ordinance



SECTION 16: The following amounts form the expenditure portion of the financial plan for the Fleet Maintenance Fund:

General Government	\$2,666,033
	\$2,666,033

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

Sales & Services	\$6,917,094
Investment Earnings	40,000
Other Financing Sources	<u>37,462</u>
	\$6,994,556

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

General Government	\$6,994,556
	\$6,994,556

SECTION 19: The operating funds encumbered on the financial records of June 30, 2016 are hereby reappropriated into this budget.

SECTION 20: There is hereby levied a property tax at the rate of fifty-six and sixty-five ten thousandths cents (\$0.5665) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2016, 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 \$4,565,919,360 and the Fiscal Year 2015-2016 estimated rate of collection of 98.2%.

SECTION 21: The corresponding “FY 2016-2017 Schedule of Fees” is approved with the adoption of this Annual Budget Ordinance.

SECTION 22: 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 \$50,000 between functional areas including contingency appropriations, within the same fund. He must make an official report on such transfers at the next regular meeting of the Governing Board.
- c. He may not transfer any amounts between funds, except as approved by the Governing Board in the Annual Budget Ordinance as amended.

Annual Budget Ordinance



SECTION 23: 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. 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
- f. Construction or repair projects
- g. Liability, health, life, disability, casualty, property, or other insurance or performance bonds
- h. Other administrative contracts which include agreements adopted in accordance with the directives of the Governing Body

SECTION 24: Copies of the Annual Budget Ordinance shall be furnished to the City Clerk, to the Governing Board and to the City Manager (Budget Officer) and the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this 21st day of June, 2016

Rudy Wright
Mayor

Attest:

Debbie Miller
City Clerk

City Council Priorities and Action Plan



2016-2017 Adopted Budget

HICKORY CITY COUNCIL'S FY2016-2017 PRIORITIES AND ACTION PLAN

Strategic Priority: Attract and Retain Jobs and People

1. Implement Bond Projects

- A. Continue community involvement through the Bond Commission and other outreach efforts to gain insights and feedback on project design, phasing and scope.
- B. Use pre-engineering data and Bond Commission input to determine phasing and scope.
- C. Use best practices to select design professionals and begin design of bond projects.
- D. Implement financing plan to address both pre-issuance costs and timing of bond issuance.
- E. Maintain best practices for financial transparency and communication.

Strategic Priority: Economic Growth & Transportation

1. Promote Economic Development and Jobs

- A. Pursue development partnerships and opportunities for hi-tech manufacturing at Business Park 1764.
- B. Establish development opportunities and parameters along the City Walk.
- C. Implement new design standards for smart growth in city limits.
- D. Maintain investment in NC Data Campus project to attract and secure business development in region.
- E. Continue marketing the remaining industrial sites at Fairgrove Business Park and other City owned industrial properties.
- F. Promote the redevelopment of obsolete manufacturing facilities.
- G. Continue an aggressive Code Enforcement program for owner-abated commercial demolitions.
- H. Continue an aggressive program of utilizing Vacant Building Revitalization and Brownfield Grants to improve blighted properties.
- I. Consider policies and recommendations by the Business Development Committee that would stimulate economic development activity in Hickory.

2. Improve Transportation

- A. Through the transportation Bond Project, scope and phase roadway improvements in strategic corridors and gateways.
- B. Pursue grant opportunities to leverage bond funds.
- C. Update the City's resurfacing analysis and street segment rating.
- D. Design and install new wayfinding signs for city residents and visitors.
- E. Partner with NCDOT on designing Sandy Ridge Road Roundabout projects to improve traffic flows.
- F. Work with NCDOT and the MPO to develop other projects benefiting Hickory.

3. Leverage the City's Regional Utilities
 - A. Pursue new utility extensions and regional agreements to enhance the utility system's economy of scale.
 - B. Use the City's strength in water and sewer services as an economic development tool.
 - C. Market Hickory within and outside the region to increase economic development activity and increase water and sewer sales.

Strategic Priority: Quality of Life and Natural Environment

1. Provide a Safe Community for Residents and Visitors
 - A. Identify meaningful ways to engage and partner with our community and community leaders.
 - B. Implement recruitment and retention efforts in the Police Department to move toward full complement of sworn officers.
 - C. City departments will strive to provide exceptional service and communicate effectively through community involvement with our customers and workforce management.
 - D. Complete a comprehensive fire department strategic plan to meet the needs of our community and department.
 - E. Promote proactive public safety partnerships with citizens and neighborhood groups.
 - F. Continue to partner with other Catawba County jurisdictions and the community with the Catawba County Safe Initiative program to reduce violent behavior.
2. Support Downtown Development and Activities
 - A. Continue to support downtown festivals and activities with in-kind services.
 - B. Maintain public assets downtown to promote growth and create a unique downtown experience.
 - C. Consider highest and best use for vacant parcels in the downtown area and support redevelopment of underutilized buildings.
3. Support and Protect Neighborhoods
 - A. Pursue single-family home ownership opportunities in strategic locations to help stabilize distressed neighborhoods including partnerships with non-profit housing groups to such as the partnership with Habitat for Humanity.
 - B. Provide staff liaisons to recognized neighborhood associations.
 - C. Respond in a timely manner to neighborhood requests for City services including traffic calming, trash collection, policing, etc.
 - D. Respond in a timely manner to neighborhood requests concerning Code Enforcement issues.

4. Offer High Quality Recreation and Library Opportunities
 - A. Finalize construction and open Kiwanis Park Splashpad for public use.
 - B. Work with Friends of Hickory to complete downtown park.
 - C. Begin design of Riverwalk Bond Project as a recreational destination for citizens and visitors.
 - D. Continue partnership with Deidra Lackey family to complete design and begin construction of one-of-a-kind entertainment and cultural venue at Geitner Park.
 - E. Partner with Greater Hickory Tennis Association to expand parking and recreational opportunities at City Park.
 - F. Pursue design for phase one of Bruce Meisner Park with Outward Bound donation.
 - G. Conduct customer surveys for recreation programs and strive for positive feedback and ratings.
 - H. Implement the updated library strategic plan as possible within budget restraints.
 - I. Conduct customer surveys for library programs and strive for positive feedback and ratings.

5. Improve and Protect the Natural Environment
 - A. Continue single-stream recycling efforts in FY2016-2017, increasing overall recycling participation by 5% and total tonnage of recycled material by 5% to 10%.
 - B. Monitor the compliance of Concord/Kannapolis in regards to the interbasin transfer agreement.
 - 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, and Catawba River Study Committee) to promote policies and practices which protect the river, improve water quality and protect our water supply.
 - E. Continue to promote “Your Catawba Use it Wisely” conservation program.

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

Strategic Priority: Operational Excellence

1. Provide Exceptional Customer Service and Communication
 - A. Each coworker’s performance evaluation will reflect a focus on customer service.
 - B. Utilize regular City Manager/Coworker meetings to enhance communication within the organization.

City Council Priorities and Action Plan



2. Invest in City Coworkers
 - A. Provide internal training opportunities for supervisors as well as front line staff.
 - B. Promote and fund higher education opportunities which will benefit the coworker and the City.
 - C. Recognize, formally and informally, coworkers' achievements.
 - D. Continue to support the coworker Wellness Program.

3. Constant Innovation in Delivery of Services
 - A. Maintain the City's excellent standing for all services included in the NC Performance Measurement Project.

Strategic Priority: Vision and Leadership

1. Support and Promote Higher Education Opportunities
 - A. Work collaboratively with Lenoir-Rhyne University and Catawba Valley Community College on initiatives and opportunities which would positively impact our community.

2. Lead Regional Initiatives
 - A. Participate on local and regional boards/committees to insure City interests are preserved (i.e. WPCOG, EDC, MPO, NC Works, Innovate Catawba)
 - B. Continue to lead the region in protecting and promoting the Catawba River Basin.
 - C. Be the lead agency on regional economic development issues to adequately represent the hub of the population and workforce in the Metro area.

3. Promote City Priorities in the 2016-2017 Legislative Agenda to Federal and State Governments
 - A. Continue to educate citizens on State legislative issues affecting the City.
 - B. Develop and promote state and national legislative priorities that are in the specific interest of the City of Hickory.

Strategic Priority: Communication and Marketing

1. Provide best practice quality communication on bond projects to our residents.

2. 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.

3. Continue to offer and support interactive and innovative programs offered by the City, such as the Neighborhood College, and the Citizen's Police and Fire Academies.

City Council Priorities and Action Plan



4. Communicate Effectively with Customers about Delivery of Services
 - A. Respond in a timely manner and inform citizens of results of “Action Requests.”
 - B. Inform citizens about Hickory services, projects and awards.
 - C. Keep the city's website vibrant and informative.
 - D. Use print, radio, internet and social media to communicate with our citizens.
 - E. Communicate effectively with organized neighborhood groups, boards and commissions and other partners.

HICKORY CITY COUNCIL FY 2016-2017 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 continue to move the Solid Waste Fund towards becoming 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 are certain recreation programs, and Fire Inspections activities.
- F. The City will project revenues for five years and will 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. The City will 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 Policy

- A. Capital projects financed through the issuance of bonds or through an installment purchase contract (N.C.G.S. 160-A 20) shall be financed for a period not to exceed the anticipated useful life of the project.
- B. The City will maintain its financial condition so as to continue a minimum bond rating of AA and will have the rating agencies periodically review its bond rating.

6. Reserve Policy

- A. The City will strive to maintain an Undesignated General Fund Balance equal to three months, or 25%, of the general operating budget. These funds will be used to avoid cash flow interruptions, generate investment income, eliminate the need for short-term borrowing, and for use in the case of unanticipated emergencies.
- B. 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.
- C. 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.

7. Financial Partnerships Policy

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

Budget Guide



2016-2017 Adopted Budget

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 \$93 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 FY2016-2017 budget reflect the ongoing efforts by the City of Hickory to enhance the municipal environment through ongoing Bond Projects while maintaining a high level of basic service provision to the public. As with any new budget year, any changes are necessary to meet new community, financial, or legal obligations and mandates.

The most significant changes to the structure of the FY2016-2017 budget are:

- A resurgence of growth in property tax base and revenues
- Moderate growth in sales tax revenues
- Significantly less drawdown of Capital Reserve funds than FY 2015-16

There have been no other significant changes to the structure of the budget, or to the structure of the organization. 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



- **November 6, 2015** Personnel expenditures projected by Human Resources
- **November 6, 2015** Worker's Compensation, Property and Liability Insurance by Risk Management
- **December 7, 2015** New position requests and reclassification requests due to Human Resources (per Personnel Ordinance)
- **December 9, 2015** Master Plan and Neighborhood Plan Costs are projected by the Assistant City Manager over Development
- **December 9, 2015** Debt projected by Finance (existing debt only)
- **December 9, 2015** City Council Financial Policy expenditures (transfers and contingency) projected by Budget Office
- **December 9, 2015** External appropriation request letters sent out; also notices *re:* Board and Commission Workplan deadlines
- **December 9, 2015** Publish newspaper ad re: notification of call for External appropriation requests (due date January 25, 2016)
- **December 17, 2015** Budget Kick-off Meeting
 - Distribute Initial Allocation Sheets
 - Distribute Budget Manual
- **January 6, 2016** Projected revenues entered into H.T.E. by Budget Office
- **January 15, 2016** Departments to have **entered FY16-17 operational budget** requests into H.T.E. **Requests to balance to your department's initial budget allocation.**
- **January 15, 2016** Departments to have **entered FY16-17 capital budget** requests into H.T.E.
- **January 4-29, 2016** Departments may request to meet with the City Manager to make additional budget requests or to negotiate budgets
- **January 25, 2016** External Appropriation requests due
- **January 25, 2016** Fleet Management to review and make recommendations on new capital equipment requests
- **January 25, 2016** City Engineer to review and make recommendations on capital construction requests
- **January 25, 2016** Information Technology to review and make recommendations on technology requests

Budget Calendar



- **February 2, 2016** Fee Schedule sent to departments for FY15-16 changes
- **February 9, 2016** Board & Commission workplans due
- **February 9, 2016** 5-year CIP to be entered into H.T.E. by departments
- **February 16, 2016** City Council Meeting:
 - External appropriation requests presented
- **February 19, 2016** Departments to return FY16-17 Fee Schedule changes to Budget Office
- **March 1, 2016** City Council Meeting:
 - Board & Commission workplans presented
- **March 1, 2016** City Manager's Recommended Budget balanced
- **March 4, 2016** Performance Measurement page due to Budget Office from departments
- **May 17, 2016** City Council Meeting:
 - Call for public hearing on Recommended Budget
- **May 18, 2016** Publish notice of public hearing and make a copy available to news media in the County
- **June 7, 2016** City Council Meeting:
 - Public Hearing on Recommended Budget
 - FY16-17 Budget approved on 1st reading
- **June 21, 2016** City Council Meeting:
 - FY16-17 Budget adopted on 2nd reading
- **June 22, 2016** Notification of tax rate sent to Tax Administrators in Burke, Caldwell and Catawba Counties
- **June 24, 2016** Notify organizations who requested appropriation of City funds of funding status
- **July 1, 2016** Fiscal Year 2016-2017 begins

Phase I (Initial Budget Planning Stage)

Budget planning for the FY2016-2017 Annual Budget began in August 2015. Recommendations were to continue with the budget development cycle and budget development calendar.

Phase II

In October of 2015, 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 October - November of 2015, Budget staff held individual budget meetings with divisions/departments for preliminary discussions on significant budgetary needs for FY2016-2017 and to review the status of performance measures.

Phase IV

In December of 2015, there was a “Budget Kick-off Meeting” held with all departments. At this meeting, departments were given the FY2016-2017 budget manuals, FY2016-2017 budget calendar, FY2016-2017 personnel projections, FY2016-2017 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 FY2016-2017. All new personnel requests were due to the Human Resources Department by December 1, 2015.

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.

Budget planning for the FY2016-2017 budget was completed at this point and the development of the FY2016-2017 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 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.

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 \$50,000 between functional areas, including contingency appropriations, within the same fund. These transfers, however, require an official report at the next regular meeting of City Council. All other budget amendments must be approved by the City Council through legislative action. All amendments affecting the original budget ordinance not within the scope of the authority granted to the City Manager require two readings for City Council approval.

Budget Format: The Basics

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

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

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

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

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

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

Budget Format: The Basics

Finally, Hickory also utilizes *Internal Service Funds*. These funds account for activities that serve other departments or parts of 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 one *Special Revenue Fund* which is the Capital Reserve Fund. Even though there is no statutory obligation to include *Internal Service Funds* or the *Special Revenue Fund*, 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 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 Parks and Recreation and the Fire 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.

Budget Format: The Basics



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 (828-261-2200) 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	2014-2015	2015-2016	2016-2017	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	2014-2015	2015-2016	2016-2017	Percent Change
	Actual	Budgeted	Budgeted	
Personnel	6,548,258	6,674,652	6,844,130	3%
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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 Basics



Some departments may seem to be missing categories. However, many do not have activity in all categories. If a category is not budgeted and has had no actual cost activity in the three-year period, it is omitted. The same may apply to revenues.

The General Fund departmental budget is balanced with Ad Valorem tax revenue, which is shown as General Fund under each departmental Revenues by Type. Sales and Services revenues shown in the Public Utilities sections of the Enterprise Fund are shown as Water and Sewer Fund under each departmental Revenues by Type.

The remainder of the budget flows from the data shown in the departmental operating budgets. Since all departments are part of one of the fund groups, the departments' combined budgets constitute the majority of the fund summaries that begin the two fund sections. However, departmental budgets are joined by other specialized budgets that are within funds, like Debt Service and Special Appropriations, to complete the full fund summaries.

Finally, all the numbers from all the funds add up to consolidated revenue and expenditure totals, which present the "bottom line" of the budget. But was something forgotten? What about capital and grant projects? Since these are project budgets and are expected to have a project life that crosses over fiscal years, they are presented separately in the *Capital Improvements/Grant Projects* section due to their uniqueness and often-specific accounting requirements. With an understanding of funds and functions, we can now proceed into the specifics of the resources that constitute the City funds, and which functions the resources are allocated to render.

The previous section focused on the basics of how a budget is organized. Departments and Divisions perform services that are administered by common purpose (*functions*), and are financially managed in separate economic units (*funds*).

Budget Format: The Specifics details the specific framework of the City of Hickory by describing the makeup of the different funds and the functions that their resources are allocated to conduct. The purpose is to present a basic outline to the reader, who can then learn more about the reasoning behind the budget at the broad level (*Consolidated Budget Summary* section) or the detailed level (fund and department/division sections), per his or her preference.

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. (52.91%)
- **Other Taxes** - Three sales tax allocations (Article 39 one cent, Article 40 one-half cent and Article 42 one-half cent), utility franchise tax, telecommunications tax, \$5 vehicle fee, and a local option hotel/motel occupancy tax levied for tourism development. (30.21%)
- **Unrestricted Intergovernmental** - Beer and wine tax, payments in lieu of taxes, and traffic control revenue received from NCDOT. (1.24%)
- **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. (4.28%)
- **Licenses and Permits** - Revenues generated for privilege licenses, beer and wine licenses, and taxi permits. (0.02%)
- **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. (3.65%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.26%)
- **Miscellaneous** – Includes unanticipated revenues such as donations, discounts earned, the sale of capital assets, and insurance reimbursements. (0.66%)
- **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. (6.77%)

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. (13.07%)
- **Public Safety** - Expenditures for the Police Department, the Fire Department, the Hickory Rural District, and various special appropriations. (48.50%)

Budget Format: The Specifics

- **Transportation** - Expenditures for the Traffic and Street Divisions of Public Services. (13.05%)
- **Economic and Community Development** - Expenditures for the Planning and Development Department; Economic Development Incentives, and several special appropriations. (6.21%)
- **Culture and Recreation** - Expenditures for the Recreation Department, Parks Maintenance, L.P. Frans Stadium, Hickory Public Library, and various special appropriations. (12.37%)
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund. (2.50%)
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases. (2.95%)
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures. (1.35%)

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 30,000 customers inside and outside the city limits, regulate stormwater runoff, produce a high quality compost material, provide air transportation services, and provide solid waste services, respectively.

Water and Sewer Fund Revenues

- **Restricted Intergovernmental** - City of Conover repayment portion of debt service for Hickory's Water Treatment Plant, Catawba County's portion of the Hickory Catawba Wastewater Treatment Plant, City of Claremont and Town of Hildebran operations maintenance contracts, and the Town of Maiden's buy in to the City's Water Plant. (4.73%)
- **Sales and Services** - Initial tap fees and user fees charged for the provision of water and sewer service. (86.98%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.20%)
- **Miscellaneous** - Plant capacity fees charged with water or sewer taps and any unanticipated revenues. (1.36%)
- **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. (6.73%)

Budget Format: The Specifics



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. (79.66%)
- **Other Financing Uses** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund. (4.64%)
- **Debt Service** - Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases. (14.50%)
- **Contingency** - Budgetary reserve set aside for emergencies or unforeseen expenditures. (1.20%)

Stormwater Fund Revenues

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

Stormwater Fund Expenditures

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

Sludge Composting Fund Revenues

- **Restricted Intergovernmental** - Intergovernmental funding for operational expenses from the City of Hickory for 66%, Catawba County for 18.5%, and the City of Conover for 15.5%. (100%)

Sludge Composting Fund Expenditures

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

Transportation Fund Revenues

- **Sales and Services** - User fees charged for the provision of various Airport services such as Airport property rentals. (99.73%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.04%)
- **Restricted Intergovernmental Revenues** – Contributions from Catawba and Burke Counties for tower operations. (0.23%)

Budget Format: The Specifics



Transportation Fund Expenditures

- **Transportation** - Expenditures for Airport operations. (100%)

Solid Waste Fund Revenues

- **Other Taxes** - Solid Waste Excise Tax revenue received from the State of North Carolina. (0.54%)
- **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. (91.29%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.11%)
- **Miscellaneous** - Unanticipated revenues. (0.06%)
- **Other Financing Sources** - Proceeds from the issuance of lease purchase agreements and a transfer from the General Fund for operational support. (8.00%)

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. (100%)

INTERNAL SERVICE FUNDS

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

Fleet Maintenance Fund Revenues

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

Fleet Maintenance Fund Expenditures

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

Budget Format: The Specifics



Insurance Fund Revenues

- **Sales and Services** – Charges for health, dental, workers compensation, property, casualty, and liability insurance. These revenues are derived from charges to individual departments. (98.89%)
- **Investment Earnings** - Interest earned on the investment of the fund's idle cash balance. (0.57%)
- **Other Financing Sources** – Support from Fund Balance allocation. (.54%)

Insurance Fund Expenditures

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

Capital Reserve Fund Revenues

- **Other Financing Sources** - Transfer from the General Fund and Water & Sewer Fund for future capital projects or purchases. (100%)

Capital Reserve Fund Expenditures

- **Other Financing Uses** – Money transferred to other funds or reserved for capital projects or capital purchases. (100%)

Consolidated Budget Summary



2016-2017 Adopted Budget

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 FY2016-2017 is what we project to receive by the end of FY2015-2016. 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 in 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 FY2016-2017 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 FY2016-2017 Hickory's assessed property value is projected to have increased by 3.41% (or \$150,741,139) to \$4,565,919,360.

The General Fund's property tax rate will be \$.5665 per one hundred dollars (\$100) valuation of property with an estimated collection rate of 98.2%. The total Ad Valorem Tax category of revenues is budgeted at \$25,390,000 for FY2016-2017. The Ad valorem category of revenue includes: current year's collections, prior year's collections, penalties and interest, and refunds.

Consolidated Budget Summary



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. Revenue projections for FY2016-2017 are based on anticipated local retail sales and other economic conditions, and reflect a 6% increase over the FY2015-2016 budgeted amount. 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. FY2016-2017 projections for these sources of revenue also reflect a 2.1% increase over the FY2015-2016 budgeted amount.

Utility Franchise Tax

The City shares in the sales tax levied by the State on piped natural gas and electricity sales. This tax is collected by the State and then distributed quarterly through a predetermined formula to North Carolina municipalities. This revenue is highly sensitive to the weather. Cool summers and mild winters can lead to a year with little or no growth in receipts from this tax. Any annexations of industrial or other facilities that are heavy users of utility services could also create growth in this source of revenue. For FY2016-2017 we project a 4.2% increase from what was budgeted in FY2015-2016.

Telecommunications Tax

This tax was previously a part of the Utility Franchise Tax, but was broken out as a separate tax received from the State of North Carolina in FY2003-2004. The Telecommunications Tax is levied by the State on all telephone service. Each city's share of this is tax based on the actual receipts from telephone and cable television service within their municipal boundaries during the fiscal year. For FY2016-2017 we anticipate no growth in this revenue.

UNRESTRICTED INTERGOVERNMENTAL REVENUES

Beer and Wine Tax

Cities share in the sales tax revenue from the sale of both beer and wine, based on population. Revenue for FY2016-2017 is projected to remain flat compared to the FY2015-2016 budgeted amount.

Traffic Control Revenue

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

Consolidated Budget Summary



RESTRICTED INTERGOVERNMENTAL REVENUES

Powell Bill Gasoline sales continue to increase and the Highway Trust Fund continues to grow modestly. Revenue distribution projections to local governments are based on a formula that combines both “per capita” values and “per mile” values. Hickory has had little growth in its population or the miles of streets it maintains. This revenue for FY2016-2017 is projected to be flat compared to the FY2015-2016 budgeted amount.

Sludge Compost These revenues are based on the percentage of participation for the fixed contract to operate the Sludge Compost Facility by Veolia Water. The percentage of participation is: City of Hickory - 66%, City of Conover – 15.5%, and Catawba County – 18.5%. Variable costs of operations are charged by percentage of use by each local government. These revenues have been estimated to meet projected operational requirements for FY2016-2017, which are 0.1% more than what was budgeted in FY2015-2016.

LICENSES AND PERMITS Privilege Licenses were repealed in FY2015-2016. No revenue projected.

SALES AND SERVICES *(Most fees are increased by 0.7%, which is the 2015 Consumer Price Index, unless otherwise indicated)*

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

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

Water and Sewer Charges Water and sewer rates will see a 1.8% increase with the FY2016-2017 Annual Budget over the FY2015-2016 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. FY2016-2017 tap fee revenue is projected to remain flat compared to the FY2015-2016 budgeted amount.

Consolidated Budget Summary



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

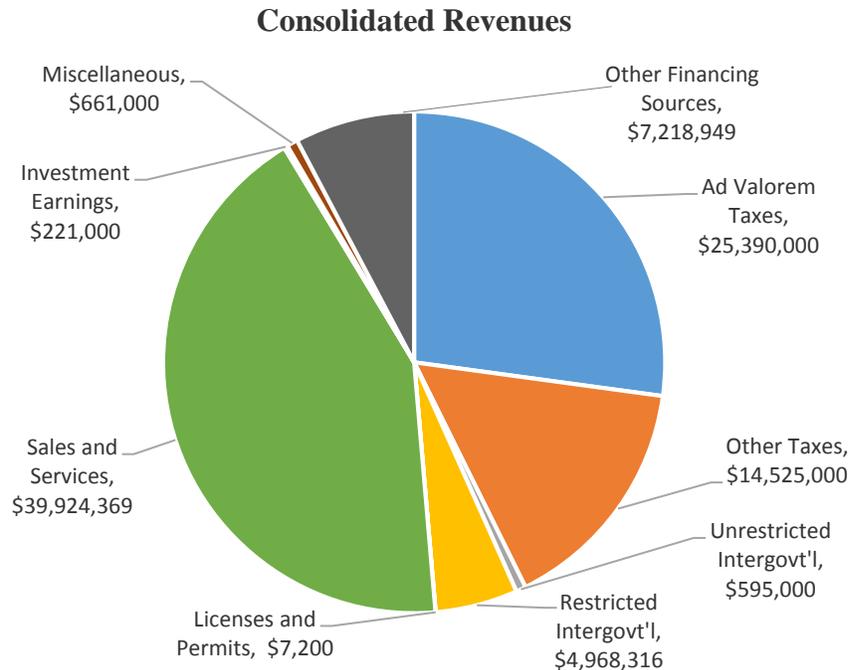
Fund Balance Appropriated

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 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 “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.

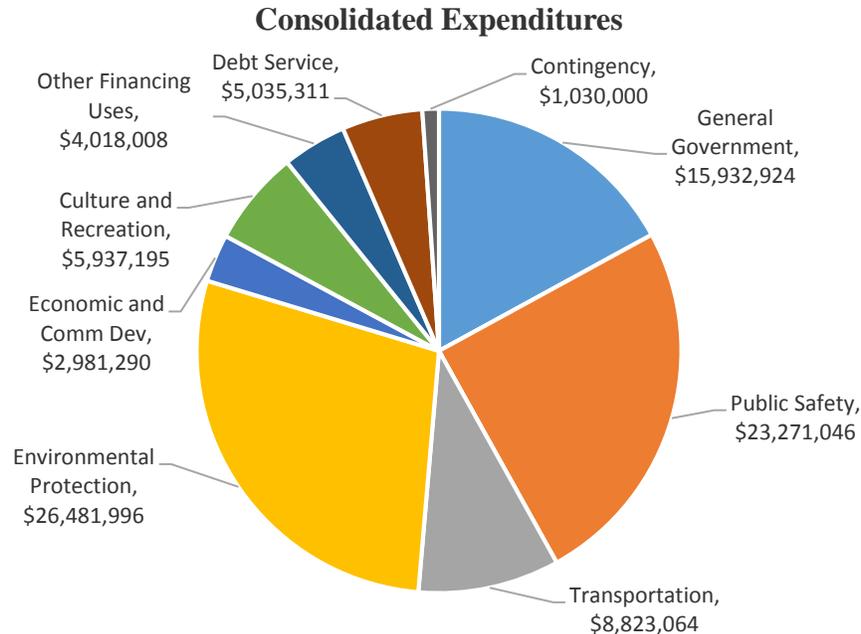


Consolidated Revenues	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Ad Valorem Taxes	24,206,333	24,986,613	25,390,000	1.6%
Other Taxes	14,801,291	13,873,165	14,525,000	4.7%
Unrestricted Intergovernmental	675,846	525,000	595,000	13.3%
Restricted Intergovernmental	5,645,228	5,094,118	4,968,316	-2.5%
Licenses and Permits	1,116,114	7,255	7,200	-0.8%
Sales and Services	37,128,323	38,967,688	39,924,369	2.5%
Investment Earnings	232,551	221,001	221,000	0.0%
Miscellaneous	3,246,937	590,000	661,000	12.0%
Other Financing Sources	24,066,715	17,348,597	7,218,949	-58.4%
Revenue Total	111,119,338	101,613,437	93,510,834	-8.0%
Per Capita	2,775	2,526	2,319	

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Government	15,726,927	15,584,431	15,932,924	2.2%
Public Safety	21,009,486	22,185,081	23,271,046	4.9%
Transportation	7,571,458	8,396,561	8,823,064	5.1%
Environmental Protection	25,955,089	30,120,569	26,481,996	-12.1%
Economic and Community Development	3,285,945	2,763,670	2,981,290	7.9%
Culture and Recreation	5,867,238	6,034,469	5,937,195	-1.6%
Other Financing Uses	10,352,455	10,498,942	4,018,008	-61.7%
Debt Service	2,164,966	5,229,714	5,035,311	-3.7%
Contingency	-	800,000	1,030,000	28.8%
Expenditure Total	91,933,564	101,613,437	93,510,834	-8.0%

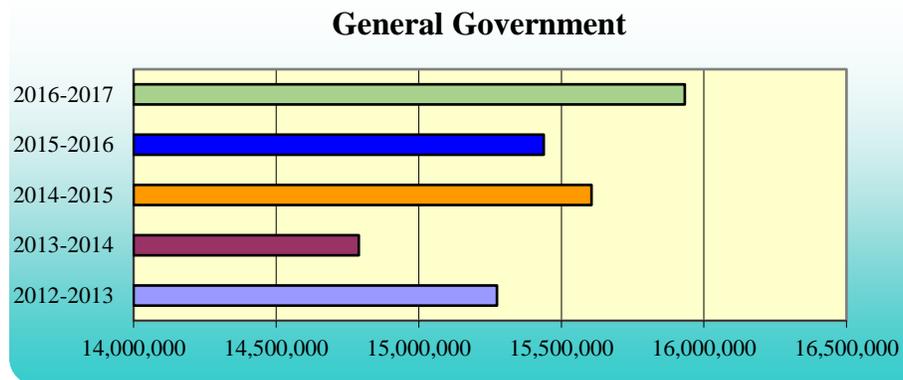
Consolidated Budget Summary



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 FY2012-2013 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.

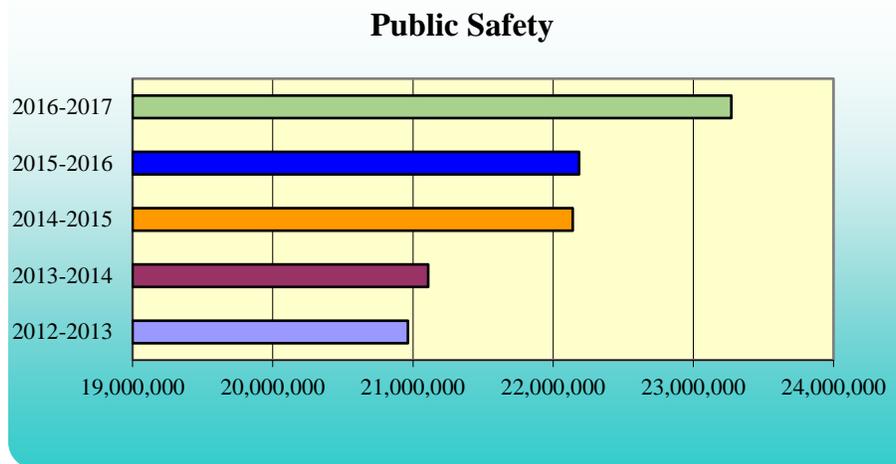


General Government	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	15,274,294	14,789,722	15,605,835	15,574,931	15,932,924
Dollar Change		(484,572)	816,113	(30,904)	357,993
Percent Change		-3.2%	5.5%	-0.2%	2.3%

General Government Expenditures	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	12,308,070	11,723,491	11,811,605	0.8%
Operations	5,417,355	6,391,517	6,485,126	1.5%
Capital	699,572	236,560	468,700	98.1%
Special Appropriations	7,313	17,300	17,300	0.0%
Pro Rata Reimbursement	(2,712,582)	(2,793,937)	(2,849,807)	2.0%
Total Expenditures	15,719,728	15,574,931	15,932,924	2.3%

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

Consolidated Budget Summary

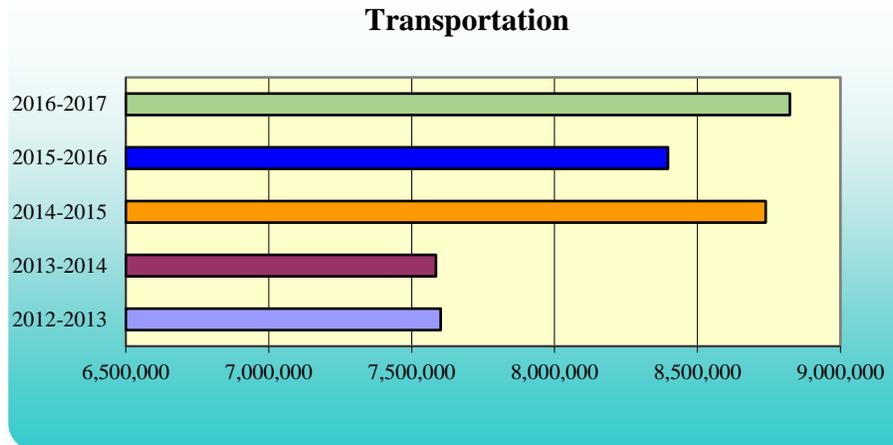


Public Safety	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	20,964,052	21,108,838	22,139,837	22,185,081	23,271,046
Dollar Change	1,219,132	144,786	1,030,999	45,244	1,085,965
Percent Change	6.2%	0.7%	4.9%	0.2%	4.9%

Public Safety Expenditures	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	16,509,044	17,087,314	17,895,020	4.7%
Operations	3,241,171	3,575,616	3,541,709	-0.9%
Capital	1,289,305	1,554,022	1,866,825	20.1%
Special Appropriations	908	-	-	0.0%
Pro Rata Reimbursement	(30,942)	(31,871)	(32,508)	2.0%
Total Expenditures	21,009,486	22,185,081	23,271,046	4.9%

Departments/Divisions: Police, Fire and Volunteer Fire Departments

Consolidated Budget Summary

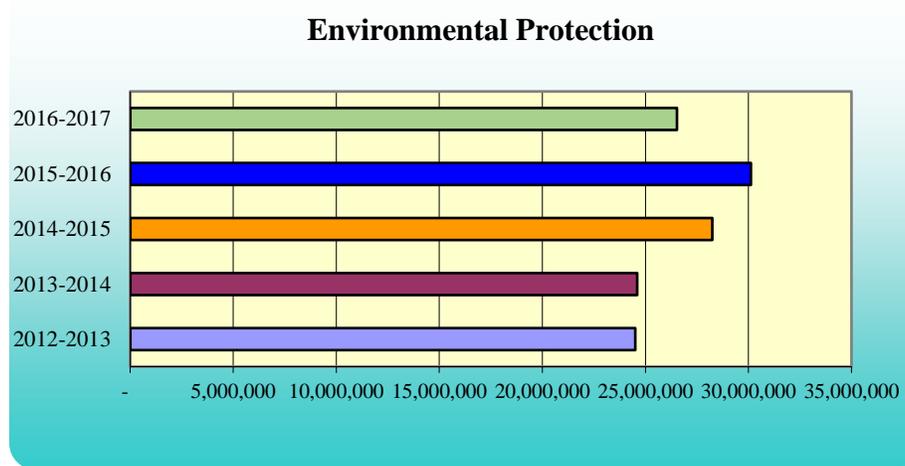


Transportation	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	7,601,608	7,584,918	8,738,491	8,396,561	8,823,064
Dollar Change	1,892,731	(16,690)	1,153,573	(341,930)	426,503
Percent Change	33.2%	-0.2%	15.2%	-3.9%	5.1%

Transportation Expenditures	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	2,613,318	3,079,214	3,071,113	-0.3%
Operations	3,931,697	4,704,558	4,772,879	1.5%
Capital	492,408	411,000	719,000	74.9%
Special Appropriations	155,702	155,702	213,062	36.8%
Pro Rata Reimbursement	44,749	46,087	47,010	2.0%
Total Expenditures	7,237,874	8,396,561	8,823,064	5.1%

Departments/Divisions: Airport, FBO, Street and Traffic

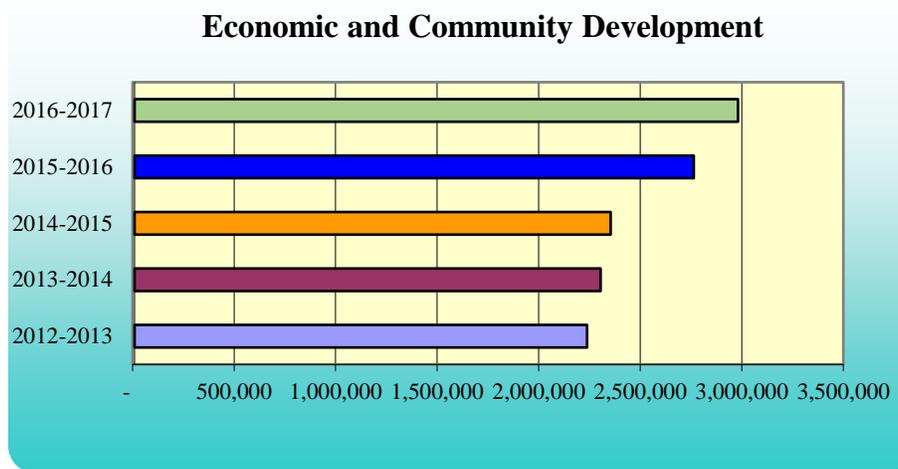
Consolidated Budget Summary



Environmental Protection	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	24,508,757	24,603,670	28,246,552	30,120,569	26,481,997
Dollar Change	2,531,524	94,913	3,642,882	1,874,017	(3,638,572)
Percent Change	11.5%	0.4%	14.8%	6.6%	-12.1%

Environmental Protection Expenditures	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	5,918,048	7,053,159	7,160,134	1.5%
Operations	10,893,591	11,343,332	11,562,810	1.9%
Capital	128,677	7,757,548	3,768,700	-51.4%
Special Appropriations	45,396	62,367	63,003	1.0%
Pro Rata Reimbursement	3,723,921	3,904,163	3,927,350	0.6%
Total Expenditures	20,709,633	30,120,569	26,481,997	-12.1%

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

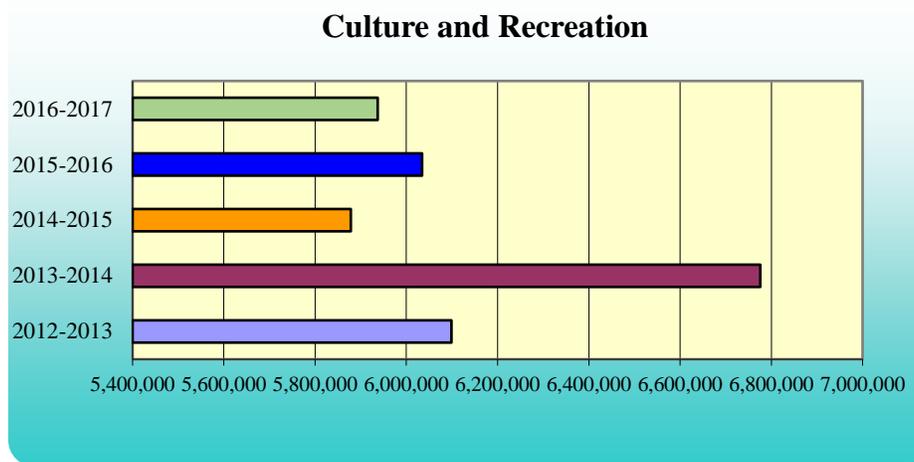


Economic/Community Dev.	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	2,238,262	2,304,862	2,354,332	2,763,670	2,981,290
Dollar Change	166,177	66,600	49,470	409,338	217,620
Percent Change	8.0%	3.0%	2.1%	17.4%	7.9%

Economic/Community Dev.	2014-2015	2015-2016	2016-2017	Percent Change
Expenditures	Actual	Budgeted	Budgeted	
Personnel	524,686	540,723	550,065	1.7%
Operations	1,795,954	1,608,229	1,708,229	6.2%
Capital	4,959	5,000	30,000	500.0%
Special Appropriations	989,243	639,481	723,354	13.1%
Pro Rata Reimbursement	(28,897)	(29,763)	(30,358)	2.0%
Total Expenditures	3,285,945	2,763,670	2,981,290	7.9%

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

Consolidated Budget Summary

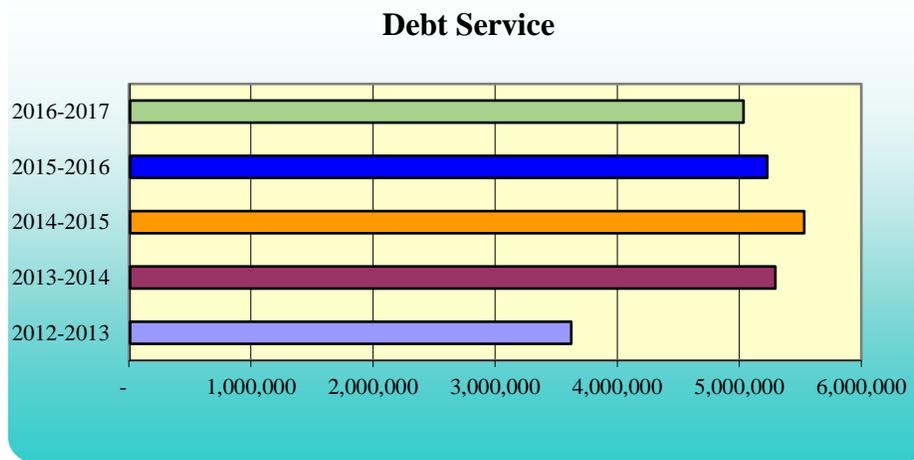


Culture and Recreation	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	6,098,880	6,775,835	5,878,288	6,034,469	5,937,195
Dollar Change	426,308	676,955	(897,547)	156,181	(97,274)
Percent Change	7.5%	11.1%	-13.2%	2.7%	-1.6%

Culture and Recreation Expenditures	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	3,363,454	3,499,554	3,481,958	-0.5%
Operations	1,839,212	1,777,292	1,772,992	-0.2%
Capital	326,197	573,687	497,353	-13.3%
Special Appropriations	295,780	140,065	140,143	0.1%
Pro Rata Reimbursement	42,595	43,871	44,749	2.0%
Total Expenditures	5,867,238	6,034,469	5,937,195	-1.6%

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

Consolidated Budget Summary

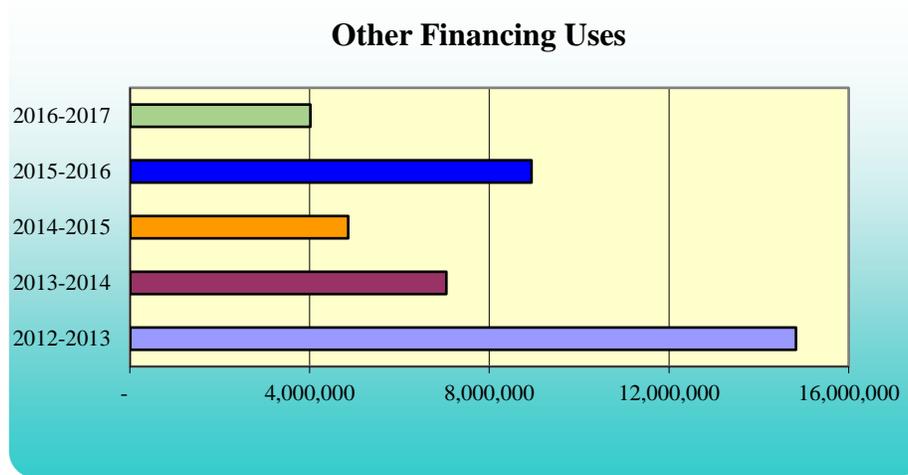


Debt Service	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	3,624,055	5,296,157	5,532,329	5,229,714	5,035,311
Dollar Change	(347,702)	1,672,102	236,172	(302,615)	(194,403)
Percent Change	-8.8%	46.1%	4.5%	-5.5%	-3.7%

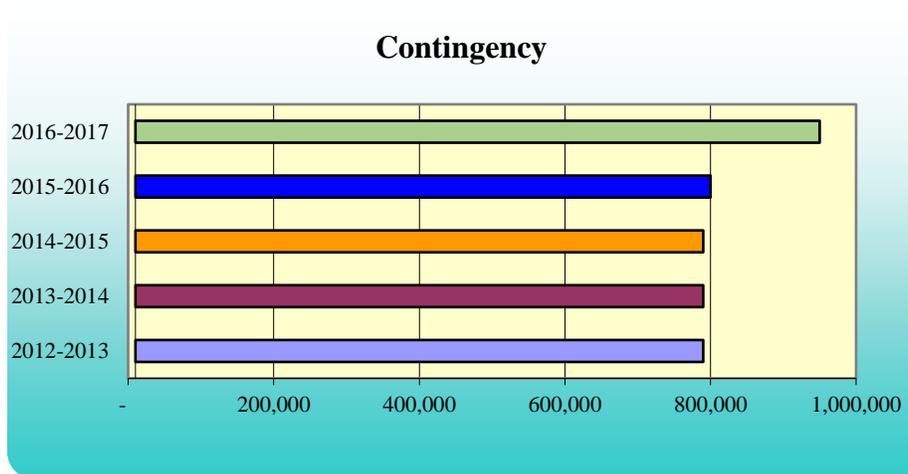
Debt Service Expenditures	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund Debt	1,227,037	1,153,794	1,415,519	22.7%
Enterprise Fund Debt	937,929	4,075,920	3,619,792	-11.2%
Total Expenditures	2,164,966	5,229,714	5,035,311	-3.7%

Funds with Debt: General Fund and Water and Sewer Fund

Consolidated Budget Summary



Other Financing Uses	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	14,827,240	7,044,461	4,859,657	8,940,142	4,018,008
Dollar Change		(7,782,779)	(2,184,804)	4,080,485	(4,922,134)
Percent Change		-52.5%	-31.0%	84.0%	-55.1%



Contingency	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Total Budgeted Amount	790,000	790,000	790,000	800,000	950,000
Dollar Change		-	-	10,000	150,000
Percent Change		0.0%	0.0%	1.3%	18.8%

Funds with Contingency: General Fund and Water and Sewer Fund

Consolidated Budget Summary



Consolidated Fund Balance Discussion

In all City funds at the close of 2014-2015, there was a total of \$55,172,157 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.

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

Fund Balance / Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
General Fund-Unassigned FB	13,072,784	13,515,066	14,031,436	15,531,436
Capital Reserve Fund-Committed FB	13,322,725	13,381,759	11,437,451	5,846,209
Water and Sewer-Unrestricted Net Position	17,656,507	19,464,584	24,323,219	27,091,057
Sludge-Unrestricted Net Position	-	16,348	-	-
Stormwater-Unrestricted Net Position	283,982	327,607	394,379	378,628
Solid Waste-Unrestricted Net Position	1,855,309	1,576,885	1,551,585	1,747,584
Fleet Maint.-Unrestricted Net Position	(531,802)	(449,732)	(573,653)	(665,466)
Transportation-Unrestricted Net Position	682,920	764,010	125,238	340,186
Insurance-Unrestricted Net Position	5,153,074	5,334,380	3,882,502	3,411,300
Fund Totals	51,495,499	53,930,907	55,172,157	53,680,934

Consolidated Budget Summary



Staffing Analysis

There are 654 full-time positions included in the recommended FY2016-2017 budget.

The Police department converted a full-time sworn officer position (Court Liaison Officer) into three (3) part-time positions that will be performing the duties of Court Liaison Officer. This change resulted in an overall reduction of full-time positions from 655 in FY2015-2016 to 654 in FY2016-2017.

A staffing analysis in the Public Works department resulted in a reallocation of staff and new division structures. Several divisions are now reporting directly to the Transportation Manager, a Civil Engineer. This reorganization provides the opportunity to utilize existing personnel across the department as conditions and seasons change, and does not result in any additional positions.

The Public Utilities department also reorganized positions and reallocated existing staff to allow for future departmental growth and succession planning. No additional positions were created in the reorganization.

The Warehouse Coordinator previously housed in the Finance department was moved to the Public Utilities department to better coordinate the distribution of supplies and materials to staff.

The Communications department reorganized after the departure of the Communications Director. The Assistant to the City Manager moved to the Office of Communications as Governmental Affairs Manager, the Communications Specialist was promoted to Communications and Marketing Manager and a new Communications Specialist was appointed from an internal assessment center. This reorganization did not result in any additional positions.

The Information Technology (IT) department downgraded a Systems Analyst position to an IT Technician position due to the increasing need for the type of work typically performed by a technician. An existing Senior Systems Analyst was converted to a Network Architect, due to the nature of the work being performed.

Three part-time Court Liaison positions were added to the Police department due to the conversion of a full-time Court Liaison position. There are no increases to seasonal positions.

Using a population of 40,155, the City's employee per 1,000 population ratio is 16.20, which is below the adopted City Council policy of a maximum of twenty (20) employees per 1,000 population.

Consolidated Budget Summary



Staffing Analysis	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Budgeted
General Government						
Administration - City Manager's Office	5	5	5	5	5	5
Communications	3	3	3	3	3	3
Budget	1	1	1	1	1	1
Human Resources	5	5	5	5	5	5
Risk	1	1	1	1	2	2
City Clerk	1	1	1	1	1	1
Engineering	9	9	8	8	8	8
Finance	21	22	21	21	21	20
Legal	2	2	2	2	2	2
Public Services						
Building Services	6	6	6	6	6	6
Landscape Services	17	17	17	17	17	17
Central Services	7	7	7	7	7	7
Fleet Maintenance	11	11	11	11	12	12
Information Technology	9	8	8	8	8	8
Public Safety						
Fire	136	136	135	135	135	135
Police (116 Sworn and 36 Civilian)	150	151	152	152	153	152
Transportation						
Airport	7	7	8	8	8	8
Public Services - Streets	43	43	43	43	43	43
Public Services - Traffic	11	11	11	11	11	11
Environmental Protection						
PS-Sanitation - Commercial	12	12	12	12	11	11
PS-Sanitation - Residential	8	8	8	8	12	12
PS-Stormwater	1	1	1	1	1	1
PS-Public Utilities Administration	10	10	10	10	10	11
PS-Henry Fork Plant	10	10	10	10	10	10
PS-Northeast Plant	11	11	11	11	11	11
PS-Pretreatment and Labs	7	7	7	7	7	7
PS-Collection System (Pump Stations)	13	13	13	13	13	13
PS-Distribution System (Construction)	34	34	34	34	35	35
PS-Water Plant	11	11	11	11	11	11
PS-Claremont	2	2	2	2	2	2
PS-Catawba					3	3
PS-Recycling	16	16	16	16	13	13
Economic and Community Development						
Planning	8	8	8	8	8	8
Culture and Recreation						
Library	19	19	18	18	18	18
Parks and Recreation	18	18	18	18	18	18
Parks and Recreation - Maintenance	24	24	24	24	24	24
Total	649	650	648	648	655	654

About City Services



2016-2017 Adopted Budget

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 (cmchargue@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.

CITY MANAGER'S OFFICE (asurratt@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.

COMMUNITY DEVELOPMENT/HOUSING (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.

DEVELOPMENT ASSISTANCE CENTER (bfrazier@hickorync.gov)

The Development Assistance Center, a division of the Planning and Development, is located on the second floor and is to enhance the ability to provide a same day issuance for the purpose of acquiring conventional single family dwelling permits. The coordination of commercial development and occupancy of existing buildings are handled through this division.

ECONOMIC DEVELOPMENT (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. 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.

FINANCE (mmiller@hickorync.gov)

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

FIRE (fhollar@hickorync.gov)

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

HUMAN RESOURCES (cmain@hickorync.gov)

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

- **Risk Management (tshoebridge@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.

PARKS AND RECREATION (mmcleod@hickorync.gov)

The Parks and Recreation 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. This department also operates the Parks Maintenance Division and L. P. Frans Stadium.

PLANNING AND DEVELOPMENT (bfrazier@hickorync.gov)

The Planning and Development Department 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 Development Assistance Center (DAC) and the Community Development Office are housed in the Planning Department. Marketing the City of Hickory to interested developers outside the area is 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 Planning and Development Department 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.

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 (chansen@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 Services** (jhogan@hickorync.gov) - This division is responsible for City cemetery maintenance, planting and landscaping of City properties, and maintaining City properties.
- **Fleet Maintenance** (chansen@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** (kgreer@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.

About City Services



- **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.
- **Engineering (chansen@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 POWER).....	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

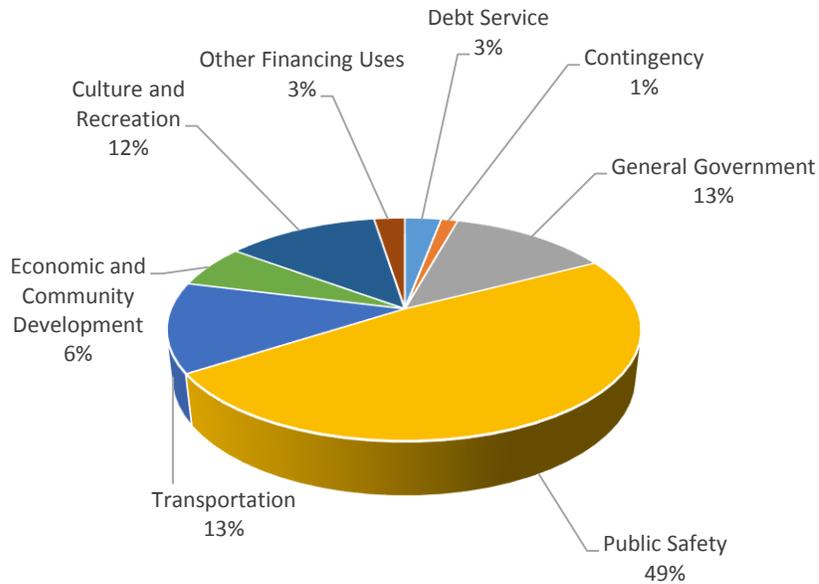


2016-2017 Adopted Budget

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Ad Valorem Taxes	24,206,333	24,986,613	25,390,000	1.6%
Other Taxes	14,774,695	13,848,165	14,500,000	4.7%
Unrestricted Intergovernmental	675,846	525,000	595,000	13.3%
Restricted Intergovernmental	2,685,322	2,018,825	2,054,401	1.8%
Licenses and Permits	1,116,114	7,255	7,200	-0.8%
Sales and Services	1,669,999	1,744,885	1,798,935	3.1%
Investment Earnings	84,471	125,000	125,000	0.0%
Miscellaneous	1,690,160	267,000	318,000	19.1%
Other Financing Sources	2,214,974	2,574,233	3,201,197	24.4%
Revenue Total	49,117,914	46,096,976	47,989,733	4.1%
Per Capita	1,227	1,146	1,190	

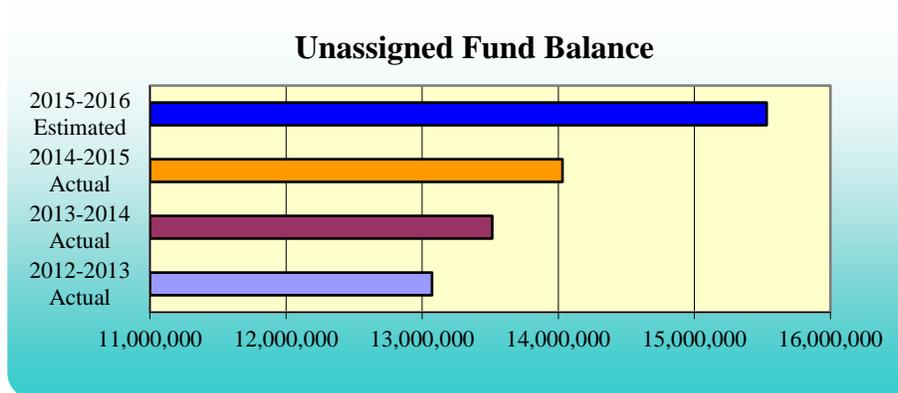
General Fund Expenditure by Category	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	27,890,425	30,023,026	30,667,336	2.1%
Operations	11,773,877	12,462,064	12,673,274	1.7%
Capital	2,800,489	2,680,269	3,488,878	30.2%
Contingency	-	650,000	650,000	0.0%
Board/Agency Funding	1,448,946	952,548	1,093,859	14.8%
Debt Service	1,227,037	1,153,794	1,415,519	22.7%
Interfund Transfers	3,762,915	1,311,996	1,200,311	-8.5%
Pro Rata Reimbursement	(3,045,390)	(3,136,721)	(3,199,444)	2.0%
Expenditure Total	45,858,299	46,096,976	47,989,733	4.1%
Per Capita	1,145	1,146	1,190	

General Fund

General Fund Balance

The unassigned General Fund Balance is projected to be \$15,531,436 on June 30, 2016.

Unassigned Fund Balance	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
General Fund	13,072,784	13,515,066	14,031,436	15,531,436
Dollar Change	1,138,442	442,282	958,652	2,016,370
Percent Change	9.5%	3.4%	7.3%	14.9%



Additional Information about the City Council may be obtained by calling Mayor Rudy Wright at 828.323.7412 or rwright@hickorync.gov

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.

2015/2016 Accomplishments:

- Participated in extended sessions during the 31st Annual Council Staff Work Session as well as another mini-session during the same fiscal year.
- Adopted City Council’s Priorities and Action Plan and a financial policy for the ensuing fiscal year.
- Continue 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.

2016/2017 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	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of Public Hearings	226	183	175	160
# of City Council Meetings	26	23	29	40
<i>Efficiency</i>				
General Fund Balance as a % total budget	29.37%	33.33%	30.0%	25.0%
<i>Effectiveness</i>				
# of years with no increase in property tax	19	20	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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	407,714	391,084	356,281	-8.9%
Operations	114,636	184,878	185,118	0.1%
Pro Rata Reimbursement	(179,418)	(184,798)	(188,492)	2.0%
Expenditure Total	342,932	391,164	352,907	-9.8%
Per Capita	9	10	9	-10.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	342,932	391,164	352,907	-9.8%
Revenue Total	342,932	391,164	352,907	-9.8%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Part Time	7	7	7	0.0%
Total	7	7	7	0.0%

City Manager's Office



Additional Information about the City Manager's office may be obtained by calling Mick Berry at 828.323.7412 or mberry@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 adopted City Council's Priorities and Action Plan and carries out all policies and actions of the City Council.

2015/2016 Accomplishments:

- Managed the implementation of the City Council's Priorities and Action Plan.
- Coordinated all activities associated with General Government, Public Properties, Transportation, Economic and Community Development, Public Safety, Leisure Time Activities, and Environmental Issues.
- Continued pursuit of mutually beneficial projects with the Hickory Metro local governments.
- Participated in the North Carolina League of Municipalities, National League of Cities, and International City/County Manager's Association, Alliance for Innovation and NC City/County Manager's Association.

2016/2017 Goals and Objectives:

- **Goal:** Implement City Council's Priorities and Action Plan through effective and efficient operation of City services.
Objective: Distribute a quarterly report detailing the progress of achieving Council's priorities.
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	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of Social Media posts	New	New	120	120
# of community presentations by the City Manager	New	New	12	12
<i>Efficiency</i>				
% of presentations per quarter	New	New	100%	100%
% of posts per quarter	New	New	100%	100%
<i>Effectiveness</i>				
% of social media engagement (likes/rt/shares/comments)	New	New	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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	653,427	664,836	724,997	9.0%
Operations	92,227	80,247	78,547	-2.1%
Capital	-	-	4,200	100.0%
Pro Rata Reimbursement	(189,786)	(195,478)	(199,386)	2.0%
Expenditure Total	555,868	549,605	608,358	10.7%
Per Capita	14	14	15	10.4%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	555,868	549,605	608,358	10.7%
Revenue Total	555,868	549,605	608,358	10.7%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	5	5	5	0.0%
Part Time	-	-	2	100.0%
Seasonal	1	1	2	100.0%
Total	6	6	9	50.0%

Communications Office



Additional Information about the Office of Communications may be obtained by calling Dana Kaminske, Communications 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, organizations and more about day to day activities with the city, as well as projects, events, and accomplishments. Information is posted on www.HickoryNC.gov and distributed to the public through media news releases, e-newsletters, City Snippets, social media, videos, and various other outlets.

2015/2016 Accomplishments:

- Developed a Marketing Strategic Plan to assist with economic development messaging and advertising.
- Redesigned www.HickoryNC.gov with a fresh, new look that engages a young demographic, while being user-friendly to all.
- Completed 5½ years of the “Life. Well Crafted.” and began promotion of “Crafting Hickory” as the initiative that focuses on bond projects, Lackey Project, Operation No Vacancy, Kiwanis Splash Pad, Friends of Hickory park, Bond projects, and other projects that enhance the community.
- Created a Crafting Hickory magazine in partnership with the Hickory Daily Record, which covered year one of the projects, which was placed in 28,000 newspapers on February 26, 2016. Two thousand additional copies were printed and handed out to the community through various ways.

2016/2017 Goals and Objectives:

- **Goal:** To redesign the Communications Team to provide improved communications and partners for City events and internal City communications by working closely with Human Resources.
Objective: Increase overall City co-workers’ knowledge and ability to get the information about all City programs, events, and projects.
- **Goal:** To work with web content managers, and other peers to monitor www.HickoryNC.gov and keep it updated and in line with the standards set for the site during the redesign.
Objective: Keep the www.HickoryNC.gov site user-friendly, designed with citizens in mind, while always improving the content and visual appeal.
- **Goal:** To implement the Marketing Strategic Plan, while promoting all Crafting Hickory projects.
Objective: Reach more people with the marketing messages and project updates through increasing social media and enewsletter reach, as well as increasing traffic to the Crafting Hickory website page.

Performance Measures	2013 – 2014 Actual	2014-2015 Actual	2015-2016 Actual	2016-2017 Estimated
<i>Work Load</i>				
# of Facebook “Likes” (annually)	3,000	3,660	4,924	6,155
# of HickoryNC.gov unique visitors (annually)	-	New	257,914	265,651
<i>Efficiency</i>				
% increase of “Facebook Likes” (annually)-cumulative	20%	15%	35%	25%
Bounce rate % HickoryNC.gov (annually)	-	New	46%	43%
<i>Effectiveness</i>				
# of people viewing the Crafting Hickory page (quarterly)	-	-	-	New

Communications Office



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.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	233,931	235,665	249,125	5.7%
Operations	36,482	51,362	49,342	-3.9%
Capital	1,597	2,500	-	-100.0%
Pro Rata Reimbursement	(40,533)	(41,747)	(42,581)	2.0%
Expenditure Total	231,477	247,780	255,886	3.3%
Per Capita	6	6	6	3.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	231,477	247,780	255,886	3.3%
Revenue Total	231,477	247,780	255,886	3.3%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	3	3	3	0.0%
Total	3	3	3	0.0%

Risk Management



Additional Information about the Risk Management Division may be obtained by calling Todd Shoebridge at 828.323.7442 or tshoebridge@hickorync.gov

Functional Area: General Government

Mission Statement:

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

2015/2016 Accomplishments:

- Achieved and reduced claims through added attention to detail and comprehensive process through the Risk Management Executive Team.
- Completion & Implementations of the City of Hickory Automated External Defibrillator (AED) Protocols, and the purchase and installation of 15 new Phillips Hart Start AED's in City Facilities.
- Revision & Training of the City's Hazardous Communication Policy in accordance with new OSHA guideline.
- Revision, Completion & Implementation of the City of Hickory All Hazard Plan as it relates to the city's Water Treatment Facilities, and 3 Wastewater Treatment Facilities.
- Continued Reorganization and updating processes for adding/deleting insured items in conjunction with the City's asset process and procedures through audits, meetings and the review of all policies.

2016/2017 Goals and Objectives:

- **Goal:** Provide a safe and hazard free workplace for employees through proactive training and inspections
Objective: Risk Division to work in cooperation with all divisions throughout the city to develop and administer needed safety programs, and policies.
Objective: Creation of an updated Safety Policy that identifies basic safety procedures and identifies the Risk Management Executive Team as the city's safety committee.
- **Goal:** Continue to reduce the number of accidents and injuries through training, policy and procedural updates and revisions.
Objective: Continue to update outdated and current safety policies and practices throughout the City of Hickory.
Objective: Taylor training programs to the needs of each division based on current accident and injury trends.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
Work Load				
# of safety training workshops	2	22	30	35
# of recordable workers' compensation claims	30	21	30	25
Efficiency				
% of accident/ incident forms sent back for further information	New	2%	1%	1%
Effectiveness				
Cost of workers' compensation claims	\$401,074	\$655,757	\$550,000	\$550,000
# of worksite inspections and % of worksite inspections in full safety compliance	24/100%	21/98%	25/98%	35/98%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	108,967	121,640	125,285	3.0%
Operations	18,839	49,465	128,545	159.9%
Capital	3,657	29,400	-	-100.0%
Pro Rata Reimbursement	(44,242)	(45,567)	(46,478)	2.0%
Expenditure Total	87,221	154,938	207,352	33.8%
Per Capita	2	4	5	33.5%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Miscellaneous	53,670	60,000	100,000	66.7%
General Fund	33,551	94,938	107,352	13.1%
Revenue Total	87,221	154,938	207,352	33.8%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	1	2	2	0.0%
Part Time	-	-	1	100.0%
Seasonal	-	-	1	100.0%
Total	1	2	4	100.0%

Budget Office



Additional Information about the Budget Office may be obtained by calling Cameron McHargue, Budget Analyst, at 828.261.2200 or cmchargue@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.

2015/2016 Accomplishments:

- Earned the Government Finance Officers Association Distinguished Budget Presentation Award for fiscal year beginning July 1, 2015
- 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)

2016/2017 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	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of individual budget amendments/transfers processed	325	320	368	300
<i>Efficiency</i>				
% of budget amendments submitted to Budget that require follow up with initiating departments	1.5%	1%	1%	1%
% of budget amendments sent to City Clerk’s Office without error	100%	99%	95%	100%
<i>Effectiveness</i>				
Average Response Rate – Annual Survey (Scale 1-5)	4.5	4.5	n/a	4.6

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	69,428	69,917	72,765	4.1%
Operations	30,884	30,588	38,590	26.2%
Capital	1,350	1,800	-	-100.0%
Pro Rata Reimbursement	(65,555)	(67,519)	(68,869)	2.0%
Expenditure Total	36,107	34,786	42,486	22.1%
Per Capita	1	1	1	21.8%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	36,107	34,786	42,486	22.1%
Revenue Total	36,107	34,786	42,486	22.1%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 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 Claudia Main, Human Resources Manager, at 828.323.7447 or cmain@hickorync.gov

Functional Area: General Government

Mission Statement:

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

2015/2016 Accomplishments:

- Conducted HR vendor review seeking cost reductions. As a result of the review, several new vendors now provide comparable or enhanced services at a reduced rate.
- Researched, implemented and provided training on a new online performance review software.
- Conducted several in-house classification and compensation studies.
- Worked closely with Public Services Department on reorganization and reallocation of staff.
- Began partnership with NC Department of Commerce and USO on employing military veterans whose skills and abilities match City staffing needs.
- Developed and implemented new wellness criteria focused on improvement of employee population “high risk” factors.

2016/2017 Goals and Objectives:

- **Goal:** To ensure that services provided meet the needs of internal and external customers.
Objective: Receive a satisfactory rating from at least 90% of the respondents on the annual Human Resources customer satisfaction survey.
- **Goal:** To attract and retain qualified employees.
Objective: Continue to offer a salary and benefit package that is cost effective and competitive.
- **Goal:** To maintain appropriate staff levels in all City departments.
Objective: Keep employees per thousand-population ratio at 20 or less.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Number of Applications Received	4,715	3,200	4,910	5,000
<i>Efficiency</i>				
Percent of wellness program participants with four or more high risk factors who reduced at least one of their high risks.	75%	77%	100%	n/a
Percent of wellness program participants who improved one of their high risk factors	New	New	12.4%	20%
<i>Effectiveness</i>				
Turnover rate (by fiscal year)	5.3%	5.6%	9.7%	6.5%
Average Response Rate-Annual Survey (Scale: 1-5)	4.1	4.3	4.4	4.75

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	342,643	315,760	330,531	4.7%
Operations	78,366	107,077	118,784	10.9%
Capital	8,334	28,550	2,600	-90.9%
Pro Rata Reimbursement	(145,603)	(149,969)	(152,968)	2.0%
Expenditure Total	283,740	301,418	298,947	-0.8%
Per Capita	7	7	7	-1.1%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	283,740	301,418	298,947	-0.8%
Revenue Total	283,740	301,418	298,947	-0.8%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	5	5	5	0.0%
Total	5	5	5	0.0%

Finance Department



Additional Information about the Finance Department may be obtained by calling Melissa Miller, Finance Officer, at 828.323.7417 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.

2015/2016 Accomplishments:

- Transitioned Debt Setoff processing and submission responsibilities to Collections staff.
- Received the Government Finance Officers Association (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting for FY 2013-2014 for the 19th consecutive year.
- Accepted credit card payments for delinquent Fire Prevention accounts.
- Updated Purchasing Policy to include Asset Deletion and Vehicle Purchasing Procedures.
- Implemented new internal Iran Divestment Act procedures for City vendors.

2016/2017 Goals and Objectives:

- **Goal:** Update, document, and cross train all current procedures relating to the billing of utilities and miscellaneous receivables.
Objective: Full three person rotation to balance workload in Billing Division.
- **Goal:** Provide accurate financial information to the citizens of Hickory.
Objective: Prepare the 2016 Comprehensive Annual Financial Report and submit to GFOA for Certificate of Achievement Award.
- **Goal:** Document specific processes performed within the Purchasing Division.
Objective: Compile a training manual for current and future Purchasing staff.
- **Goal:** Implement new imaging software for document retention in Collections.
Objective: Electronically store all photo ID's, lease agreements, and other Legal documents relating to utility accounts

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
% of Water/Sewer accounts collected	98%	97.6%	97.5%	97.0%
Number of days required to process a new vendor application	New	New	New	1 day
Utility bills processed per Billing employee	8,665	8,726	8,700	8,700
<i>Efficiency</i>				
Financial Reports issued within 5 working days of the end of the month.	58.3%	91.7%	83.3%	91.7%
<i>Effectiveness</i>				
Average Response Rate-Annual Survey (1-5)	4.12	4.12	4.00	4.00

Finance Department



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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	982,111	1,106,054	1,038,641	-6.1%
Operations	372,050	360,600	389,978	8.1%
Capital	10,486	38,425	11,800	-69.3%
Pro Rata Reimbursement	(1,281,999)	(1,320,455)	(1,346,863)	2.0%
General Fund Contributions	1,823	-	31,444	100.0%
Expenditure Total	84,471	184,624	125,000	-32.3%
Per Capita	2	5	3	-32.5%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Investment Earnings	84,471	125,000	125,000	0.0%
General Fund	-	59,624	-	-100.0%
Revenue Total	84,471	184,624	125,000	-32.3%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	21	21	20	-4.8%
Total	21	21	20	-4.8%

City Clerk's Office



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.

2015/2016 Accomplishments:

- Maintained Scanning contracts into lasefiche
- Maintained Scanning contracts into lasefiche
- Maintained Scanning all policies, resolutions and ordinances into laserfiche
- Updated City Council Orientation Handbook
- Archived contracts in the vault through June 2005
- Records search requested from various City Departments for archived items
- Obtained the NCCMC Designation from North Carolina Association of Municipal Clerks

2016/2017 Goals and Objectives:

- **Goal:** Continue Clerk's Education to acquire hours for re-certification from North Carolina Association of Municipal Clerks
Objective: Maintain the designation of NCCMC with the North Carolina Association of Municipal Clerks which requires 30 hours of continuing education in a five year period of time.
- **Goal:** Complete the update to the Records Retention and Disposition Schedule working with the Legal Department
Objective: Completion of this schedule will provide for a more concise understanding of the retention and disposition of files. The Clerk's old records need to be purged in accordance with the records disposition schedule
- **Goal:** Average Annual Response Rate (Scale 1-5)
Objective: Continue high level of service provided by the Clerk's Office

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Employee hours required to prepare City Council Agenda for regular meetings	3.68	3.76	3.5	6.0
Average # of days following a City Council meeting to obtain official signatures and return documents to the initiating department(s)	5.0	4.48	4.94	3.0
<i>Efficiency</i>				
# of Council minutes that are transcribed within 4 days of meeting	94%	94%	96%	100%
<i>Effectiveness</i>				
Average Response Rate - Annual Survey (Scale: 1-5)	5	5	5	5

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	77,167	76,270	81,626	7.0%
Operations	29,224	47,487	29,287	-38.3%
Capital	-	1,400	1,400	0.0%
Pro Rata Reimbursement	(56,323)	(58,010)	(59,170)	2.0%
Expenditure Total	50,068	67,147	53,143	-20.9%
Per Capita	1	2	1	-21.1%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	50,068	67,147	53,143	-20.9%
Revenue Total	50,068	67,147	53,143	-20.9%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	2	100.0%
Total	2	2	3	50.0%

Information Technology Department



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

Functional Area: General Government

Mission Statement:

To provide and support information technology resources to internal and external customers of the City of Hickory.

2015/2016 Accomplishments:

- Upgraded network servers to MS Server 2012
- Implementation of MS SharePoint for increased collaboration
- Laserfiche update to version 10
- Expanded the City's Fiber Optic Network
- Increased financial transparency with Socrata's Open Expenditures
- Provisioned Utility crews with tablets for "in the field" use

2016/2017 Goals and Objectives:

- **Goal:** Implementation of ExecuTime applications for Police Dept. and City Hall personnel
Objective: Increase accuracy and reduce efforts in payroll timekeeping
- **Goal:** Install new UCS hardware (servers) in the data center
Objective: Provide improved performance for all server applications and allow for future growth
- **Goal:** Install Naviline Edge from SunGard
Objective: Provide a better and more efficient user interface to the SunGard applications
- **Goal:** Install Cognos Business Intelligence
Objective: Reduce cost and improve capabilities for custom reporting requirement

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Workstations supported	515	540	587	600
Monthly average service requests	76	83	76	75
<i>Efficiency</i>				
% of help desk requests with a contract from assigned technician within one business day	86%	88%	89%	92%
% of service requests resolved by due date	89%	87%	89%	95%
<i>Effectiveness</i>				
Average Response Rate - Annual Survey (Scale: 1-5)	3.93	3.98	4.1	4.3

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	486,026	544,518	569,428	4.6%
Operations	621,560	618,117	661,020	6.9%
Capital	410,133	76,585	336,800	339.8%
Pro Rata Reimbursement	(117,924)	(121,460)	(123,888)	2.0%
Expenditure Total	1,399,795	1,117,760	1,443,360	29.1%
Per Capita	35	28	36	28.8%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	317,250	296,000	320,000	8.1%
General Fund	1,082,545	821,760	1,123,360	36.7%
Revenue Total	1,399,795	1,117,760	1,443,360	29.1%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	8	8	8	0.0%
Seasonal	1	-	-	0.0%
Total	9	8	8	0.0%

Legal Department



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

Functional Area: **General Government**

Mission Statement:

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

2015/2016 Accomplishments:

- Reviewed and revised municipal forms
- Completed 100% of requested title searches within 10 days
- Coordinated litigation with outside counsel on various cases, including the Willie Grimes case

2016/2017 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	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of municipal forms reviewed/revised	127	133	108	100
<i>Efficiency</i>				
% of title opinions requested and researched w/in 10 days	100%	100%	100%	100%
<i>Effectiveness</i>				
Average Response Rate - Annual Survey (Scale: 1-5)	5	4	5	4

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	162,309	164,005	169,698	3.5%
Operations	102,045	102,132	102,132	0.0%
Capital	-	3,500	-	-100.0%
Pro Rata Reimbursement	(57,296)	(59,013)	(60,192)	2.0%
Expenditure Total	207,058	210,624	211,638	0.5%
Per Capita	5	5	5	0.2%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	207,058	210,624	211,638	0.5%
Revenue Total	207,058	210,624	211,638	0.5%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Part Time	-	-	1	100.0%
Seasonal	-	1	1	0.0%
Total	2	3	4	33.3%

Engineering Division



Additional Information about the Engineering Division may be obtained by calling Chuck Hansen, P.E., City Engineer, at 828.323.7500 or chansen@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.

2015/2016 Accomplishments:

- Completed Hickory Optimist Park Phase I Walking Trail and Outdoor Gym
- Completed Windridge Bride Replacement
- Completed Hickory Metro Center Parking Deck

2016/2017 Goals and Objectives:

- **Goal:** Complete Hickory Optimist Park Phase II Shelter/Restrooms and Pickleball Court.
Objective: Replace outdated building and convert existing tennis court to pickleball court.
- **Goal:** Complete parking lot expansion and new restroom facility at Hickory City Park.
Objective: Obtain NCDOT approval to construct Sandy Ridge Road Intersection improvements and obtain right-of-way.
Objective: Relieve traffic congestion at Sandy Ridge Road, 21st Avenue NW and 29th Avenue NW intersections.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of plans reviewed	150	178	150	150
# of projects completed	36	17	10	10
Annual \$ spent on Stormwater	\$897,347	\$240,000	\$250,000	\$250,000
<i>Efficiency</i>				
% of site plans w/o Stormwater reviewed w/in five days	93%	82%	80%	80%
% of site plans w/ Stormwater reviewed within ten days (FY14-15 goal revised to 10 days)	95%	91%	80%	80%
<i>Effectiveness</i>				
% of billable hours to total work hours	79%	78%	75%	80%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	402,864	486,681	438,318	-9.9%
Operations	31,279	62,180	62,180	0.0%
Capital	3,086	5,000	13,000	160.0%
Pro Rata Reimbursement	(118,146)	(121,689)	(124,123)	2.0%
Expenditure Total	319,083	432,172	389,375	-9.9%
Per Capita	8	11	10	-10.1%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	319,083	432,172	389,375	-9.9%
Revenue Total	319,083	432,172	389,375	-9.9%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	8	8	8	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
Total	9	9	9	0.0%

Planning and Development Department



Additional Information about the Planning and Development Services Department may be obtained by calling Brian M. Frazier, Director, at 828.323.7422 or bfrazier@hickorync.gov

Functional Area: Economic and Community Development

Mission Statement:

To develop plans, provide staff services to boards and commissions, and administer ordinances, policies and programs to promote sound growth, orderly development, economic vitality, improved housing, stable neighborhoods and necessary redevelopment in the Hickory Planning Area.

2015/2016 Accomplishments:

- Land Development Code Amended
- Closed out 2012-15 Brownfield Assessment Grant
- Revisions made to the Claremont Neighborhood Plan
- Awarded EPA Neighborhood Planning Grant (\$200,000)

2016/2017 Goals and Objectives:

- **Goal:** Enhance quality of life for all city residents.
Objective: Support neighborhood associations, boards and commissions. Implement affordable housing strategies. Promote single family home ownership.
- **Goal:** Further economic development and job creation.
Objective: Leverage infrastructure development to create tax base growth and job creation. Enhance Hickory’s position as the regional hub for housing, new business and industry.
- **Goal:** Enhance both current and comprehensive planning strategies.
Objective: Perform five year updates to Hickory by Choice 2030 and the annual Land Development Code updates. Update neighborhood plans and seek to formulate various corridor studies and micro-area plans.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Identify illegal signs and banners	1,570	1,466	2,082	2,500
<i>Efficiency</i>				
Conduct field inspections within 24 hours	88.75%	90%	85%	90%
<i>Effectiveness</i>				
% of zoning compliance achieved within 30 days of written compliance notices	81.5%	93%	88.5%	90%

Planning and Development Department



The Planning and Development Department 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 Development Assistance Center (DAC) and the Community Development Office are housed in the Planning Department. Marketing the City of Hickory to interested developers outside the area is 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 Planning and Development Department 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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	524,686	540,723	550,065	1.7%
Operations	49,522	68,229	68,229	0.0%
Capital	4,959	5,000	30,000	500.0%
Pro Rata Reimbursement	(28,897)	(29,763)	(30,358)	2.0%
Expenditure Total	550,270	584,189	617,936	5.8%
Per Capita	14	15	15	5.5%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Licenses and Permits	3,387	2,100	2,100	0.0%
Miscellaneous	66,079	60,000	60,000	0.0%
Sales and Services	32,194	20,000	30,000	50.0%
General Fund	448,610	502,089	525,836	4.7%
Revenue Total	550,270	584,189	617,936	5.8%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	8	8	8	0.0%
Total	8	8	8	0.0%

Police Department



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.

2015/2016 Accomplishments:

- The Police Department has updated the current 911 Communications Center radio system and is on track to becoming the back up 911 Public Safety Answering Point for Catawba County.
- The Police Department has fully implemented body worn cameras in the entire police department, to include the Criminal Investigations Division when in uniform (Chief and Deputy Chief of Police are exempt).

2016/2017 Goals and Objectives:

- **Goal:** The Patrol Division will work to reduce panhandling by 7% during 2016.
Objective: Officers will address “hot spot” locations through directed patrol and take corrective action when violations are discovered. Officers will be provided with information about available resources to distribute to first-time offenders in an effort to reduce repeat violations.
- **Goal:** The Patrol Division will work to reduce burglaries by 3% during 2016.
Objective: PACT Commanders will review their PACT report on a weekly basis and direct patrol efforts to those “Hot Spot” locations. Officers will increase their visibility in the “Hot Spot” locations by conducting citizen contacts, license checkpoints, field interviews and other initiatives directed by the PACT Commanders.
- **Goal:** Increase Community Policing Efforts.
Objective: During 2016, each PACT will coordinate at least one event that will bring the community and the police together in order to build upon and improve the relationships between the police and the community. Positive relationships between the police and the community are crucial for combating crime; as well as, assisting with recruitment of future officers.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of calls received	135,156	90,927	90,436	100,000
# of calls dispatched	37,398	38,431	41,731	40,000
# dispatched calls per Patrol Officer	414	427	509	450
<i>Efficiency</i>				
# of cases assigned to Criminal Investigations Division	538	598	681	600
<i>Effectiveness</i>				
% of calls answered before fourth ring	99%	99%	n/a	99%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	8,078,850	8,503,128	9,347,638	9.9%
Operations	1,835,867	2,217,821	2,285,449	3.0%
Capital	806,320	917,625	933,625	1.7%
Pro Rata Reimbursement	2,484	2,558	2,609	2.0%
Expenditure Total	10,723,521	11,641,132	12,569,321	8.0%
Per Capita	268	289	312	7.7%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Unrestricted Intergovernmental	90,000	90,000	90,000	0.0%
Restricted Intergovernmental	88,391	85,225	120,000	40.8%
Licenses and Permits	5,212	5,155	5,100	-1.1%
Miscellaneous	1,885	2,000	2,000	0.0%
Sales and Services	(24,195)	25,000	24,500	-2.0%
General Fund	10,562,228	11,433,752	12,327,721	7.8%
Revenue Total	10,723,521	11,641,132	12,569,321	8.0%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	152	153	152	-0.7%
Part Time	35	37	60	62.2%
Seasonal	4	4	25	525.0%
Total	191	194	237	22.2%

District Court



Additional information about the District Court may be obtained by calling Alex Brittain, Building Maintenance Manager at 828.323.7500 or abrittain@hickorync.gov

Functional Area: General Government

Mission Statement:

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

2015/2016 Accomplishments:

- Installation of new fiber optic cable into building for high speed internet and data connectivity
- Continue to provide PM maintenance for facility operations HVAC and lighting repair
- Continue to encumber funds for part-time janitorial service to maintain the facility

2016/2017 Goals and Objectives:

- **Goal:** To provide necessary facility maintenance for the various non-city personnel that occupies the facility.
Objective: Continue to budget and encumber funds for the various equipment in maintaining facility operations: fire alarm system, HVAC maintenance, roof maintenance, security maintenance
- **Goal:** To meet with Clerk of Court staff as necessary for any facility issues as they arise thru the budget year.
Objective: Utilization of selected court personnel together with Risk Manager and Building Maintenance Manager regarding facility access for court personnel and to maintain security of the facility.
- **Goal:** Ensure ADA compliance is maintained for the non-city personnel and general public that utilize and operate the facility.
Objective: To continue to maintain and provide city services for the public restrooms that have been upgraded to ADA compliant.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of requests for services initiated by the Clerk of Court for City Services	50	45	50	50
<i>Efficiency</i>				
# of annual safety inspection deficiencies reported by County/Court’s Safety Officers	0	0	0	0
<i>Effectiveness</i>				
% of emergency calls dispatched by the Clerk of Court regarding services needed for vandalism in the public accessed areas, courtrooms, foyer, holding cells & exterior of facility.	New	10	7	5

District Court



The Hickory District Court Building was built in 1978. There are several divisions of court personnel housed at this location. These include Judges, Clerk of Court, District Attorney’s Office, Probation and Parole and Community Services. The City of Hickory is responsible for maintaining the structure of the building, janitorial services, heating and cooling along with interior lighting and general preventative maintenance for the facility.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Operations	47,273	64,504	64,504	0.0%
Pro Rata Reimbursement	1,762	1,814	1,850	2.0%
General Fund Contribution	52,287	56,682	38,646	-31.8%
Expenditure Total	101,322	123,000	105,000	-14.6%
Per Capita	3	3	3	-14.9%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	101,322	123,000	105,000	-14.6%
Revenue Total	101,322	123,000	105,000	-14.6%

Fire Department



Additional Information about the Fire Department may be obtained by calling C. Fred Hollar, Fire Chief, at 828.323.7501 or fhollar@hickorync.gov

Functional Area: Public Safety

Mission Statement:

The Hickory Fire Department shall provide high quality emergency services, education, and prevention that protect our community through professional coworkers that are focused on customer service, compassion, commitment, and innovation.

2015/2016 Accomplishments:

- Added two new Smeal apparatus to the fire department’s emergency response fleet. Ladder 2 is located at Station 2 and Engine 3 is located at Station 3. All personnel assigned to the apparatus have undergone extensive training on the apparatus’ operation.
- Expanded the teaching opportunities provided to the department by utilizing regional training centers. These centers have enhanced the level of training that all personnel have received throughout the year. This program also continues to improve local and regional relationships.
- Complete replacement of all structural firefighting gear for each coworker as part of a capital budget project.

2016/2017 Goals and Objectives:

- **Goal:** Maintain the Hickory Fire Department Strategic Plan
Objective: Identify the core services provided by the fire department while focusing on innovation, communication, and customer service. Create attainable goals with realistic objectives from these core services. Review the Strategic Plan annually to determine progress and completion of goals.
- **Goal:** Conduct a community-hazard assessment utilizing the fire department service demand zones.
Objective: Combine recognized standards of community risk analysis and master planning to create a comprehensive standard of cover document. Maintain this document annually in order to provide the best emergency services possible.
- **Goal:** Enhance the fire department’s technology program.
Objective: Expand video conferencing training opportunities for personnel in their stations. Ensure apparatus and command vehicles are provided with current and crucial infrastructure. Continue to utilize social media to provide information to the community.

	2013-2014	2014-2015	2015-2016	2016-2017
Performance Measures	Actual	Actual	Estimated	Goal
<i>Work Load</i>				
# of Incident Responses	6,186	6,640	6,600	6,500
Educational Programs/Projects	348	403	340	330
# of Fire Inspector Activities	5,834	5,493	5,400	5,400
<i>Efficiency</i>				
Inspection Activities completed per F.T.E.	2,244	1,883	1,800	1,500
Cost per Fire Department response	\$1,498	\$1,464	\$1,438	\$1,450
<i>Effectiveness</i>				
Average Response Time to Priority One Calls in Minutes	4:32	4:21	4:38	4:30
% of Full Response within 8-minutes Travel Time (new)	84%	82%	84%	85%

Fire Department



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.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	7,900,495	8,059,508	8,212,509	1.9%
Operations	1,324,250	1,256,182	1,256,260	0.0%
Capital	400,857	562,797	933,200	65.8%
Pro Rata Reimbursement	(33,426)	(34,429)	(35,117)	2.0%
Expenditure Total	9,592,176	9,844,058	10,366,852	5.3%
Per Capita	240	245	257	5.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Restricted Intergovernmental	318,951	309,900	308,400	-0.5%
Sales and Services	154,864	163,500	163,400	-0.1%
Other Financing Sources	-	-	600,000	100.0%
General Fund	9,118,361	9,370,658	9,295,052	-0.8%
Revenue Total	9,592,176	9,844,058	10,366,852	5.3%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	135	135	135	0.0%
Part Time	3	2	3	50.0%
Total	138	137	138	0.7%

Public Services: Building Services Division



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

Functional Area: **General Government**

Mission Statement:

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

2015/2016 Accomplishments:

- Hickory Community Theater: Materials and labor to furnish and install new visual strobe devices in the new uni-sex ADA restroom located in the Fireman’s Kitchen area of the Hickory Community Theater. Project was part of the lower level restroom renovations that were funded by the city
- HPD Materials and labor to replace and install one new RAY-PAK brand two stage boiler that services the heating demand for the HPD facility
- Scheduled the necessary manpower to support the various special events throughout the year
- Installed 60 new LED light fixtures in the gym at Highland Rec facility and completed paper work for Duke Energy rebate program that allowed the City to get half of their money back for the fixtures
- Completed wiring and installing a 30KW natural gas generator at Fire Station #6

2016/2017 Goals and Objectives:

- **Goal:** Continue to provide and offer effective and efficient service for all city departments that are serviced by the Building Services division.
Objective: To evaluate and recommend training opportunities for staff in relations to their respective areas of skill level and knowledge in providing quality service for both our internal and external customers.
- **Goal:** To support energy-saving opportunities where applicable when servicing city facilities/properties
Objective: Utilization of Energy-Star rated equipment, motors and control systems and to install new LED lighting where ever possible
- **Goal:** Project management for new LED upgrades for all city owned fixtures on Union Square
Objective: To upgrade/Retro all city owned fixtures on Union Square to LED fixtures

Performance Measures	2013-2014	2014-2015	2015-2016	2016-2017
	Actual	Actual	Estimated	Goal
<i>Work Load</i>				
# of service requests received, scheduled & serviced by the Building Services division	768	846	850	875
<i>Efficiency</i>				
% of Building Division’s service requests completed in 48 hours	72%	86%	85%	85%
<i>Effectiveness</i>				
Average labor cost per service request	\$53.83	\$53.80	\$54.70	\$52.00

Public Services: Building Services Division



The Building Services division is located and operates from the Public Services complex located at 1441 9th Ave NE. The division consists of six staff personnel: one Building Maintenance Manager, one Electrical Supervisor, two Electricians and two Construction & Maintenance Worker positions. The group mainly performs 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 a 24 hour on call emergency services to provide services in maintaining facility operations. The Building Services group works under the direction of the Public Services Manager and the Public Services Director.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	311,715	321,544	330,415	2.8%
Operations	51,026	74,030	74,030	0.0%
Capital	-	1,400	7,900	464.3%
Pro Rata Reimbursement	(292,045)	(300,804)	(306,820)	2.0%
Expenditure Total	70,696	96,170	105,525	9.7%
Per Capita	2	2	3	9.4%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	20,491	20,000	12,000	-40.0%
General Fund	50,205	76,170	93,525	22.8%
Revenue Total	70,696	96,170	105,525	9.7%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	6	6	6	0.0%
Total	6	6	6	0.0%

Public Services: Central Services Division



Additional Information about Central Services Division may be obtained by calling Wendy Berry, Central Services Coordinator, at 828.323.7500 or wberry@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.

2015/2016 Accomplishments:

- Processed Public Services Payroll.
- Performance Measure has helped supervisors to be more knowledgeable about problem areas within their department.
- Maintain data entry of work orders on a daily basis.
- Compiled monthly and quarterly reports for division heads to see productivity and cost within their division.
- Streamlined the VC3 to have important information pertaining to Public Service/Public Utilities.
- Decreased errors on Work Orders to less than 1 percent.
- Helped Public Service/Public Utilities Department to help meet goals for divisions.

2016/2017 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.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of work orders entered (annual)	27,551	21,240	24,015	21,000
<i>Efficiency</i>				
Average Response Rate-VC3 Service Request Days	2.3	3.0	3.0	3.0
<i>Effectiveness</i>				
% of time accounted for on work orders vs. actual time turned in for Public Services	95.5%	98%	9%	98%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	431,551	460,961	480,542	4.2%
Operations	131,632	153,645	153,645	0.0%
Capital	1,135	6,000	3,000	-50.0%
Pro Rata Reimbursement	(247,469)	(254,891)	(259,989)	2.0%
Expenditure Total	316,849	365,715	377,198	3.1%
Per Capita	8	9	9	2.9%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	316,849	365,715	377,198	3.1%
Revenue Total	316,849	365,715	377,198	3.1%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 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, PE 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.

2015/2016 Accomplishments:

- Replaced 182 street name plates
- Completed stop sign replacement project – all are now latest MUTCD standards
- Replaced 192 LED’s in signal heads
- Completed all signal plan-of-records/as-builts

2016/2017 Goals and Objectives:

- **Goal:** Reduce travel delay for drivers
Objective: Maintain signal system
- **Goal:** Provide effective transportation system
Objective: Refresh intersection pavement markings
- **Goal:** Enhance safety on roadways
Objective: Make sure minimum retro reflectivity standards are met

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of intersection markings refreshed	69	91	91	95
<i>Efficiency</i>				
Reduce travel time delay at signalized intersections (average percent reduction)	15.3%	16.51%	11.17%	10%
<i>Effectiveness</i>				
Average response time (VC3) to citizens	29 hrs. 5 min.	20 hrs. 35 min.	88 hrs. 19 min*	24 hrs.

*The VC3 system re-opened and reassigned closed tickets therefore this number is not a true reflection on response time.

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	509,769	572,439	588,933	2.9%
Operations	1,186,809	1,245,495	1,245,495	0.0%
Capital	59,058	36,000	224,000	522.2%
Pro Rata Reimbursement	(13,738)	(14,149)	(14,431)	2.0%
Expenditure Total	1,741,898	1,839,785	2,043,997	11.1%
Per Capita	44	46	51	10.8%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Unrestricted Intergovernmental	372,702	230,000	300,000	30.4%
Sales and Services	77,089	60,000	60,000	0.0%
General Fund	1,292,107	1,549,785	1,683,997	8.7%
Revenue Total	1,741,898	1,839,785	2,043,997	11.1%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Part Time	-	-	1	100.0%
Seasonal	4	4	4	0.0%
Total	15	15	16	6.7%

Public Services: Street Division



Additional Information about the Public Services Street Division may be obtained by calling Carolina Kone, PE, 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.

2015/2016 Accomplishments:

- Resurfaced 16 lane miles of streets
- Installed approximately 4,300 linear feet of new sidewalk
- Installed approximately 6,500 linear feet of new curb and gutter

2016/2017 Goals and Objectives:

- **Goal:** Provide safe walkways for pedestrians
Objective: Construct all budgeted sidewalk projects by July 2017
- **Goal:** Provide safe streets for the traveling public
Objective: Resurface and provide necessary pavement maintenance
- **Goal:** Provide safe and reliable storm drain system
Objective: Make necessary repairs and upgrades to storm drain system

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Linear feet of new sidewalk construction	3,790	5,690	4,300	6,000
NCDOT right of way miles maintained	4,700	5,872	4,600	4,700
<i>Efficiency</i>				
Tons of asphalt in place per lane mile maintained (annually)	580	580	580	580
Cost per ton of asphalt placed – contractor	\$66.50	\$76.50	\$76.50	\$77.50
<i>Effectiveness</i>				
% of potholes repaired within 24 hours	90%	95%	94%	96%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	1,625,197	2,011,756	1,971,716	-2.0%
Operations	1,373,740	1,661,282	1,661,282	0.0%
Capital	432,215	295,000	430,000	45.8%
Pro Rata Reimbursement	(55,226)	(56,882)	(58,020)	2.0%
Expenditure Total	3,375,926	3,911,156	4,004,978	2.4%
Per Capita	84	97	99	2.1%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Other Taxes	170,479	160,000	150,000	-6.3%
Restricted Intergovernmental	1,345,024	1,325,000	1,325,000	0.0%
Sales and Services	18,332	10,000	10,000	0.0%
General Fund	1,842,091	2,416,156	2,519,978	4.3%
Revenue Total	3,375,926	3,911,156	4,004,978	2.4%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	43	43	43	0.0%
Part Time	5	5	9	80.0%
Seasonal	8	6	6	0.0%
Total	56	54	58	7.4%

Public Services: Landscape Services Division



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

Functional Area: General Government

Mission Statement:

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

2015/2016 Accomplishments:

- Awarded Tree City USA for eleven years.
- Received grant for new info kiosk at Sally Fox Park (Kiosk Installed).
- New hanging baskets throughout the USBD. Both Spring/Summer and Fall/Winter program created.

2016/2017 Goals and Objectives:

- **Goal:** LR Railroad Bridge Landscape
Objective: Design and install new landscape at RR Bridge to enhance the aesthetics of major thoroughfare.
- **Goal:** Re-design and Landscape Union Square Planters starting in late fall.
Objective: To enhance beds along store fronts in the USBD.
- **Goal:** Create a working Tree Inventory.
Objective: To create a working /growing Tree inventory to better track planting, maintenance and hazards throughout the City of Hickory.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of trees/shrubs planted annually	15/425	35/1,575	27/1,071	10/400
# of trees/shrubs maintained	600/4,000	949/5,154	617/7,646	600/3,000
<i>Efficiency</i>				
Annual cost to maintain Oakwood Cemetery	\$92,000	\$85,623	\$92,307	\$92,000
Annual cost to maintain Ridgeview Cemetery	\$10,500	\$7,545	\$6,839	\$10,000
Annual cost to maintain Fairview Cemetery	\$19,000	\$17,699	\$14,659	\$24,000
<i>Effectiveness</i>				
% of Cemetery plots/graves repaired due to settling	15%	4%	5%	5%

Public Services: Landscape Services Division



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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	650,771	800,805	770,491	-3.8%
Operations	262,369	290,876	290,903	0.0%
Capital	18,651	22,000	60,000	172.7%
Pro Rata Reimbursement	(116,764)	(120,265)	(122,670)	2.0%
Expenditure Total	815,027	993,416	998,724	0.5%
Per Capita	20	25	25	0.3%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	43,059	30,000	30,000	0.0%
General Fund	771,968	963,416	968,724	0.6%
Revenue Total	815,027	993,416	998,724	0.5%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	17	17	17	0.0%
Part Time	1	1	3	200.0%
Seasonal	8	8	8	0.0%
Total	26	26	28	7.7%

Parks and Recreation Department



Additional Information about the Parks and Recreation Department may be obtained by calling Mack McLeod, Director of Parks and Recreation, at 828.322.7046 or mmcleod@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement:

To provide the highest quality in leisure services, parks and recreational facilities while encouraging and enhancing healthy lifestyles for all citizens of Hickory.

2015/2016 Accomplishments:

- Groundbreaking ceremony for the City’s first splash pad held on January 27, 2016 in partnership with Hickory Kiwanis Clubs.
- Took two Senior Citizens trips; one to Cape Cod, Massachusetts in September 2015 and one to Washington, DC in April 2016. Thirty-seven attended the first trip and nineteen went on the second excursion.
- Renamed Cloninger Mill Park to Bruce Meisner Park.
- 1034 participants in Unifour Senior Games; largest local games in NC for 8th consecutive year.
- Implemented a concussion protocol policy for all youth sports programs.

2016/2017 Goals and Objectives:

- **Goal:** Measure the cost of operating concessions for all athletic sports.
Objective: Analyze overall profit or loss from operating concessions each fiscal year.
- **Goal:** Increase participation in adult athletic sports.
Objective: Continue marketing programs of interest for the adult population.
- **Goal:** Increase the percent and variety of recreation programs planned that are actually held.
Objective: Implement 95% of recreation programs planned.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
% of residents/nonresidents in athletic programs	81%/19%	81%/19%	80%/20%	80%/20%
Annual # of participants in athletic programs	2,057	2,030	2,200	2,000
# of drop-in users of recreation centers/month (avg.)	5,930	5,482	6,500	5,300
<i>Efficiency</i>				
\$ profit/loss concessions	\$4,824.60	\$4,685.15	\$4,500.00	\$4,500.00
<i>Effectiveness</i>				
% increase in number of athletic programs	0.0%	6.0%	10.0%	10.0%
% recreation center programs planned that are actually held	97%	97%	95%	95%

Parks and Recreation Department



The Parks and Recreation 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. This department also operates the Parks Maintenance Division and L. P. Frans Stadium.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	1,188,184	1,155,651	1,190,495	3.0%
Operations	283,393	288,390	287,390	-0.3%
Capital	52,086	127,787	33,103	-74.1%
Pro Rata Reimbursement	40,965	42,193	43,037	2.0%
Expenditure Total	1,564,628	1,614,021	1,554,025	-3.7%
Per Capita	39	40	39	-4.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	210,576	182,000	197,500	8.5%
Miscellaneous	26,000	-	11,000	100.0%
General Fund	1,328,052	1,432,021	1,345,525	-6.0%
Revenue Total	1,564,628	1,614,021	1,554,025	-3.7%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	18	18	18	0.0%
Part Time	15	15	38	153.3%
Seasonal	2	12	12	0.0%
Total	35	45	68	51.1%

Parks and Recreation Department: Parks Maintenance



Additional Information about the Parks and Recreation Department may be obtained by calling Mack McLeod, Director of Parks and Recreation, at 828.322.7046 or mmcleod@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement:

To provide an efficient maintenance and renovation program for all city parks and recreation facilities.

2015/2016 Accomplishments:

- Completed Phase I improvements at Hickory Optimist Park to include .2 mile paved walking trail, outdoor fitness zone, storm drainage pipe replacement and new park entrance.
- Dugout covers are now installed on all three softball fields at Stanford Park through completed Eagle Scout projects.
- Completed the construction of new concession stand/scorebooth for Fields #3 and #4 as well as batting cage improvements at Kiwanis Park.
- Crew Leader Brantley Hicks successfully completed the Certified Playground Safety Inspector (CPSI) program.

2016/2017 Goals and Objectives:

- **Goal:** Provide efficient completion of repairs in parks and recreation centers.
Objective: Complete prioritized work orders within 48 hours of submission while working within the seasonal scheduling procedures.
- **Goal:** All playing fields are well maintained and aesthetically pleasing.
Objective: Volunteer coaches rate turf and playing fields consistently above average or better.
- **Goal:** Playground equipment and surfacing are in good condition and maintained for safety.
Objective: Conduct and review weekly playground inspections.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
% of Fescue ball fields mowed and trimmed every five days	100%	100%	100%	100%
<i>Efficiency</i>				
% of playground systems inspected and serviced once every 30 days	73.5%	69%	90%	90%
% of work orders completed within 48 hours	40%	39%	35%	35%
<i>Effectiveness</i>				
% of coaches rating playing fields and gyms above or better	66%	80%	100%	100%

Parks and Recreation Department: Parks Maintenance



This division is responsible for all maintenance functions within the jurisdiction of the City of Hickory Parks and Recreation Department.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	1,041,493	1,092,751	1,049,179	-4.0%
Operations	709,873	685,397	682,097	-0.5%
Capital	145,130	313,900	284,150	-9.5%
Expenditure Total	1,896,496	2,092,048	2,015,426	-3.7%
Per Capita	47	52	49.97	-3.9%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	1,896,496	2,092,048	2,015,426	-3.7%
Revenue Total	1,896,496	2,092,048	2,015,426	-3.7%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	24	24	24	0.0%
Part Time	-	-	6	100.0%
Seasonal	7	7	7	0.0%
Total	31	31	37	19.4%

Parks and Recreation Department: L.P. Frans Stadium



Additional Information about the Parks and Recreation Department may be obtained by calling Mack McLeod, Director of Parks and Recreation, at 828.322.7046 or mmcleod@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement:

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

2015/2016 Accomplishments:

- Replaced handrails on picnic deck
- Successfully met Hickory Baseball’s requirements for preparation of L.P. Frans Stadium for opening day of the 2016 season.

2016/2017 Goals and Objectives:

- **Goal:** To maintain the stadium structure for use by the Hickory Crawdads baseball team.
Objective: Adhere to terms and conditions of stadium lease agreement.
- **Goal:** Pursue special events and performances suitable for stadium use.
Objective: Maintain the number of stadium rentals and special events from FY 2016-17.
- **Goal:** Measure the cost of maintaining L. P. Frans Stadium under lease agreement.
Objective: Maintain FY 2016-17 budgeted funding levels.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Average attendance at baseball games	2,126	2,187	2,000	2,000
<i>Efficiency</i>				
% of work order requests from Hickory Baseball completed within 72 hours	43.25%	76%	35%	35%
<i>Effectiveness</i>				
Cost to maintain stadium structure (Annual)	\$710,973.04	\$109,399.00	\$97,323.00	\$102,423.00

Parks and Recreation Department: 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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Operations	106,961	97,323	97,323	0.0%
Capital	76,079	-	5,100	100.0%
Expenditure Total	183,040	97,323	102,423	5.2%
Per Capita	5	2	2.54	5.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	1,250	12,000	11,700	-2.5%
General Fund	181,790	85,323	90,723	6.3%
Revenue Total	183,040	97,323	102,423	5.2%

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:

To encourage exploration of new ideas, support local education, enhance the economic vitality of the region, strengthen a sense of community, and enrich the quality of life for all.

2015/2016 Accomplishments:

- Completed upgrades to interiors of both library facilities to provide modern, welcoming library spaces. Upgrades included children’s furnishings, paint, carpet, and remodeled public restrooms.
- Expanded volunteer opportunities to increase community involvement in library services.
- Collaborated with Catawba County Library to offer Big Read programs.

2016/2017 Goals and Objectives:

- **Goal:** The library provides state-of-the-art technology for library patrons
Objective: Upgrade self-check stations to make the process of borrowing materials more user-friendly
- **Goal:** The library offers superior customer service experiences
Objective: Work with community partners to develop innovative public programs
- **Goal:** The community is aware of all that the library has to offer
Objective: Develop new marketing strategies to increase the library’s visibility in the community

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Circulation (raw number)	361,834	366,824	390,583	395,000
<i>Efficiency</i>				
Circulation per capita (cumulative)	8.74	9.09	9.68	9.78
<i>Effectiveness</i>				
% of items checked out using self-check stations	12.26%	15.00%	10.97%	15.00%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	1,133,777	1,251,152	1,242,284	-0.7%
Operations	738,985	706,182	706,182	0.0%
Capital	52,902	132,000	175,000	32.6%
Pro Rata Reimbursement	1,630	1,678	1,712	2.0%
Expenditure Total	1,927,294	2,091,012	2,125,178	1.6%
Per Capita	48	52	52.69	1.4%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Restricted Intergovernmental	237,143	231,500	235,217	1.6%
Sales and Services	45,400	48,000	45,000	-6.3%
General Fund	1,644,751	1,811,512	1,844,961	1.8%
Revenue Total	1,927,294	2,091,012	2,125,178	1.6%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	18	18	18	0.0%
Part Time	18	18	36	100.0%
Seasonal	2	2	2	0.0%
Total	38	38	56	47.4%

City Hall/Public Buildings



Additional information about the City Hall/ Public Buildings Division may be obtained by calling Alex Brittain, Building Maintenance Manager, at 828.323.7500 or abrittain@hickorync.gov

Functional Area: General Government

Mission Statement:

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

2015/2016 Accomplishments:

- Continued to budget and perform HVAC system upgrades to the Building Automation System (BAS) in continual efforts to modernize and utilize energy efficient control of the facility.
- City’s participation Building Services has set a new 200 amp service which can be used for events and also power for new Friends of Hickory park uptown
- Replace and installed new door at lower entrance of City Hall and rewired card reader system
- Remolded first floor breakroom. Took out old out dated cabinets framed old block wall with metal studs and installed new wiring for outlets and appliances. Hung and finished sheetrock installed new cabinets and installed all electrical devices and appliances.

2016/2017 Goals and Objectives:

- **Goal:** Promote and support energy saving opportunities in reducing electrical/utility cost.
Objective: To recommend, budget and allocate funds for energy projects regarding HVAC equipment upgrades at City Hall and to look into upgrading exterior lights at City Hall to LEDs.
- **Goal:** Support and services for all special event functions held on and around Union Square.
Objective: To continue to plan/schedule the various city divisions as necessary in providing city personal for the various events that are scheduled throughout the year.
- **Goal:** To maintain city owned rental properties per individual facility’s lease terms and conditions.
Objective: To encumber necessary funds annually to maintain building exterior type maintenance items and roof systems.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of service requests received scheduled & serviced for City Hall & Union Square	221	133	215	200
<i>Efficiency</i>				
% of preventive maintenance program completed via internally or under contract	100%	100%	100%	100%
<i>Effectiveness</i>				
% of HVAC upgraded renovations performed to date for the automated HVAC system in promoting energy efficiency	-	New	95%	98%

City Hall/Public Buildings

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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	26,118	26,500	26,501	0.0%
Operations	316,676	316,962	316,962	0.0%
Capital	230,326	-	-	0.0%
Pro Rata Reimbursement	(7,841)	(8,076)	(8,237)	2.0%
Expenditure Total	565,279	335,386	335,226	0.0%
Per Capita	14	8	8.31	-0.3%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Fund	565,279	335,386	335,226	0.0%
Revenue Total	565,279	335,386	335,226	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 polices, enforcing regulations established by Council and promoting activities and programs that improve the quality of life in the City.

Board/Agency Funding by Functional Area	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Government					
Community Appearance Commission	746	498	1,300	1,300	0%
Public Art Commission	15,951	6,815	16,000	16,000	0%
<i>Subtotal</i>	16,697	7,313	17,300	17,300	0%
Public Safety					
Spay and Neuter Program	1,360	908	0	0	0%
<i>Subtotal</i>	1,360	908	0	0	0%
Economic and Community Development					
Catawba County EDC	106,005	132,440	132,113	151,977	15%
Downtown Development Association	50,000	50,000	50,000	50,000	0%
Economic Dev. - Miscellaneous	17,372	48,764	16,000	16,000	0%
Economic Dev. Incentives	173,088	561,875	330,448	392,617	19%
Façade/Landscape Grant	38,567	34,336	40,000	40,000	0%
Hickory Community Relations Council	16,800	16,730	17,000	17,000	0%
Hickory Convention/Visitors Bureau	20,000	20,000	20,000	20,000	0%
Historic Preservation	6,986	6,773	11,100	11,100	0%
International Council	8,236	5,871	13,000	13,000	0%
Neighborhood Grant Program	0	0	0	0	0%
University City Commission	0	2,920	12,000	12,000	0%
Vacant Building Revitalization	34,490	95,917	100,000	100,000	0%
Western Piedmont Council of Governments	33,908	34,223	34,220	35,060	2%
Youth Council	5,172	3,558	3,600	3,600	0%
<i>Subtotal</i>	510,624	1,013,407	779,481	862,354	11%
Culture and Recreation					
Greater Hickory Golf Classic	75,000	75,000	0	0	0%
SALT Block Facility Improvement	19,230	180,770	100,000	100,000	0%
United Arts Council of Catawba County	40,010	40,010	40,065	40,143	0%
<i>Subtotal</i>	134,240	295,780	140,065	140,143	0%
Total	662,921	1,317,408	936,846	1,019,797	9%

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	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Bonded Debt					
Interest	0	0	0	0	0%
Road Bond Projects	0	0	0	0	0%
Subtotal	0	0	0	0	0%
Installment Purchase					
Communications System	104,269	104,269	104,269	104,269	0%
General Government	502,800	602,800	702,800	702,800	0%
Interest	100,499	124,470	144,034	118,024	-18%
Recreation	385,619	385,619	385,619	385,618	0%
Subtotal	1,093,187	1,217,158	1,336,722	1,310,711	-2%
Grand Total	1,093,187	1,217,158	1,336,722	1,310,711	-2%

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 parking capital outlay needs and for future capital projects and purchases as prescribed in Council's financial policy.

Transfers from General Fund	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Capital Projects	0	1,101,630	0	0	0%
Capital Reserve Fund	1,019,048	1,032,236	965,000	920,000	-5%
Internal Service Fund	15,000	0	0	0	0%
Multi-Year Grant Program Fund	76,250	24,338	0	.	100%
Solid Waste Fund	614,262	973,752	214,049	146,460	-32%
Stormwater Fund	556,616	277,858	132,947	133,851	1%
Transportation Capital Projects Fund	1,905	257,915	0	0	0%
Transportation Fund	101,763	95,186	0	0	0%
Total	2,384,844	3,762,915	1,311,996	1,200,311	-9%

Enterprise Fund

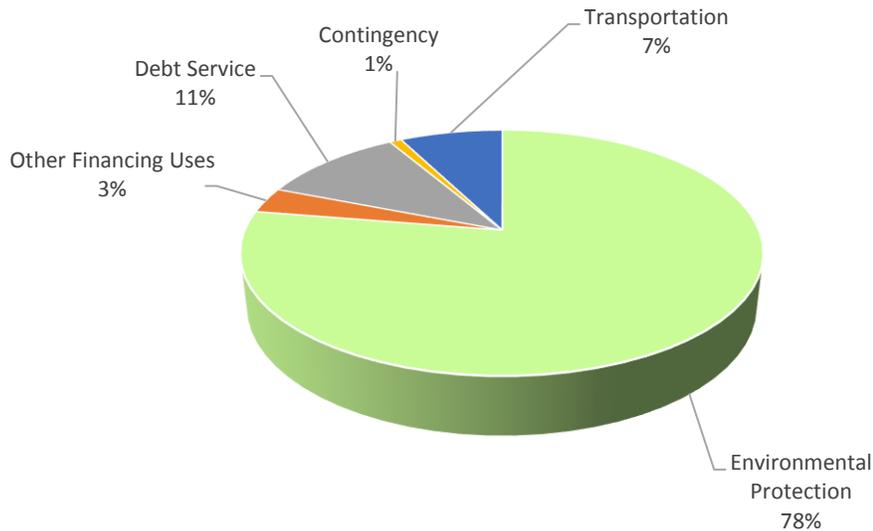


2016-2017 Adopted Budget

Enterprise Fund

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 Fund



Enterprise Fund Revenue by Category	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Other Taxes	26,596	25,000	25,000	0.0%
Restricted Intergovernmental	2,959,906	3,075,293	2,913,915	-5.2%
Sales and Services	26,668,165	27,769,696	28,542,307	2.8%
Investment Earnings	89,504	56,000	56,000	0.0%
Miscellaneous	1,443,951	323,000	343,000	6.2%
Other Financing Sources	2,136,427	6,460,364	2,320,290	-64.1%
Revenue Total	33,324,549	37,709,353	34,200,512	-9.3%
Per Capita	832	938	848	

Enterprise Fund Expenditure by Category	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	6,396,400	7,548,178	7,670,598	1.6%
Operations	12,264,739	13,141,113	13,428,912	2.2%
Capital	129,812	7,837,548	3,833,700	-51.1%
Contingency	-	150,000	380,000	153.3%
Special Appropriations	45,396	62,367	63,002	1.0%
Debt Service	937,929	4,075,920	3,619,792	-11.2%
Interfund Transfers	1,049,933	872,946	1,157,697	32.6%
Pro Rata Reimbursement	3,837,634	4,021,281	4,046,811	0.6%
Expenditure Total	24,661,843	37,709,353	34,200,512	-9.3%
Per Capita	616	938	848	

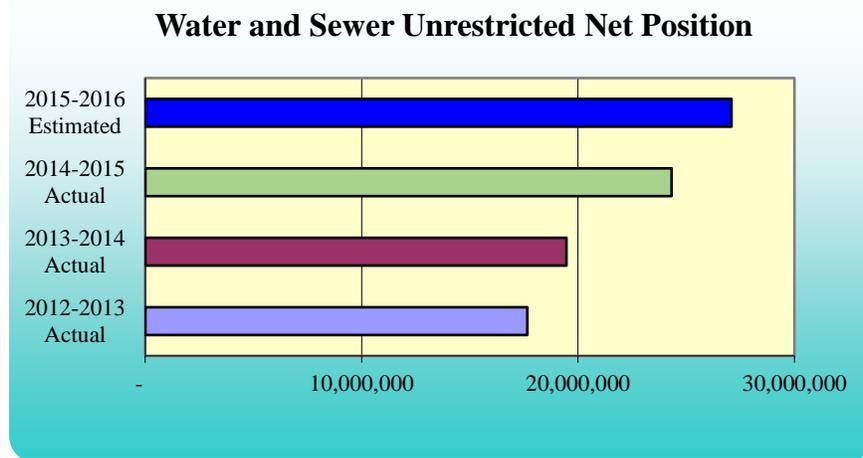
Water and Sewer Fund



Unrestricted Net Position Projection

The unrestricted net position in the Water and Sewer Fund was \$24,323,219 on June 30, 2015. This amount is expected to increase by \$2,767,838 during FY2015-2016. To begin FY2016-2017 the unrestricted net position of the Water and Sewer Fund is expected to be \$27,091,057.

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Water and Sewer Fund	17,656,507	19,464,584	24,323,219	27,091,057
Dollar Change	938,377	1,808,077	4,858,635	2,767,838
Percent Change	5.6%	10.2%	25.0%	11.4%



Public Utilities Administration



Additional Information about the Public Utilities Administration may be obtained by calling Kevin Greer, P.E., DS-A, CS-4, Assistant Public Services Director, at 828.323.7427 or kgreer@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.

2015/2016 Accomplishments:

- Received \$4.9 million in low interest loans for infrastructure improvements
- Renewed operations contract with the Town of Hildebran
- Completed seven Local Water Supply Plans
- Successfully implemented technology into service vehicles via iPad’s for mapping and repairs

2016/2017 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	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of publications produced per year	10	19	17	15
<i>Efficiency</i>				
% of meters read per month	99.9%	99.9%	99.9%	95.0%
<i>Effectiveness</i>				
% 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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	519,663	686,978	724,987	5.5%
Operations	2,134,647	2,213,783	2,335,544	5.5%
Capital	4,471	136,600	129,800	-5.0%
Contingency	-	150,000	300,000	100.0%
Special Appropriations	45,396	62,367	63,002	1.0%
Pro Rata Reimbursement	3,233,566	3,399,103	3,412,150	0.4%
Water and Sewer Contribution	17,821,677	20,459,169	16,822,525	-17.8%
Expenditure Total	23,759,420	27,108,000	23,788,008	-12.2%
Per Capita	593	674	589.83	-12.5%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	21,700,128	21,238,000	21,716,880	2.3%
Investment Earnings	78,571	50,000	50,000	0.0%
Miscellaneous	1,324,404	320,000	340,000	6.3%
Other Financing Sources	656,317	5,500,000	1,681,128	-69.4%
Revenue Total	23,759,420	27,108,000	23,788,008	-12.2%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	10	10	11	10.0%
Seasonal	1	1	1	0.0%
Total	11	11	12	9.1%

Utilities Collections Division



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

Functional Area: Environmental Protection

Mission Statement:

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

2015/2016 Accomplishments:

- Replaced the Maple Place pump station with a new up-to-date and expanded pump station
- Completed Eastwood/Sherwood Forest sewer project with grant funds from NCDEQ

2016/2017 Goals and Objectives:

- **Goal:** To complete the permit required sewer line cleaning.
Objective: To achieve 10% of lines cleaned.
- **Goal:** To clear right-of-way to make accessible for cleaning and inspecting of sewer lines.
Objective: To achieve 20% of clearing of right-of-way.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Total linear feet of sewer line cleaned	109,770	94,352	134,810	260,000
Total # of sewer service requests	199	242	183	250
<i>Efficiency</i>				
Average cost per request for sewer maintenance	\$220	\$188	\$155	\$200
<i>Effectiveness</i>				
% of Right-of-Way maintained	20%	12%	12%	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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	551,430	698,724	798,245	14.2%
Operations	512,822	712,911	724,598	1.6%
Capital	26,986	131,200	1,401,000	967.8%
Expenditure Total	1,091,238	1,542,835	2,923,843	89.5%
Per Capita	27	38	72	89.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Water and Sewer Fund	1,091,238	1,542,835	2,923,843	89.5%
Revenue Total	1,091,238	1,542,835	2,923,843	89.5%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	13	13	13	0.0%
Seasonal	1	1	1	0.0%
Total	14	14	14	0.0%

Henry Fork Plant Division



Additional Information about the Henry Fork Division may be obtained by calling Robert Shaver, WWT-4, Utilities Plant Supervisor, 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.

2015/2016 Accomplishments:

- Implemented new system for pH adjustment to improve process and quality of effluent discharge
- 100% compliant with NPDES permit limitations and monitoring requirements

2016/2017 Goals and Objectives:

- **Goal:** Work to develop a cross training program with each wastewater facility.
Objective: To ensure a well trained staff with a diverse skill set.
- **Goal:** Maintain a safe and effective workplace.
Objective: To meet or exceed NPDES permit requirements and promote coworker safety.
- **Goal:** Implement new eDMR (Electronic Discharge Monitoring Report) requirement.
Objective: Meet the deadline for eDMR submission when new NPDES permit is issued.

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Tons of solids hauled to Compost Facility	1,759	1,385	1,107	1,400
<i>Efficiency</i>				
Chemical cost per thousand gallons wastewater treated	\$0.03	\$0.06	\$0.053	\$0.06
<i>Effectiveness</i>				
% of solids removal through the facility	97%	98%	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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	479,022	498,819	531,707	6.6%
Operations	479,297	568,444	579,314	1.9%
Capital	42,043	206,500	152,000	-26.4%
Expenditure Total	1,000,362	1,273,763	1,263,021	-0.8%
Per Capita	25	32	31	-1.1%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Restricted Intergovernmental	88,708	50,000	50,000	0.0%
Water and Sewer Fund	911,654	1,223,763	1,213,021	-0.9%
Revenue Total	1,000,362	1,273,763	1,263,021	-0.8%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 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, WWTP 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.

2015/2016 Accomplishments:

- Implemented new eDMR (Electronic Discharge Monitoring) Program
- Successfully operated the NE Plant with no NPDES Permit violations
- Initiated computer generated bench sheets that displays plant process control parameters

2016/2017 Goals and Objectives:

- **Goal:** Meet the eDMR submission requirements
Objective: Enter data, certify and submit eDMR's by the December 2016 deadline
- **Goal:** Receive the new NPDES Permit for the NE Plant
Objective: Meet all sample and discharge limit requirements on the new NPDES Permit
- **Goal:** Replace the seepex WAS (waste activated sludge) pumps
Objective: Purchase and install efficient and reliable Boerger Rotary Lobe Pumps

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Tons of solids hauled to Compost Facility	1,006	776	744	1,000
<i>Efficiency</i>				
Chemical cost per thousand gallons wastewater treated	\$0.03	\$0.03	\$0.03	\$0.05
<i>Effectiveness</i>				
% 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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	461,238	527,287	506,477	-3.9%
Operations	402,903	481,438	478,127	-0.7%
Capital	28,029	70,000	97,000	38.6%
Expenditure Total	892,170	1,078,725	1,081,604	0.3%
Per Capita	22	27	27	0.0%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Water and Sewer Fund	892,170	1,078,725	1,081,604	0.3%
Revenue Total	892,170	1,078,725	1,081,604	0.3%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Total	11	11	11	0.0%

Water Plant Division



Additional Information about the Water Plant Division may be obtained by calling Shawn Pennell, DS-A, CS-4, Utilities Environmental Manager, at 828.323.7427 or spennell@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.

2015/2016 Accomplishments:

- Provided guided tours to Elementary, High School and University students totaling over 225
- Received AWOP (Area Wide Optimization Program) Award for excellence in water treatment for eight consecutive years
- Completed design and initiated construction of replacement Emergency Generator Project

2016/2017 Goals and Objectives:

- **Goal:** Reduce customer complaints of water quality
Objective: Maintain a good flushing program to eliminate aging water
- **Goal:** Provide adequate potable water for our customers for all their needs while meeting Safe Drinking Water Standards
Objective: Continuously monitor plant operations for efficiency in chemical demand
- **Goal:** Reduce expenses in water treatment while retaining maximum water quality
Objective: Optimize chemical feed rates to eliminate waste through the use of laboratory analysis of chemical feed rates and optimize electrical usage during peak hour usage

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Average million gallons treated per day	10.4	11.0	11.1	11
Million Gallons of Billed Water per all staff FTE	52.43	54.14	57.13	67.80
<i>Efficiency</i>				
Peak capacity daily demand as a percent of treatment	39.0%	43.8%	52.8%	44%
Billed water as % of finished water	85%	90.6%	85%	85%
<i>Effectiveness</i>				
Customer complaints about water quality per 1,000 meters	0.19	0.27	0.44	0.50

Water Plant Division



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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	493,125	576,020	590,714	2.6%
Operations	1,601,019	1,774,677	1,836,230	3.5%
Capital	4,098	3,204,000	283,000	-91.2%
Expenditure Total	2,098,242	5,554,697	2,709,944	-51.2%
Per Capita	52	138	67	-51.3%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Water and Sewer Fund	2,098,242	5,554,697	2,709,944	-51.2%
Revenue Total	2,098,242	5,554,697	2,709,944	-51.2%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Part Time	1	1	2	100.0%
Seasonal	1	1	1	0.0%
Total	13	13	14	7.7%

Pretreatment/Lab Division



Additional Information about the Pretreatment/Lab Division may be obtained by calling Susan McNeely, Pretreatment Supervisor, at 828.322.4821 or smcneely@hickorync.gov

Functional Area: Environmental Protection

Mission Statement:

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

2015/2016 Accomplishments:

- Surveyed and renewed 11 Industrial User Permits served by the Henry Fork Wastewater Facility
- Surveyed and added Zion Industries as a new Industrial User Pretreatment Permit
- Provided Laboratory Tours to help educate the public
- Updated the Oil and Grease Master List
- Assisted the City of Claremont with industries, new stream sample points, Collection Line Study, Laboratory Sampling & Testing, State Correspondence and State Inspections

2016/2017 Goals and Objectives:

- **Goal:** Maintain Oil & Grease Policy
Objective: To monitor Hickory’s approximate 182 Oil & Grease Contributors
- **Goal:** Maintain the City of Hickory’s Pretreatment Program
Objective: To monitor Hickory’s 16 Industrial Users

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of industrial contacts for assistance of permits annually	693	558	500	525
<i>Efficiency</i>				
% of oil and grease contributors re-inspected	3.83%	3.30%	10.00%	10.00%
<i>Effectiveness</i>				
% of industrial permit non-compliant	2.70%	2.90%	5.00%	4.00%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	365,160	370,661	351,947	-5.0%
Operations	142,603	188,772	182,230	-3.5%
Capital	6,306	7,400	19,400	162.2%
Expenditure Total	514,069	566,833	553,577	-2.3%
Per Capita	13	14	14	-2.6%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Water and Sewer Fund	514,069	566,833	553,577	-2.3%
Revenue Total	514,069	566,833	553,577	-2.3%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	7	7	7	0.0%
Part Time	-	-	1	100.0%
Seasonal	1	1	1	0.0%
Total	8	8	9	12.5%

Distribution Division



Additional Information about the Utilities Distribution Division may be obtained by calling Paul Solomon, DS-A, CS-1, Water Distribution Manager, at 828.323.7427 or psolomon@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.

2015/2016 Accomplishments:

- Completed installation of 631 radio read meters in the Sherrill’s Ford Community
- Completed water line extension projects for Teague Town Road, Valwood Road / Basin Street, Advent Church Road / Icard Ridge Road, and Hwy 64-90 to DG Eckerd Road
- Completed Ph.1 of the Kenworth water system rehabilitation project

2016/2017 Goals and Objectives:

- **Goal:** Environmental Stewardship and meet requirement of Safe Drinking Water Act
Objective: To maintain state approved Chlorine residuals throughout the Distribution System
- **Goal:** Improve Utilities Distribution Record Keeping
Objective: Update City of Hickory Water Distribution Comprehensive Maps
- **Goal:** To improve Utilities Distribution Operations and Maintenance Technology
Objective: Update Equipment, Materials and Computer Technology to improve the overall efficiency

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Thousands of gallons of billed water per meter	134.2	141.1	143.1	160.0
Millions of gallons of billed water per water services FTE’s	59.3	62.4	65.5	61.0
Miles of main line pipe per square mile of service area	2.8	2.8	2.8	2.8
Breaks and leaks per mile of main pipe line	0.22	0.12	0.17	0.23
<i>Efficiency</i>				
Percent of existing pipeline replaced or rehabbed	0.00%	0.07%	0.02%	0.10%
<i>Effectiveness</i>				
Percent of water bills not collected	3.83%	2.44%	2.29%	3.00%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	1,397,048	1,699,312	1,749,419	2.9%
Operations	794,990	809,610	791,702	-2.2%
Capital	2,085	272,000	1,190,000	337.5%
Expenditure Total	2,194,123	2,780,922	3,731,121	34.2%
Per Capita	55	69	93	33.8%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Water and Sewer Fund	2,194,123	2,780,922	3,731,121	34.2%
Revenue Total	2,194,123	2,780,922	3,731,121	34.2%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	34	35	35	0.0%
Part Time	-	-	2	100.0%
Seasonal	4	4	4	0.0%
Total	38	39	41	5.1%

Sludge Composting Fund

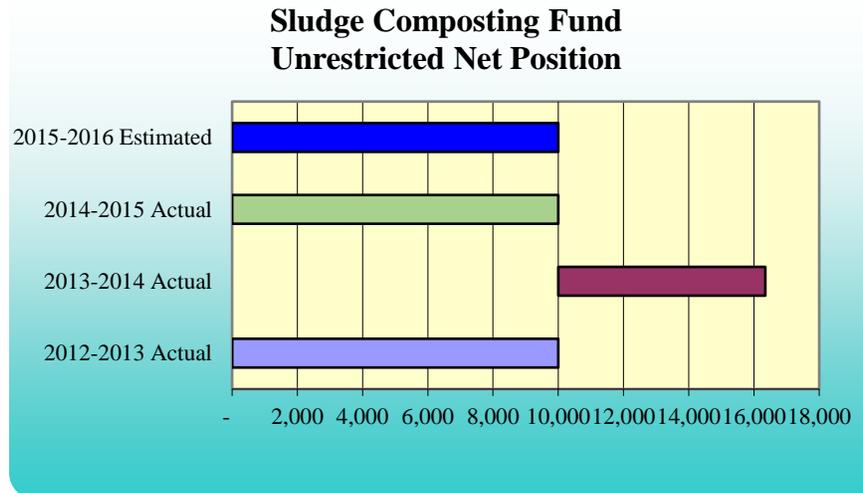


The Sludge Composting Fund consists of only one department, the Sludge Compost Facility of the Public Services Department. The fund exists because of the shared ownership of the facility; Catawba County and the cities of Hickory and Conover own the facility as part of the Sludge Consortium. Hickory serves 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 earning balance is presented below:

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Sludge Composting Fund	3	16,348	-	-
Dollar Change	(966)	16,345	(16,348)	-
Percent Change	-99.7%	544833.3%	-100.0%	0.0%



Sludge Composting Division



Additional Information about the Sludge Compost Facility of the Public Services Department may be obtained by calling Kevin Greer, P.E., DS-A, CS-4, Assistant Public Services Director, at 828.323.7427 or kgreer@hickorync.gov

Functional Area: Environmental Protection

Mission Statement:

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

2015/2016 Accomplishments:

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

2016/2017 Goals and Objectives:

- **Goal:** Safely treat biosolids 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

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Average million gallons of sludge treated (annually)	13,715,000	16,003,600	15,544,100	16,000,000
Average dry tons treated (daily)	8.33	10.20	9.16	10.00
Cubic Yards of compost sold	12,940	13,087	9,006	13,000
<i>Efficiency</i>				
Avg. cost per dry ton produced	\$646.26	\$643.50	\$576.20	\$650.00
<i>Effectiveness</i>				
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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Operations	1,466,715	1,556,202	1,555,086	-0.1%
Capital	-	50,000	50,000	0.0%
Pro Rata Reimbursement	115,415	118,874	121,252	2.0%
Sludge Composting Contribution	20,388	-	-	0.0%
Expenditure Total	1,602,518	1,725,076	1,726,338	0.1%
Per Capita	40	43	42.81	-0.2%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Restricted Intergovernmental	1,574,006	1,725,076	1,726,338	0.1%
Miscellaneous	28,512	-	-	0.0%
Revenue Total	1,602,518	1,725,076	1,726,338	0.1%

Stormwater Fund

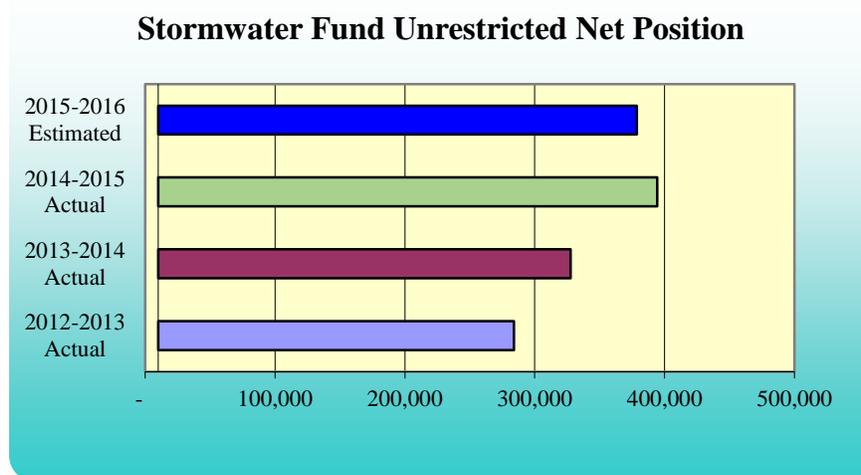


Stormwater Fund consists of only one department.

Unrestricted Net Position Projection

The Stormwater Fund’s unrestricted net position were \$394,379 on June 30, 2015. This amount is expected to decrease by \$15,751 during FY2015-2016. The unrestricted net positions of the Stormwater Fund are expected to be \$378,628 to begin FY2016-2017.

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Stormwater Fund	283,982	327,607	394,379	378,628
Dollar Change	23,839	43,625	66,772	(15,751)
Percent Change	9.2%	15.4%	20.4%	-4.0%



Stormwater Division



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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	103,323	106,644	108,452	1.7%
Operations	161,451	159,249	159,250	0.0%
Stormwater Contribution	204,580	-	-	0.0%
Expenditure Total	469,354	265,893	267,702	0.7%
Per Capita	12	7	6.64	0.4%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Miscellaneous	58,563	-	-	0.0%
Investment Earnings	805	-	-	0.0%
Other Financing Sources	409,986	265,893	267,702	0.7%
Revenue Total	469,354	265,893	267,702	0.7%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	2	100.0%
Total	2	2	3	50.0%

Transportation Fund

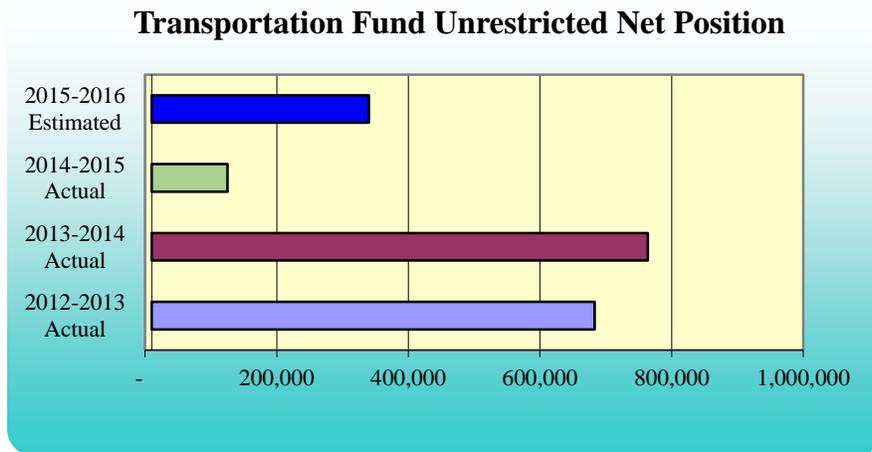


With the growth of Hickory Metro Area, no issue is more prominent than the very conduit that feeds that growth, the transportation system. The Transportation Fund includes the Hickory Regional Airport (including tower operations) and the FBO (Fixed Based Operations). The Transportation Fund was established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

Unrestricted Net Position Projection

The Transportation Fund’s unrestricted net position was \$125,238 on June 30, 2015. During FY2015-2016 this amount is expected to increase \$214,948. To begin FY2016-2017 the unrestricted net position of the Transportation Fund is expected to be \$340,186. Trend information for the Transportation Fund is presented below:

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Transportation Fund	682,920	764,010	125,238	340,186
Dollar Change	(151,707)	81,090	(638,772)	214,948
Percent Change	-18.2%	11.9%	-83.6%	171.6%



Additional Information about the Airport may be obtained by calling Terry Clark 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.

2015/2016 Accomplishments:

- Overlay/Rehabilitation of North & South Ramps and North Apron complete
- New Runway/Taxiway Markings
- Secured Non-Primary Entitlement (NPE) funds from NCDOT/DOA for future airport improvements
- Regained control of Hangar W1 (Old Moose Hangar)
- Entered into Commercial Use Permit for Hangar W1
- Land acquisition underway for extension of Runway 6
- Continue to hold our 139 Certificate

2016/2017 Goals and Objectives:

- **Goal:** Continue to move forward with extension of Runway 6
Objective: To make airport more desirable to larger aircraft and general aviation
- **Goal:** Continue to maintain airfield and operations to meet 139 Certificate standards
Objective: To hold our 139 Certificate for future commercial air service
- **Goal:** Continue to research and apply for grants
Objective: to build and improve the airports infrastructure
- **Goal:** Continue to make improvements to hangars
Objective: To provide our customers with well-maintained and desirable hangar space
- **Goal:** Continue to implement measures to increase revenues
Objective: Locate and market available office space at main terminal and FBO building
- **Goal:** Continue to increase aircraft operations and activity
Objective: Recruit aircraft owners and pilots from other airports. This is an ongoing goal
- **Goal:** Update Master Plan and Airport Layout Plan
Objective: To plan the future of the Hickory Regional Airport

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of aircraft Inspections	730	730	732	730
<i>Efficiency</i>				
# of operations per year	28,159	23,545	21,409	22,000
<i>Effectiveness</i>				
# of airfield incursions	0	0	0	0

Airport Division



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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	205,957	198,877	210,223	5.7%
Operations	150,828	184,861	169,811	-8.1%
Capital	-	15,000	15,000	0.0%
Pro Rata Reimbursement	113,713	117,118	119,461	2.0%
Expenditure Total	470,498	515,856	514,495	-0.3%
Per Capita	12	13	12.76	-0.5%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Restricted Intergovernmental	3,365	-	6,000	100.0%
Sales and Services	33,314	58,368	43,415	-25.6%
Investment Earnings	2,749	1,000	1,000	0.0%
Miscellaneous	15,028	-	-	0.0%
Other Financing Sources	96,372	53,422	-	-100.0%
Transportation Fund	319,670	403,066	464,080	15.1%
Revenue Total	470,498	515,856	514,495	-0.3%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	3	3	3	0.0%
Part Time	-	-	1	100.0%
Seasonal	1	1	1	0.0%
Total	4	4	5	25.0%

Fixed Base Operations Division



Additional Information about the Fixed Based Operations Division may be obtained by calling Terry Clark 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.

2015/2016 Accomplishments:

- Made needed repairs to Hangar W1 (Old Moose Hangar)
- Continued to offer competitive fuel prices and excellent services
- Upgraded communications base radio station and hand radios
- Provided personnel with on-site TotalFBO training

2016/2017 Goals and Objectives:

- **Goal:** To Offer competitive fuel prices and services to aviation customers
Objective: To increase revenues and entice new customers to the airport
- **Goal:** Continue to improve FBO services to our aviation customers
Objective: To increase base customers and fuel sales by providing upscale services
- **Goal:** Continue to train personnel in safety and handling of aircraft
Objective: to provide our customers with well-trained experienced personnel
- **Goal:** Continue to recruit new base and transient customers
Objective: To increase revenues and make evident our objective to be the premier FBO in Western North Carolina

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Gallons of aviation fuel sold at Airport	418,382	422,302	491,796	490,000
# of based aircraft	88	88	90	90
<i>Efficiency</i>				
# of aircraft fueled	4,037	3,450	3,760	3,800
<i>Effectiveness</i>				
Value of based aircraft (annual)	26,316,182*	n/a	24,131,000	25,000,000*

*Represents Calendar Years

Fixed Base Operations Division



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

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	272,395	296,142	300,241	1.4%
Operations	1,220,320	212,920	296,291	39.2%
Capital	1,135	65,000	50,000	-23.1%
Transportation Contribution	-	1,803,066	1,894,080	5.0%
Expenditure Total	1,493,850	2,377,128	2,540,612	6.9%
Per Capita	37	59	63	6.6%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	1,110,218	2,377,128	2,540,612	6.9%
Transportation Fund	383,632	-	-	0.0%
Revenue Total	1,493,850	2,377,128	2,540,612	6.9%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	5	5	5	0.0%
Part Time	5	5	10	100.0%
Total	10	10	15	50.0%

Solid Waste Fund

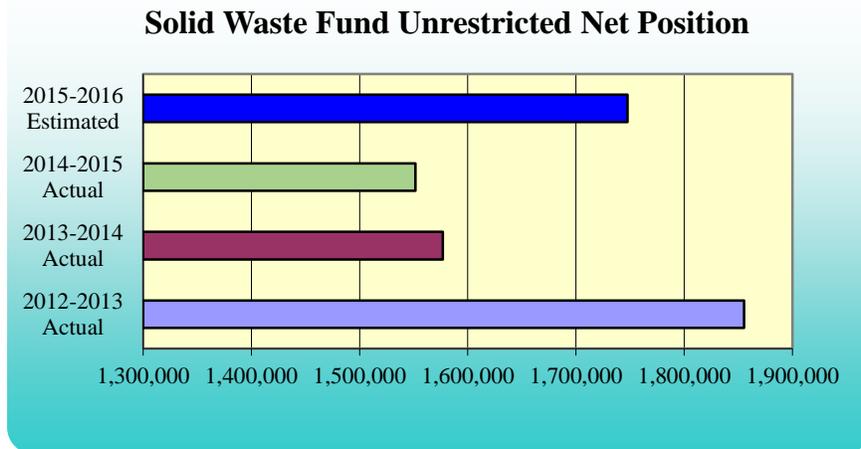


The Solid Waste Fund accounts for the City’s recycling operations, as well as commercial and residential sanitation services. This fund is considered an Enterprise Fund because it generates revenues through sales and services to support operations.

Unrestricted Net Position Projection

The unrestricted net position of the Solid Waste Fund was \$1,551,585 on June 30, 2015. That amount is expected to increase by \$195,999 during FY2015-2016. To begin FY2016-2017, the unrestricted net position of the Solid Waste Fund is expected to be \$1,747,584. The fund’s income is derived from user fees for commercial bulk services, recycling fees and the general tax revenue of the City. Trend information related to the Solid Waste Fund retained earnings is presented below:

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Solid Waste Fund	1,855,309	1,576,885	1,551,585	1,747,584
Dollar Change	199,944	(278,424)	(25,300)	195,999
Percent Change	12.1%	-15.0%	-1.6%	12.6%



Sanitation Division



Additional Information about the Public Services Sanitation Division may be obtained by calling Andrew Ballentine, Solid Waste Supervisor, 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.

2015/2016 Accomplishments:

- Continued to contain cost and maximize the level of service for the residence of the City of Hickory
- The amount of garbage was reduced 1,641 tons through the implementation of the Single Stream Recycling Program

2016/2017 Goals and Objectives:

- **Goal:** Continued participation in the Performance Measurement Project
Objective: Continue to use this tool as a way to measure departmental performance
- **Goal:** Operational Efficiency of the Sanitation Division
Objective: To continue to investigate our operation to maximize efficiency and minimize cost
- **Goal:** Continue to educate the public regarding proper disposal methods for solid waste
Objective: Continue to utilize media, Snippets, Door hangers and other informational opportunities

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Budgeted
<i>Work Load</i>				
Tons collected per 1000 population	287	279	233.41	250
Tons per 1,000 collection points	947	921	765	825
<i>Efficiency</i>				
Direct cost per ton collected (annual)	\$29.86	\$29.42	\$35.63	\$40.00
Direct cost per collection point (annual)	\$6.97	\$6.75	\$6.82	\$8.00
<i>Effectiveness</i>				
Repeated collection points per 1,000 population	0.01%	0.01%	0.01%	0.01%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	451,171	525,403	446,117	-15.1%
Operations	333,950	422,390	412,390	-2.4%
Capital	-	-	275,000	100.0%
Expenditure Total	785,121	947,793	1,133,507	19.6%
Per Capita	20	24	28	19.3%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Other Taxes	26,596	25,000	25,000	0.0%
Solid Waste Fund	758,525	922,793	1,108,507	20.1%
Revenue Total	785,121	947,793	1,133,507	19.6%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	8	12	12	0.0%
Total	8	12	12	0.0%

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.

2015/2016 Accomplishments:

- Completed the implementation of the Single Stream Recycling program to the residents and businesses within the city limits of Hickory

2016/2017 Goals and Objectives:

- **Goal:** Continue to educate residents and business about recycling opportunities available to them
Objective: Use media, Snippets, Door hangers and other informational opportunities
- **Goal:** Improve recycling through enabling the City of Hickory and its residence to recycle and reuse items banned from the landfill
Objective: Use media, Snippets, Door hangers and other informational opportunities
- **Goal:** Continue to revitalize recycling programs throughout the Hickory School System and private schools within the city
Objective: Continue to contact and find people onsite at the schools to help drive the recycling efforts and education

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Tons of curbside recyclables collected	1,517	1,873	2,988	2,500
# of curbside collection points	12,100	12,100	12,200	12,200
<i>Efficiency</i>				
Direct cost per ton of curbside recyclables collected (annual)	\$233.33	\$189.00	\$97.00	\$110.00
Direct cost per curbside collection point (annual contract amount)	\$29.04	\$29.49	\$23.64	\$24.00
<i>Effectiveness</i>				
% of residential solid waste diverted by curbside program	14%	17%	32%	25%
% of eligible curbside pick-up points participating	80.96%	84.00%	67.00%	70.00%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	586,965	592,968	616,790	4.0%
Operations	2,149,131	1,433,802	1,488,802	3.8%
Capital	-	255,000	-	-100.0%
Pro Rata Reimbursement	455,133	468,783	478,159	2.0%
Solid Waste Contribution	403,310	795,696	838,109	5.3%
Expenditure Total	3,594,539	3,546,249	3,421,860	-3.5%
Per Capita	90	88	85	-3.8%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	2,610,474	2,897,200	3,042,400	5.0%
Investment Earnings	7,379	5,000	5,000	0.0%
Miscellaneous	2,934	3,000	3,000	0.0%
Other Financing Sources	973,752	641,049	371,460	-42.1%
Revenue Total	3,594,539	3,546,249	3,421,860	-3.5%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	16	13	13	0.0%
Part Time	1	1	2	100.0%
Total	17	14	15	7.1%

Commercial Bulk Services Division



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

Functional Area: Environmental Protection

Mission Statement:

To provide customers with a commercial bulk service, which meets their requirements and is done in a cost efficient manner for the city.

2015/2016 Accomplishments:

- Continued to contain cost and maximize the level of service for the customers of the City of Hickory
- Continue to improve the appeal of our services with new equipment and improved focus on other beneficial advantages of being a customer of the City of Hickory

2016/2017 Goals and Objectives:

- **Goal:** Increase customer base
Objective: Increase our customer base through advertising and promoting the services available through the City of Hickory
- **Goal:** Operational efficiency of the Commercial Bulk Division
Objective: To continue to investigate our operation to maximize efficiency and minimize cost.
- **Goal:** Continue to educate the public regarding proper disposal methods for solid waste
Objective: Continue to utilize media, Snippets, Door hangers and other informational opportunities

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
# of boxes serviced per route	120	120	120	120
<i>Efficiency</i>				
Direct cost per ton collected	\$22.90	\$23.18	\$23.73	\$24.00
<i>Effectiveness</i>				
# of new permanent accounts	-15	14	17	10

Commercial Bulk Services Division



To better provide solid waste collection to commercial generators, the City of Hickory provides dumpster service for a fee. Currently Hickory services nearly 1,500 dumpsters a week, with an average of 96 boxes per route. The Commercial Bulk Collection Division operates as part of the enterprise Solid Waste Fund where any revenue is used to subsidize other City fees.

Expenditures by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	431,099	518,244	450,807	-13.0%
Operations	362,826	434,006	424,006	-2.3%
Capital	-	202,250	88,000	-56.5%
Pro Rata Reimbursement	(80,193)	(82,597)	(84,211)	2.0%
Solid Waste Contribution	477,796	112,097	305,398	172.4%
Expenditure Total	1,191,528	1,184,000	1,184,000	0.0%
Per Capita	30	29	29	-0.3%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	1,191,528	1,184,000	1,184,000	0.0%
Revenue Total	1,191,528	1,184,000	1,184,000	0.0%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	12	11	11	0.0%
Total	12	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 revenue base of the City, or provide a necessary service that the City itself does not currently provide. To qualify for this type of 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.

Special Appropriations by Functional Area	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Transportation					
Western Piedmont Regional Transit Authority	145,616	155,702	155,702	213,062	37%
Total	145,616	155,702	155,702	213,062	37%

Special Appropriations by Functional Area	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Environmental Protection					
Catawba County EDC	35,334	37,480	37,371	37,994	2%
Habitat for Humanity	3,018	2,042	19,088	19,088	0%
Western Piedmont Council of Governments	5,865	5,874	5,908	5,920	0%
Total	44,217	45,396	62,367	63,002	1%

Enterprise Fund Debt Service



Enterprise Fund Debt	2013-2014	2014-2015	2015-2016	2016-2017	Percent
	Actual	Actual	Budgeted	Budgeted	Change
Water and Sewer Fund					
NC Revolving Loan					
Cripple Creek	40,057	40,057	40,058	40,058	0%
Henry Fork Plant	710,000	710,000	710,000	0	-100%
Interest	614,088	510,332	411,120	368,900	-10%
Northeast Plant	875,000	875,000	875,000	1,197,829	37%
Subtotal	2,239,145	2,135,389	2,036,178	1,606,787	-21%
Bonded Debt					
1994/2004 Water/Sewer Series	0	0	0	0	0%
1997 Water Bond Refunding	0	0	0	0	0%
Interest	0	0	0	0	0%
Subtotal	0	0	0	0	0%
Intergovernmental Agreements					
Catawba County Contracts	8,394	8,394	8,395	8,395	0%
Interest	0	0	0	0	0%
Subtotal	8,394	8,394	8,395	8,395	0%
Installment Purchases					
Area II Annexation- Sewer	199,475	199,475	199,476	199,475	0%
Henry Fork Sewer	475,000	475,000	475,000	475,000	0%
Hickory-Catawba Wastewater Treatment Plant	560,867	573,671	586,769	600,163	2%
Interest	563,611	427,597	401,056	360,927	-10%
Maiden Waterline	369,045	369,045	369,046	369,045	0%
Subtotal	2,167,998	2,044,788	2,031,347	2,004,610	-1%
Water and Sewer Fund Total	4,415,537	4,188,571	4,075,920	3,619,792	-11%

Transfers/Other Financing Uses



Transfers from Enterprise Funds	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Water and Sewer Fund					
Capital Reserve Fund	892,000	740,000	740,000	740,000	0%
General Capital Project	0	0	0	0	0%
General Fund	0	130,000	0	0	0%
Stormwater Fund	126,199	132,128	132,946	133,851	1%
Water and Sewer Capital Projects Fund	288,000	47,805	0	283,846	100%
Total	1,306,199	1,049,933	872,946	1,157,697	33%

Transfer from Transportation Fund	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Enterprise Capital Project	0	0	33,000	0	-100%
Total	0	0	33,000	0	-100%

Transfers from Solid Waste Fund	2013-2014 Actual	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
General Capital Project	0	0	0	0	0%
Stormwater Fund	0	0	0	0	0%
Total	0	0	0	0	0%

Other Funds

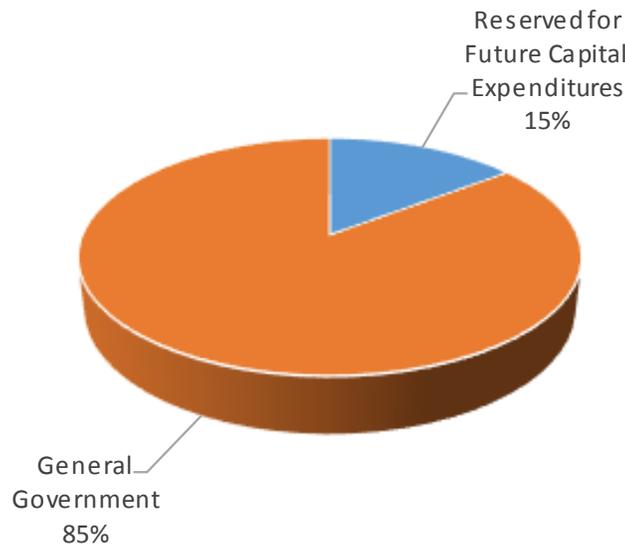


2016-2017 Adopted Budget

Other Funds

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

Other Fund Expenditures by Functional Area



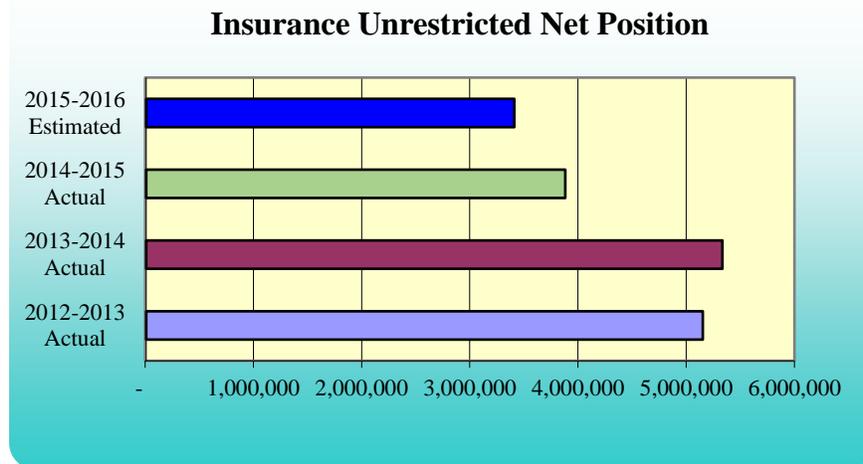
Other Funds



Insurance Fund Unrestricted Net Position Projection

The Insurance Fund was added to the budget in FY1999-2000, and accounts for all the insurance and risk management activities of the City. As of June 30, 2015, the unrestricted net position of this fund was \$3,882,502. This amount is expected to decrease by \$471,202 in FY2015-2016. The projected unrestricted net position of this fund to begin FY2016-2017 is \$3,411,300. The health of this fund is primarily determined by the City's experience with health insurance costs during the year.

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Insurance Fund	5,153,074	5,334,380	3,882,502	3,411,300
Dollar Change	801,196	181,306	(1,451,878)	(471,202)
Percent Change	18.4%	3.5%	-27.2%	-12.1%



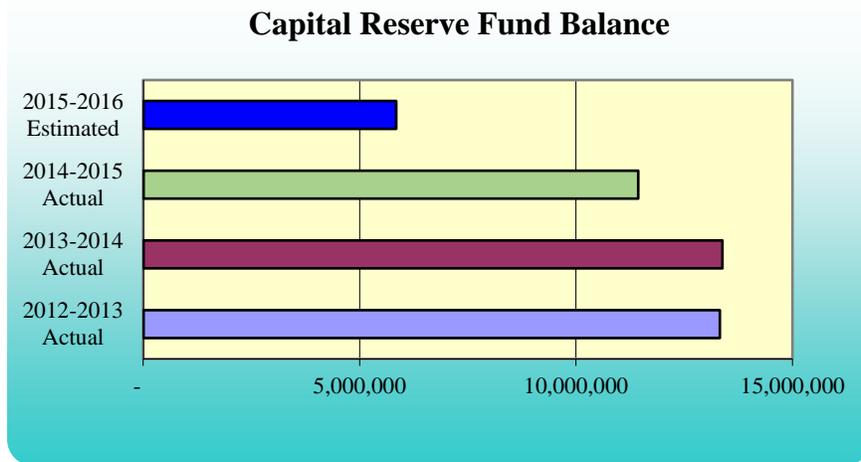
Other Funds



Capital Reserve Fund Balance

The Capital Reserve Fund includes funds set aside for Right-of-Way Acquisition, Future Parking, General Capital Reserve, General Water and Sewer Reserve, and Water Plant Reserve. The fund balance of the Capital reserve Fund totaled \$11,437,451 at June 30, 2015. It is expected to decrease by \$5,591,242 through FY2015-2016. To begin FY2016-2017 the fund balance of this fund is expected to be \$5,846,209.

Capital Reserve Fund Balance	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Capital Reserve	13,322,725	13,381,759	11,437,451	5,846,209
Dollar Change	1,326,788	59,034	(1,944,308)	(5,591,242)
Percent Change	11.1%	0.4%	-14.5%	-48.9%



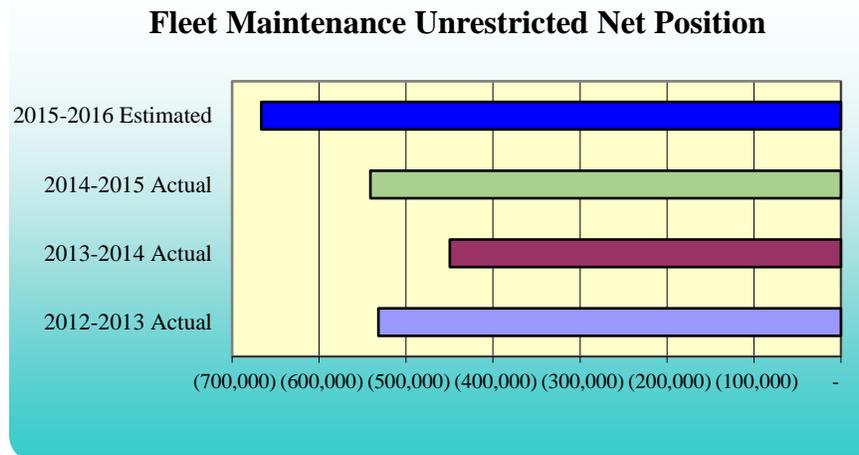
Other Funds



Fleet Maintenance Fund Unrestricted Net Position (Fund Balance) Projections

The Fleet Maintenance Fund was added to the budget in FY1998-1999. This fund provides vehicle and equipment maintenance services to all City departments and divisions and charges them for those services. As of June 30, 2015 the unrestricted net position of the Fleet Maintenance Fund were (\$541,010). That is expected to decrease during FY2015-2016 by \$125,456. To begin FY2016-2017, the unrestricted net position of the Fleet Maintenance Fund is projected to be (\$666,466).

Unrestricted Net Position	2012-2013 Actual	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated
Fleet Maintenance Fund	(531,802)	(449,732)	(541,010)	(666,466)
Dollar Change	(11,328)	82,070	(91,278)	(125,456)
Percent Change	2.2%	-15.4%	20.3%	23.2%



Fleet Maintenance Division



Additional Information about the Fleet Maintenance Division may be obtained by calling Chuck Hansen, Public Services Director, at 828.323.7500 or babernathy@hickorync.gov

Functional Area: General Government

Mission Statement:

To meet the needs of internal and external (vendors) customers in a respectful and courteous manner while conserving the value of the vehicles and equipment in an efficient and cost effective manner.

2015/2016 Accomplishments:

- Installed one new oil dispenser
- Installed a new shelving system and reorganized our part room

2016/2017 Goals and Objectives:

- **Goal:** Quality repairs to vehicles and equipment
Objective: Mechanic training
- **Goal:** Alternative fuels
Objective: Keep up with latest technology on new vehicles coming out

Performance Measures	2013-2014 Actual	2014-2015 Actual	2015-2016 Estimated	2016-2017 Goal
<i>Work Load</i>				
Total job orders completed	5,557	5,208	4,986	5,600
<i>Efficiency</i>				
Job orders per mechanic	797	672	832	750
<i>Effectiveness</i>				
Unscheduled repairs per mechanic FTE	587	488	551	525
% of repairs that are unscheduled	74%	73%	74%	72%

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	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Personnel	590,373	636,431	613,961	-3.5%
Operations	1,747,980	2,023,003	1,765,003	-12.8%
Capital	10,817	20,000	28,000	40.0%
Pro Rata Reimbursement	246,600	253,990	259,069	2.0%
Fleet Maintenance Contribution	-	9,500	-	-100.0%
Expenditure Total	2,595,770	2,942,924	2,666,033	-9.4%
Per Capita	65	73	66	-9.7%

Revenues by Type	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Sales and Services	2,575,688	2,942,924	2,666,033	-9.4%
Fleet Maintenance Fund	20,082	-	-	0.0%
Revenue Total	2,595,770	2,942,924	2,666,033	-9.4%

Authorized Personnel	2014-2015 Actual	2015-2016 Budgeted	2016-2017 Budgeted	Percent Change
Full Time	11	12	12	0.0%
Total	11	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 2015 for the 2015 through 2019 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 2015-2019 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** - Provide support for necessary improvements to public infrastructure in low to moderate income neighborhoods.
3. **Down Payment Assistance** - Increase homeownership by providing down payment assistance to first time homebuyers.
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. **Park Improvements** - Provide support for necessary improvements to parks and neighborhood facilities in low to moderate income neighborhoods.
6. **Homelessness Services and Prevention** - Provide services to support the homelessness as well as services aimed at preventing households from becoming homeless.
7. **Youth Services** - Provide support for at risk youth to increase their chances of succeeding in academics and employment.
8. **Increase Entrepreneurship Opportunities** - Provide support to microenterprises as a means to increase economic opportunities for low and moderate income individuals.
9. **Increase Fair Housing Outreach and Awareness** - Provide support to increase awareness of fair housing rights in the community and affirmatively further fair housing.
10. **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 Dave Leonetti at 828-323-7414.

CITY OF HICKORY
2016 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 2016 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	\$ 280,251
Miscellaneous	<u>\$ 130,000</u>
	\$ 410,251

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

Economic and Community Development	\$ <u>410,251</u>
	\$ 410,251

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.

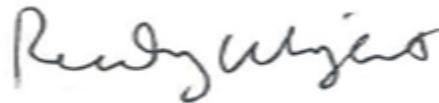
SECTION 8. The City Manager (Budget Officer) is directed to include a summary analysis of past and future costs and revenues on this grant project in every budget submission made to this board.

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.

Adopted this 21st day of June, 2016



Debbie D. Miller, City Clerk



Rudy Wright, Mayor

Capital Improvements / Grant Projects



2016-2017 Adopted 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



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
GENERAL FUND EQUIPMENT						
Administration						
Computer Replacements/Software		\$ 5,000	\$ 6,400	\$ 7,200		
Finance						
Computer Replacements/Software	\$ 11,800		\$ 10,400	\$ 6,500	\$ 9,300	
Information Technology						
APC UPS Batteries	\$ 8,000					
Cisco Phones		\$ 10,000	\$ 10,000	\$ 10,000		
Cognos BI	\$ 21,040					
Computer / Laptop Replacements		\$ 19,200	\$ 6,000			\$ 19,200
Disaster Recovery Upgrade / Migration Cloud					\$ 400,000	
Enterprise Core CAL / Intune / System Ctr		\$ 75,000				
Executime	\$ 85,000					
iSeries Replacement / Update		\$ 75,000				
Naviline Upgrade / GUI Interface	\$ 22,760					
Phone System Hardware Refresh		\$ 45,000				
UCS Hardware Refresh	\$ 200,000	\$ 175,000				
SAN Upgrade				\$ 300,000		
SQL Server Upgrade				\$ 10,000		
Switch Replacement / Upgrades		\$ 40,000	\$ 52,000	\$ 150,000	\$ 40,000	
Upgrade Office Suite / G3		\$ 100,000				
UPS Upgrade			\$ 100,000	\$ 5,000		
Windows Server / Cal Upgrades		\$ 30,000				
Wireless AP Hardware Refresh				\$ 15,000		
Engineering						
Computer Replacements		\$ 5,000	\$ 5,000		\$ 5,000	
Inkjet Plotter / Scanner		\$ 15,000				
Robotic, Data Collector and GPS Vehicle	\$ 10,000				\$ 42,500	
			\$ 20,000			
Planning and Development						
Computer Replacements	\$ 5,000		\$ 5,000			
Vehicle Replacement	\$ 25,000	\$ 20,000	\$ 25,000			
Police Department						
Police Vehicles	\$ 525,000	\$ 475,000	\$ 475,000	\$ 475,000	\$ 500,000	\$ 500,000
Light bars	\$ 16,875	\$ 16,875	\$ 16,875	\$ 16,875	\$ 16,875	\$ 16,875
Accessories-New Vehicles	\$ 25,000	\$ 30,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Lexan Partitions	\$ 11,250	\$ 11,250	\$ 11,250	\$ 11,250	\$ 11,250	\$ 11,250
Radios-Vehicle		\$ 25,000				
Police Boat			\$ 65,000			
Radars	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000
Radios for Officers			\$ 140,000	\$ 140,000		
Radios 800 System-Vehicles	\$ 25,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000
Radio System Refresh		\$ 575,000				
Replacement Vehicle			\$ 36,000		\$ 36,000	
Replacement Walkies		\$ 140,000				
Terminals and Monitor Repl -Dispatch		\$ 20,000				
SOT Armor Vests		\$ 60,000				
SOT Night Vision		\$ 10,000				
Tasers		\$ 25,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Weapons	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Batteries for UPS System			\$ 15,000			
Camera Replacement			\$ 6,000			
Computer / Laptop Replacements	\$ 145,000	\$ 15,000	\$ 65,000	\$ 65,000	\$ 75,000	\$ 65,000
Migrate to New Service for P2C	\$ 10,000					
Server Replacements					\$ 150,000	
Software Maintenance					\$ 8,000	
Switch Stack Replacement	\$ 30,000					
Furniture	\$ 25,000	\$ 25,000	\$ 5,000	\$ 5,000	\$ 10,000	\$ 5,000

Capital Improvements/Grant Projects



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Fire Department						
Apparatus Replacement Engine 1	\$ 480,000					
Equipment for Engine 1	\$ 120,000					
Apparatus Replacement Ladder 3		\$ 950,000				
Equipment for Ladder 3		\$ 150,000				
Apparatus Replacement Engine 5				\$ 500,000		
Equipment Replacement for Engine 5				\$ 125,000		
Apparatus Replacement Engine 6					\$ 520,000	
Equipment for Engine 6					\$ 125,000	
Apparatus Replacement Rescue 1			\$ 750,000			
Equipment for Rescue 1			\$ 250,000			
Apparatus Replacement Tanker 6				\$ 350,000		
Equipment for Tanker 6				\$ 100,000		
Apparatus Replacement Tanker 7						\$ 375,000
Equipment for Tanker 7						\$ 100,000
Appliances	\$ 10,000	\$ 15,300	\$ 10,000	\$ 12,000	\$ 12,000	\$ 12,000
Building Maintenance Projects	\$ 82,000	\$ 54,000				
Computer Replacements	\$ 25,000	\$ 25,000	\$ 75,000	\$ 25,000	\$ 25,000	\$ 25,000
Furniture Upgrades	\$ 17,500	\$ 8,000	\$ 8,000	\$ 10,000	\$ 10,000	\$ 10,000
Paving Project FS #3	\$ 30,000					
Paving Project FS #6	\$ 40,000					
Replace Bay Doors FS #2, FS #3, FS #5		\$ 90,000				
SCBA Breathing Equipment / Replacements	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Vehicle Replacements	\$ 50,000	\$ 110,000	\$ 80,000	\$ 90,000	\$ 90,000	\$ 90,000
VHF Repeater Replacements	\$ 40,000					
Viper Channel Purchase		\$ 45,000				
Rural Fire Department						
Replacement Furniture and Appliances	\$ 8,700					
Building Services						
Hydraulic Repair to Bucket Trucks		\$ 25,000				
Portable Power Scissor Lift	\$ 6,500					
Pole/Post Puller for Auger/Pole Truck				\$ 5,000		
Central Services						
Computer / Laptop Replacements		\$ 5,200				
Security Cameras		\$ 10,000				
Truck Replacement				\$ 20,000		
Traffic						
Computer Replacement / Software / Monitors	\$ 5,000		\$ 14,000	\$ 7,000		\$ 10,000
Paint Truck	\$ 190,000					\$ 25,000
Plotter		\$ 10,000				
Traffic Signal Equipment / Software		\$ 5,000				
Traffic Signal Parts / Counters	\$ 5,000		\$ 20,000			
Traffic Signal Video Equipment		\$ 20,000				
Traffic Signal Video Imaging Detection / Cameras				\$ 20,000	\$ 20,000	\$ 20,000
Trailer					\$ 5,000	
Truck Replacement	\$ 24,000					
Street						
4x4 SUV / Pickup		\$ 35,000				
Backhoe Lader Combo	\$ 95,000					
Crew Cab 4x4 Replacements	\$ 85,000	\$ 35,000	\$ 90,000	\$ 35,000		
Dump Truck - Midsize						\$ 90,000
Lowboy Trailer						\$ 100,000
Miscellaneous Equipment		\$ 35,000	\$ 35,000	\$ 45,000	\$ 35,000	\$ 60,000
Motor Grader		\$ 200,000		\$ 220,000		
Pro Patch/Flat Bed Truck Replacement			\$ 160,000			
Rubber Tire Loader			\$ 135,000	\$ 140,000		
Salt spreader	\$ 20,000	\$ 12,000				
Sidewalk Construction	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000

Capital Improvements/Grant Projects



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Street Sweeper					\$ 250,000	
Tandem Dump Truck		\$ 135,000	\$ 130,000		\$ 130,000	\$ 130,000
Track Hoe - Large size						\$ 220,000
Tractor - Midsize (Misc.)			\$ 50,000	\$ 40,000		
Tractor / Mower Combo	\$ 80,000	\$ 80,000				
Landscape						
Mowers / Snowplows	\$ 20,000	\$ 20,000		\$ 20,000	\$ 20,000	\$ 10,000
1 Ton Dump Truck		\$ 48,000	\$ 48,000	\$ 31,000		\$ 48,000
F-250 Cab Truck				\$ 26,000		
Crew Cab Trucks		\$ 31,000			\$ 31,000	\$ 31,000
Bobcat Skid Steer		\$ 40,000				
Computer Replacement		\$ 6,600				
Tractors	\$ 40,000					
Truck with Auger			\$ 30,000			
Trailer with Trimmer Rail			\$ 5,300			
Parks and Recreation						
ADA Evaluation and Transition Plan				\$ 50,000		
Baseball Scoreboard Replacements						\$ 18,000
Basketball Scoreboard Replacements			\$ 9,000	\$ 4,500	\$ 9,000	
Computer Replacements	\$ 7,800	\$ 5,200	\$ 5,200	\$ 3,900	\$ 7,800	\$ 5,200
Defibrillator	\$ 11,200					
Fitness Center Equip. Replacement	\$ 11,603	\$ 27,500	\$ 10,718	\$ 24,600	\$ 55,218	\$ 36,333
Playground Equipment Replacement - Hilton Park					\$ 52,991	
Playground Equipment Replacement - Kiwanis Park						\$ 57,820
Playground Equipment Replacement - Winkler Park		\$ 16,000	\$ 101,200	\$ 91,800		
Skate park Component Replacement			\$ 68,400			
Parks and Recreation Maint.						
Athletic Field Prep Machine Replacement					\$ 25,000	
Curbing Machine		\$ 27,000				
Leaf Vacuums				\$ 7,000		
Mini-Excavator				\$ 57,000		
Mower Replacements	\$ 56,200					
Tractor Replacement		\$ 28,500				
Truck Replacements	\$ 36,000	\$ 36,000	\$ 36,000		\$ 36,000	\$ 72,000
Van Replacement	\$ 38,000	\$ 36,000	\$ 36,000	\$ 36,000		
Library						
Computer Replacements	\$ 5,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Furniture		\$ 5,000	\$ 12,000			
Software / RFID Equipment	\$ 27,000					
GF Equipment Total	\$ 3,084,228	\$ 4,557,625	\$ 3,437,743	\$ 3,506,625	\$ 2,956,934	\$ 2,356,678
GENERAL FUND CONSTRUCTION						
Police Department						
Architect & Engineer Plans	\$ 10,000					
Boiler Gas Modulating Units	\$ 20,000					
Electrical and Plumbing	\$ 10,000					
Flooring	\$ 25,000	\$ 50,000		\$ 50,000	\$ 50,000	
HVAC Replacement					\$ 6,000	
Painting Int/Ext Building		\$ 43,000	\$ 40,000	\$ 50,000	\$ 41,000	\$ 6,000
Phone Cables Removed		\$ 20,000				
Police Annex Fence		\$ 60,000				
Renovation of Police Annex Facility		\$ 90,000				
Scenario Based Training Facility				\$ 450,000		
Fire Department						
COH Public Safety Training Center Property		\$ 150,000			\$ 9,000,000	
FS #2 Property Relocation - Springs Rd		\$ 125,000				
FS #2 New Construction				\$ 2,200,000		
FS #6 Demolish and Rebuild			\$ 2,000,000			

Capital Improvements/Grant Projects



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Parks and Recreation						
Bruce Meisner Park			\$ 1,541,200		\$ 2,386,804	
Cliff Teague Park Urban Trail and Greenway					\$ 330,000	
Kiwanis Park Urban Trail / Greenway Loop			\$ 760,000			
LRU/Stanford Park Greenway		\$ 135,000				
Parks and Recreation Comprehensive Master Plan					\$ 62,000	
Sandy Pines Park Master Site Plan		\$ 32,000				
Stanford Park Urban Trail/Greenway Loop		\$ 935,000				
Parks and Recreation Maint.						
Access Control System Upgrade - Highland Rec.		\$ 8,900				
Ballfield Fence Repl. - West Hickory					\$ 50,300	
Ballfield Fence Repl. - Hickory Optimist			\$ 34,000			
Ballfield Fence Repl. - Kiwanis Park				\$ 42,500		
Ballfields #3, #4 Replacement - Kiwanis Park						\$ 68,000
Concession/Restroom Replacement - Kiwanis Park		\$ 82,000				
Demolition of - Westmont Recreation Center						\$ 38,000
Field #1 Lighting Sys Repl. - Kiwanis Park				\$ 175,000		
Field #1 Lighting Sys Repl. - Neill Clark		\$ 181,000				
Fitness Center Lighting System - Highland Rec.		\$ 8,500				
HVAC System Repl. - Neill Clark		\$ 20,000				
HVAC System Repl. - Jaycee Park Bldg.			\$ 16,500			
HVAC System Repl. - Recreation Maintenance						\$ 6,000
HVAC System Repl. - Winkler Mus/Winkler Act Ctr				\$ 20,000		
Lighting of Soccer Fields - Henry Fork Phase II					\$ 385,000	
Parking Lot Repaving - Fairbrook Opt.	\$ 53,500					
Parking Lot Repaving - Henry Fork River Reg. Park				\$ 65,000		
Parking Lot Repaving - Kiwanis Park			\$ 65,000			
Parking Lot Repaving - Stanford Park					\$ 65,000	
Pedestrian Bridge Replacement - Hilton Park					\$ 90,000	
Picnic Shelter #1 Replacement - Hilton Park						\$ 85,000
Restroom Facility Replacement - Fairbrook	\$ 76,450					
Restroom Facility Replacement - Kiwanis Park					\$ 62,000	
Resurface Tennis Courts - Westmont	\$ 24,000					
Roof Replacement - Neill Clark Main		\$ 74,000				
Security Alarm System - Neill Clark Main			\$ 11,700			
Tennis Court Reconstruction - Cliff Teague Park						\$ 19,000
Trail Resurfacing - Cliff Teague Park		\$ 33,600				
Trail Resurfacing - Henry Fork		\$ 50,400				
LP Frans Stadium						
Backstop Netting Replacement	\$ 5,100					
Dugout to Dugout Netting with Pole Removal					\$ 70,000	
Park Identification Signs				\$ 9,000		
Parking Lot Repaving - Winkler Park						\$ 91,000
Playground Equipment Replacement			\$ 25,000			
Scoreboard/Videoboard Replacement		\$ 313,500				
Library						
Architectural Design - Ridgeview			\$ 40,000			
HVAC System Update	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Patrick Beaver Renovations / Fire Alarm Sys	\$ 41,000					
Ridgeview Renovations / Expansion / Roof	\$ 40,000			\$ 500,000		
Update Public Restrooms	\$ 52,000					
GF Construction Total	\$ 315,050	\$ 2,431,900	\$ 4,553,400	\$ 3,581,500	\$12,618,104	\$ 333,000
GENERAL FUND TOTAL	\$ 3,399,278	\$ 7,139,525	\$ 8,141,143	\$ 7,238,125	\$15,725,038	\$ 2,839,678

Capital Improvements/Grant Projects



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
FLEET FUND EQUIPMENT						
Fleet Maintenance						
Fluids Management System				\$ 10,000		
Furnace - Heating System						\$ 15,000
Gasoline and Diesel Fuel Storage Tanks					\$ 600,000	
Heavy Truck Lift / Other Equipment			\$ 60,000			
Roof Maintenance					\$ 7,500	
Service Truck	\$ 25,000	\$ 30,000		\$ 30,000		
Fleet Fund Equipment Total	\$ 25,000	\$ 30,000	\$ 60,000	\$ 40,000	\$ 607,500	\$ 15,000
FLEET FUND TOTAL	\$ 25,000	\$ 30,000	\$ 60,000	\$ 40,000	\$ 607,500	\$ 15,000
WATER AND SEWER FUND EQUIPMENT						
Administration						
Computer Replacements		\$ 6,000				\$ 6,000
Radio Read Meters	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600	\$ 102,600
Truck	\$ 20,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 20,000	\$ 20,000
Trailblazer						
Collection System						
1/2 Ton 4x4 Pickup Truck	\$ 25,000					
Backhoe		\$ 60,000			\$ 160,000	
Dump Truck					\$ 100,000	
Jett Trailer			\$ 60,000	\$ 75,000		
Portable Welder					\$ 5,000	
Pumps for Pump Station		\$ 100,000				
Service Truck with Boom		\$ 75,000				
Service Trucks	\$ 45,000	\$ 25,000	\$ 40,000			
Sewer Camera System	\$ 100,000					
Skid Steer w/ Grinder						\$ 50,000
Tractor w/Front End Loader			\$ 65,000			
Unanticipated Sewer Line Installation	\$ 7,000	\$ 7,000	\$ 7,000		\$ 7,000	
Vac-All Jett Vac Truck			\$ 400,000			
Henry Fork Plant						
Aeration Basin Mixer	\$ 33,000	\$ 35,000	\$ 36,500		\$ 36,000	
Aqua Guard Barscreen		\$ 180,000				
Blower					\$ 80,000	
EQ Basin Aerator Motors	\$ 12,000					
Master Plan	\$ 40,000					
Mixed Liquor Return Pump		\$ 76,485	\$ 72,834			
Mower						\$ 10,000
Other Equipment			\$ 10,000			
Primary Sludge Pump		\$ 25,520				
Raw Sewage Pump		\$ 110,000	\$ 100,000			
Replacement Pumps (Various)			\$ 30,000	\$ 69,000	\$ 40,000	
Scada System PLCs Upgrade	\$ 65,000					
Tanker Truck		\$ 128,000				
Truck Replacement				\$ 25,000		\$ 25,000
Northeast Plant						
Master Plan	\$ 40,000					
Mower / Lawn Tractor						\$ 10,000
Pickup Truck 4x4	\$ 20,000				\$ 20,000	
Replacement Pumps (Various)	\$ 35,000	\$ 7,000	\$ 16,000	\$ 36,000		\$ 26,000
Sludge Road Tractor				\$ 100,000		
Sludge Tanker			\$ 60,000			
Specialized Equipment		\$ 8,000	\$ 8,000		\$ 20,000	\$ 19,000
Water Treatment Plant						
Emergency Generator						\$ 100,000
Filter Actuators	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	
Finish Water Clearwell Top		\$ 90,000	\$ 80,000			
Flash Mixer				\$ 20,000	\$ 20,000	
Flocculators	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	

Capital Improvements/Grant Projects



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Flow Metering Raw Water	\$ 60,000					
Lab PH Meter	\$ 5,000				\$ 5,000	
Master Plan	\$ 40,000					
Replacement Pumps (Various)	\$ 50,000	\$ 9,000	\$ 72,000	\$ 72,000	\$ 59,000	\$ 50,000
Scada Upgrade			\$ 50,000			
Specialized Equipment	\$ 30,000	\$ 55,000			\$ 50,000	\$ 10,000
Tube Settlers	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 38,000
Pre treatment & Lab						
Cargo Van		\$ 30,000				
Portable Samplers	\$ 8,400		\$ 5,600			
Specialized Equipment			\$ 23,000	\$ 11,000	\$ 60,000	\$ 5,000
Hickory Catawba Wastewater						
Replacement Pumps (Various)					\$ 18,000	
Shed for Equipment	\$ 50,000					
Service Truck 4WD	\$ 25,000	\$ 25,000	\$ 25,000			
Sludge Pump Loading Rebuild						\$ 10,000
Specialized Equipment	\$ 8,500				\$ 10,000	\$ 10,000
Distribution						
Air Compressor		\$ 20,000		\$ 20,000		
Backhoe		\$ 70,000	\$ 70,000	\$ 73,000	\$ 73,000	\$ 80,000
Dump Truck Replacement	\$ 90,000	\$ 90,000				
Flusher Truck				\$ 55,000		
Mini Excavator w/ Trailer	\$ 60,000					
Pickup Truck 4x4	\$ 54,000		\$ 52,000			\$ 30,000
Piercing Tools, Tamps, Miscellaneous	\$ 10,000	\$ 11,000	\$ 13,000	\$ 18,000	\$ 18,000	
Pipe Saw, Metal Detectors, Misc.		\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 8,000
Pumps, Locators, Pipe Saws	\$ 8,000					
Service Truck Replacements / Vehicle SUV 4x4	\$ 35,000	\$ 46,000	\$ 96,000	\$ 96,000	\$ 98,000	\$ 47,000
Shed for Equipment	\$ 100,000					
Unanticipated Water Line Repairs	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
W & S Equipment Total	\$ 1,281,500	\$ 1,522,605	\$ 1,625,534	\$ 903,600	\$ 1,114,600	\$ 663,600
WATER AND SEWER CONSTRUCTION						
12th St Dr NW to Main Ave NW Waterline Rehab				\$ 525,000		
1st St NE & 2nd St NE (behind FRMC)	\$ 20,000	\$ 40,120				
Brookford Replacement				\$ 250,000		
Comprehensive System Analysis	\$ 500,000					
Henry Fork Outfall Repl Engineering SSO Program					\$ 1,250,000	
Kenworth Water System Rehab	\$ 302,000					
Main Ave. NW to 1200 Block			\$ 315,000	\$ 500,000		
Moose Club - Complete Rebuild	\$ 700,000					
Moose Club - Evaluate Alternate Route	\$ 100,000					
Old Lenoir Rd Area Repl/Rehab Waterline					\$ 812,500	
Spring Haven Subdivision - Water Main						\$ 262,500
SSES Evaluation - Hospital Area	\$ 50,000					
SSES Evaluation - Shuford Pump Station	\$ 50,000					
SSES Evaluation - Hwy 127N	\$ 50,000					
Swr System Eval (Repl/Rehab) Downtown to Southgate	\$ 220,000	\$ 220,000	\$ 220,000			
Ward Hosiery - SSO Program					\$ 300,000	
W & S Construction Total	\$ 1,992,000	\$ 260,120	\$ 535,000	\$ 1,275,000	\$ 2,362,500	\$ 262,500
WATER AND SEWER FUND TOTAL	\$ 3,273,500	\$ 1,782,725	\$ 2,160,534	\$ 2,178,600	\$ 3,477,100	\$ 926,100
SLUDGE FUND EQUIPMENT						
Housing and Chains for Conveyors	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
SLUDGE FUND TOTAL	\$ 50,000	\$ 50,000				
TRANSPORTATION FUND EQUIPMENT						
Airport						
Computer Replacements	\$ 5,000				\$ 5,000	
Replace Tractor and Bushhog			\$ 70,000			
Transportation Equipment Total	\$ 5,000	\$ -	\$ 70,000	\$ -	\$ 5,000	\$ -

Capital Improvements/Grant Projects



5 Year CIP Items	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
TRANSPORTATION CONSTRUCTION						
Airport						
Precision Approach Path Indicators (PAPI) Repl.		\$ 10,000				
Repair Fire Station Roof and Paint	\$ 15,000	\$ 30,000				
FBO						
Construct New Hangar				\$ 1,500,000		
FBO Building Repairs				\$ 22,000	\$ 50,000	
Hangar Repairs	\$ 50,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Jet A and 100LL Fuel Trucks						\$ 250,000
New TUG			\$ 30,000			
Transportation Construction Total	\$ 65,000	\$ 100,000	\$ 90,000	\$ 1,582,000	\$ 110,000	\$ 310,000
TRANSPORTATION FUND TOTAL	\$ 70,000	\$ 100,000	\$ 160,000	\$ 1,582,000	\$ 115,000	\$ 310,000
SOLID WASTE EQUIPMENT						
Recycling						
Boom Truck					\$ 160,000	
Front Loader / Automated Truck						\$ 275,000
Rear Packer		\$ 235,000	\$ 235,000			
Residential Sanitation						
Automated Truck	\$ 275,000		\$ 275,000		\$ 275,000	
Rear Packer		\$ 235,000		\$ 235,000		
Commercial Bulk Services						
Compactor Trailer	\$ 63,000				\$ 63,000	
Dumpster Boxes / Kits	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Front Loader				\$ 245,000		\$ 255,000
Road Tractor				\$ 125,000		
Vehicle Replacement					\$ 25,000	
Transfer Station Trailer			\$ 63,000			
Solid Waste Equipment Total	\$ 363,000	\$ 495,000	\$ 598,000	\$ 630,000	\$ 548,000	\$ 555,000
SOLID WASTE FUND TOTAL	\$ 363,000	\$ 495,000	\$ 598,000	\$ 630,000	\$ 548,000	\$ 555,000
TOTAL FUNDS	\$10,317,006	\$14,004,875	\$14,457,420	\$15,075,350	\$20,942,768	\$ 6,902,456

Capital Improvements/Grant Projects



East Hickory Redevelopment Plan Implementation

Project # 501001

Total Project Cost: \$1,205,800

Project Start Date: July 2001

Project End Date: June 2017

Project Manager: Dave Leonetti

Revenue	Budgeted	Project to Date	Remaining
Miscellaneous	\$ 651,400.00	\$ 108,422.42	\$ 542,977.58
General Fund	\$ 554,400.00	\$ 554,400.00	\$ -
Interest Earned	\$ -	\$ 11,041.43	\$ -
Total	\$ 1,205,800.00	\$ 673,863.85	\$ 542,977.58

Expenditure	Budgeted	Project to Date	Remaining
Construction	\$ 21,605.00	\$ 21,604.83	\$ 0.17
Relocation	\$ 53,241.00	\$ -	\$ 53,241.00
Land	\$ 1,022,195.00	\$ 608,833.37	\$ 413,361.63
Infrastructure	\$ 106,000.00	\$ -	\$ 106,000.00
Miscellaneous	\$ 2,759.00	\$ 1,537.11	\$ 1,221.89
Total	\$ 1,205,800.00	\$ 631,975.31	\$ 573,824.69

Description:

This capital project provides the funding for implementation of the East Hickory Redevelopment Plan and the creation of the East Hickory rehabilitation, conservation and reconditioning area. Funds will be used to acquire land, relocate residents, and pay for the sidewalk installation, traffic signal construction and other improvements in the East Hickory Redevelopment Area. The City sold four lots on F Avenue SE in FY 15-16. The developer's plan is to construct housing that will be targeted towards Lenoir Rhyne University Students. The first house is currently under construction. All residential property has been purchased and owners relocated. A proposed purchaser of property would assist with infrastructure and the City with upgrading existing streets. The property at the southeast corner of Lenoir Rhyne Boulevard and Tate Boulevard has been purchased and sold to a developer who is currently marketing the property for retail and office use. The City's participation in any redevelopment project will depend on the level of private investment and the proposed use of the property.

Impact on the Operating Budget:

This project will have little effect on the operating budget except for the probability of increased revenues through increased property values in the area. In addition over half of the City's investment in this area is expected to be recouped through the sale of acquired property.

Capital Improvements/Grant Projects



Brownfields Area Wide Planning Grant

Project # G5010E

Total Project Cost: \$200,000

Project Start Date: August 2015

Project End Date: July 2017

Project Manager: Brian Frazier

Revenue	Budgeted	Project to Date	Remaining
Restricted Governmental	\$ 200,000	\$ 49,753	\$ 150,247
Interest Earned	\$ -	\$ -	\$ -
Total	\$ 200,000	\$ 49,753	\$ 150,247

Expenditure	Budgeted	Project to Date	Remaining
Salaries	\$ 6,000	\$ 3,657	\$ 2,343
Seminar Registration Fees	\$ 250	\$ -	\$ 250
Other Professional Services	\$ 188,000	\$ 44,597	\$ 143,403
Department Supplies	\$ 4,000	\$ 1,499	\$ 2,501
Training/Meals/Lodging	\$ 1,500	\$ -	\$ 1,500
Travel	\$ 250	\$ -	\$ 250
Total	\$ 200,000	\$ 49,753	\$ 150,247

Description:

This \$200,000 Environmental Protection Agency (EPA) Area Wide Planning Grant is for a planning study, market analysis, data collection, and citizen engagement for the future redevelopment of the Southside area.

Impact on the Operating Budget:

The City will receive some reimbursement for administrative expenses.

Capital Improvements/Grant Projects



Geitner Basin Outfall Replacement Project

Project # 803303

Total Project Cost: \$3,519,475.00

Project Start Date: January 2017

Project End Date: January 2018

Project Manager: Kevin Greer, PE

Revenue	Budgeted	Project to Date	Remaining
Proceeds from Financing	\$ 3,519,475	\$ -	\$ 3,519,475
Water & Sewer Fund	\$ 286,790	\$ 286,790	\$ -
Water & Sewer Capital Reserve	\$ 61,450	\$ 61,450	\$ -
Interest Earned	\$ -	\$ 389	
Total	\$ 3,867,715	\$ 348,629	\$ 3,519,475

Expenditure	Budgeted	Project to Date	Remaining
Design	\$ 532,700	\$ 32,493	\$ 500,208
Construction	\$ 2,949,625	\$ -	\$ 2,949,625
Land	\$ 20,000	\$ -	\$ 20,000
Contingency	\$ 295,000	\$ -	\$ 295,000
Miscellaneous	\$ 70,390	\$ -	\$ 70,390
Total	\$ 3,867,715	\$ 32,493	\$ 3,835,223

Description:

The Geitner Basin project is intended to renovate the sanitary sewer infrastructure in the area bounded by Hwy 70, US 321, 4th St Dr SW and 2nd Ave SW, as well as replace a large diameter outfall that transports sewer collected from this area. The project consists of a series of identified corrective actions that need to be implemented from full replacement of lines to Manhole rehabilitation to point repairs, and service line replacements. This area consists of infrastructure nearing the end of its useful life as originally installed and is prone to Inflow and Infiltration. The Outfall replacement is complete replacement of approximately 4,000-lft of 16-inch concrete pipe that has severely deteriorated and approximately 4,000-lft of 8-inch sewer to serve the 4th St Dr Extension area.

Impact on the Operating Budget:

Completion of this project should result in fewer calls for service to this area during rain events or inclement conditions. The project is being completed with a State Revolving Loan of \$3,519,475.00 with 20 year payback term at 1.66%.

Capital Improvements/Grant Projects



2012 NE Sewer Grant Project – Random Woods

Project # 802501

Total Project Cost: \$2,946,043.00

Project Start Date: November 2016

Project End Date: June 2017

Project Manager: Kevin Greer, PE

Revenue	Budgeted	Project to Date	Remaining
Miscellaneous	\$ 2,946,043	\$ 1,590,673	\$ 1,355,370
Total	\$ 2,946,043	\$ 1,590,673	\$ 1,355,370

Expenditure	Budgeted	Project to Date	Remaining
Design	\$ 209,627	\$ 169,868	\$ 39,759
Construction	\$ 2,378,560	\$ 1,386,542	\$ 992,018
Land	\$ 1,000	\$ 903	\$ 97
Contingency	\$ 236,856	\$ -	\$ 236,856
Miscellaneous	\$ 120,000	\$ 33,709	\$ 86,291
Total	\$ 2,946,043	\$ 1,591,023	\$ 1,355,020

Description:

The Public Utilities Department and Catawba County Environmental Health identified three areas of concern with existing subdivisions that are approximately 30 to 40 years old and are principally built out. This project will have a potential to serve approximately 226 homes and eliminate the potential public health hazard of septic system failures impacting surface waters. This project includes construction of approximately 25,100 linear feet of 8-inch PVC sanitary sewer lines. The three subdivisions are within the existing City of Hickory ETJ and the City of Hickory does have existing sanitary sewer lines available for connection by the proposed subdivision sanitary sewer lines.

Impact on future operating budgets:

The project is funded with Grant monies through NCDEQ, therefore Capital Cost are minimized. The cost of operation will be consistent with other portions of the Collection System and will not create a financial burden to the System.

Capital Improvements/Grant Projects



Central Business District Infrastructure Rehabilitation Project

Project # 803302

Total Project Cost: \$3,500,000

Project Start Date: December 2016

Project End Date: December 2017

Project Manager: Kevin Greer, PE

Revenue	Budgeted	Project to Date	Remaining
Loan Proceeds	\$ 1,364,100	\$ -	\$ 1,364,100
Water & Sewer Fund	\$ 26,922	\$ 26,922	\$ -
Water & Sewer Capital Reserve	\$ 2,039,600	\$ 2,039,600	\$ -
Interest Earned	\$ -	\$ 2,464	\$ -
Total	\$ 3,430,622	\$ 2,068,986	\$ 1,364,100

Expenditure	Budgeted	Project to Date	Remaining
Design	\$ 285,000	\$ 71,240	\$ 213,760
Construction	\$ 2,822,700	\$ -	\$ 2,822,700
Contingency	\$ 296,000	\$ -	\$ 296,000
Miscellaneous	\$ 26,922	\$ -	\$ 26,922
Total	\$ 3,430,622	\$ 71,240	\$ 3,359,382

Description:

The Central Business District is defined as the area bounded by Trade Alley, 2nd Ave NW, 2nd St NW and 3rd St NW. This area is served by some of the oldest lines in the Hickory publicly owned treatment works. This project includes the replacement or rehabilitation of approximately 5,300 linear feet of water lines, 6-12 inches in size; approximately 2,400 linear feet of storm drainage and 4,700 linear feet of sanitary sewer lines. Complete renovation of Trade Alley including surface finishes is included in this project.

Impact on future operating budgets:

The project will result in the expenditure of approximately \$1.8 million in Public Utilities Fund Balance/Capital Reserves and is anticipated to result in approximately \$1.4 million in low interest loan at 1.66% for 20 years. Cost savings will be realized by eliminating substantial inflow and infiltration inherent in older Collection Systems and renovate lines that exist that are greater than 100 years old.

Debt Service



2016-2017 Adopted Budget

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 that the City has outstanding at the time of the printing of this document**. To view the anticipated debt for the next five years, please review the *Five Year Financial Forecast* sections. This section concludes with the computation of the legal debt margin that presents the City's debt ceiling.

Discussion

The City of Hickory's bond rating is AA from Standard & Poor's, and Aa3 from Moody's. These ratings were upgraded during FY2008-2009, from a previous rating of AA- from Standard & Poor'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.

Debt service payments on State Revolving Loan funds borrowed from the State of North Carolina for the Northeast Wastewater Treatment Plant and Cripple Creek will make up 27.87% of all debt service requirements.

Debt service payments on Installment Purchase Agreements will make up 71.95% of all debt service requirements for the City of Hickory in FY2016-2017. Funds borrowed through this means of financing were for the Hickory Metro Convention Center, utilities for Annexation Area II and the Henry River Basin area, upgrades to the radio system, and upgrades to the Hickory-Catawba Wastewater Treatment Plant.

Debt service payments on Intergovernmental Agreements will make up 0.18% of all debt service requirements for FY2016-2017. These agreements are for prior water and sewer projects with Catawba County.

Debt Service



Debt Service		FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21
State Revolving Loan						
Purpose	S-SRF-T-0900181 Sewer					
Interest Rate	2.48%					
Issued	1/20/2013					
Due	Annually to 2033					
Outstanding	\$14,875,000					
Principal		875,000	875,000	875,000	875,000	875,000
Interest		368,900	347,200	325,500	303,800	282,100
Purpose	Cripple Creek ARRA Loan					
Interest Rate	0%					
Issued	2010					
Due	Annually to 2031					
Outstanding	\$560,802					
Principal		40,057	40,057	40,057	40,057	40,057
Interest		-	-	-	-	-
Subtotal		1,283,957	1,262,257	1,240,557	1,218,857	1,197,157
Installment Purchase Agreements						
Purpose	Hky Metro Conv. Center Renovations					
Interest Rate	2.63% Variable Interest					
Issued	2004					
Due	Semi-annually to 2019					
	3.91% 5/05 Locked Interest Rate					
	2.09% Reduced Interest Rate 04/12					
Outstanding	\$770,000					
Principal		220,000	220,000	220,000	110,000	-
Interest		14,944	10,346	5,748	1,150	-
Purpose	Hky Metro Conv. Center					
Interest Rate	4.9% -9.89% Interest					
Issued	1998					
Due	Semi-annually to 2018					
	3.79% Reduced Interest Rate 07/15/03					
	1.79% Reduced Interest Rate 04/2012					
Outstanding	\$707,000					
Principal		282,800	282,800	141,400	-	-
Interest		11,390	6,328	1,266	-	-
Purpose	Hky Metro Conv. Center Parking Deck					
Interest Rate	2.94%					
Issued	10/22/2014					
Due	Semi-annually to 2030					
Outstanding	\$2,700,000					
Principal		200,000	200,000	200,000	200,000	200,000
Interest		77,910	72,030	66,150	60,270	54,390
Purpose	Henry River Basin Sewer					
Interest Rate	3.55%					
Issued	04/05/05					
Due	Semi-annually to 2025					
	3.19% Reduced Interest Rate 03/21/12					
Outstanding	\$4,275,000					
Principal		475,000	475,000	475,000	475,000	475,000
Interest		132,584	117,432	102,279	87,127	71,975
Purpose	Area II Annexation-Water/Sewer					
Interest Rate	4.9% -9.89% Interest					
Issued	12/29/1998					
Due	Semi-annually to 2019					
	3.79% Reduced Interest Rate 07/15/03					
	1.79% Reduced Interest Rate 03/21/12					
Outstanding	\$498,688					
Principal		199,475	199,475	99,738	-	-
Interest		8,034	4,463	893	-	-

Debt Service



Debt Service		FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Purpose	Ridgeview Renovations					
Interest Rate	3.69% Reduced Interest Rate 07-15-03					
Issued	4/02					
Due	Semi-annually to 2017					
Purpose	Stanford Park					
Interest Rate	3.69% Reduced Interest Rate 07-15-03					
Issued	4/02					
Due	Semi-annually to 2017					
	Combined Debts 04/2012					
	1.69% Reduced interest rate 4/2012					
Outstanding	\$385,618					
Principal		385,618	-	-	-	-
Interest		4,888	-	-	-	-
Purpose	Radio System Upgrade					
Interest Rate	3.79%					
Issued	12/10/2008					
Due	Semi-annually to 2019					
Outstanding	\$260,671					
Principal		104,269	104,269	52,134	-	-
Interest		8,892	4,940	988	-	-
Purpose	Maiden Water Line					
Interest Rate	4.46%					
Issued	2002					
Due	Semi-annually to 2021					
	4.19% Reduced Interest Rate 4/16/06					
	2.17% Reduced Interest Rate 04/2012					
Outstanding	\$1,845,225					
Principal		369,045	369,045	369,045	369,045	369,046
Interest		38,039	30,031	22,023	14,014	6,007
Purpose	Hickory-Catawba WWTP Upgrade					
Interest Rate	2.27%					
Issued	02/01/13					
Due	Semi-annually to 2028					
Outstanding	\$8,178,695					
Principal		600,163	613,864	627,877	642,211	656,872
Interest		182,270	168,569	154,555	140,221	125,561
Subtotal		3,315,321	2,878,592	2,539,096	2,099,038	1,958,851
Intergovernmental Agreements						
Catawba County Contracts		8,394	-	-	-	-
Subtotal		8,394	-	-	-	-
Grand Total		4,607,672	4,140,849	3,779,653	3,317,895	3,156,008

Computation of Legal Debt Margin

Net Assessed Value – June 30, 2015	\$4,744,100,348
	<u>x .08</u>
Debt Limit – Eight Percent (8%) of Assessed Value	\$ 379,528,028
Gross Debt:	
Total Bonded Debt	\$ 0
Notes Payable (1)	17,086,042
Installment Purchase Agreements	<u>22,443,871</u>
Total Amount of Debt Applicable to Debt Limit (Net Debt)	\$ 39,529,913
Legal Debt Margin	<u>\$339,998,115</u>

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 the property subject to taxation. The City's net debt as a percentage of assessed valuation is 0.96% compared to the legal debt limit of 8%.

Notes

Notes payable includes \$17,060,860 for State revolving loans related to water and sewer capital needs and \$25,183 in water and sewer agreements with other local governments.

Five Year Financial Forecast



2016-2017 Adopted Budget

Five Year Financial Forecast

FIVE YEAR FINANCIAL FORECAST FY2015-2016 THROUGH FY2020-2021

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 3.0% 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 3% annually through FY2021-2022. Sales Taxes and Utility Franchise Taxes are the largest sources of revenue in this category.

Five Year Financial Forecast

- **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 FY2021-2022. 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 3% annual growth in this category of revenue due to most of these revenues coming from the State of North Carolina, an unstable financial partner with structural budgetary problems. The single largest source of revenue in this category is Powell Bill revenues, which are used solely for road maintenance.

- **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. The two major sources of revenue in this category are Cable Franchise Fees and TDA Convention Center Rental. These two sources of revenue are not increased by the annual Consumer Price Index. 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 3% annually.

- **Investment Earnings**

These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 3% annual 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 remain flat.

- **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 remain flat 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.

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 expenses is projected to increase by the annual Consumer Price Index, estimated to average 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 major construction projects are budgeted outside of the Annual Budget.

- **Contingency**

City Council's adopted policy calls for General Fund Contingency funding equal 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. No growth is projected in this category of expenditures.

- **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 generally decline over the next five years.

- **Interfund Transfers**

Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. This category of expenditures is projected to grow by 2% annually.

- **Pro-Rata Reimbursements**

This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Water and Sewer Fund reimbursing the General Fund for the cost to bill and collect utility accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

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 remain flat.

- **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 is projected at 4% annually.

Five Year Financial Forecast

- **Investment Earnings**
These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 4% 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 remain flat.
- **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 remain flat 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 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.
- **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. No growth is projected in this category of expenditures.
- **Debt Service**
Debt service appropriations account for the payment of principal and interest on general obligation bonds and notes, and proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will generally decline over the next five years.

Five Year Financial Forecast

- **Interfund Transfers**

Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. The only Interfund Transfer made by the Water and Sewer Fund is to the Capital Reserve Fund. This expenditure is 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**

Will continue to receive funding from the City of Conover, Catawba County and City of Hickory at the agreed upon percentages for the operation of this facility. The City of Newton is no longer a partner in this operation. Revenues are received at a level to support operations and are projected to increase by 3% 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.

Five Year Financial Forecast

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 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 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. There will be no growth in this source of revenue.
- **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 it projected at 3% annually.
- **Investment Earnings**
These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 3% 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 remain flat.
- **Other Financing Sources**
The Solid Waste Fund receives a significant subsidy from the General Fund due to the Solid Waste Fund's revenues not meeting its expenditure requirements. It is projected that this subsidy will increase by 3% annually.

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 full 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 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. 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 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 3% annually.

- **Investment Earnings**

These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 3% growth is estimated over the next five 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 full health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases. On average, this category of expenses is projected to increase by 2% annually.

- **Operational**

Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenditures is projected to increase by the annual Consumer Price Index.

- **Capital**

Capital is defined as a tangible purchase more than \$5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.

Five Year Financial Forecast

- **Pro-Rata Reimbursements**

This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the 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 3%. This increase is driven by annual salary adjustments and the ever-increasing cost of providing full health insurance coverage to the employee.

- **Operational**

Operational expenditures are projected to increase by the projected Consumer Price Index, which is 3% 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 2% annual increase is projected for revenues generated by the investment of idle cash.

Five Year Financial Forecast



INSURANCE FUND EXPENDITURES

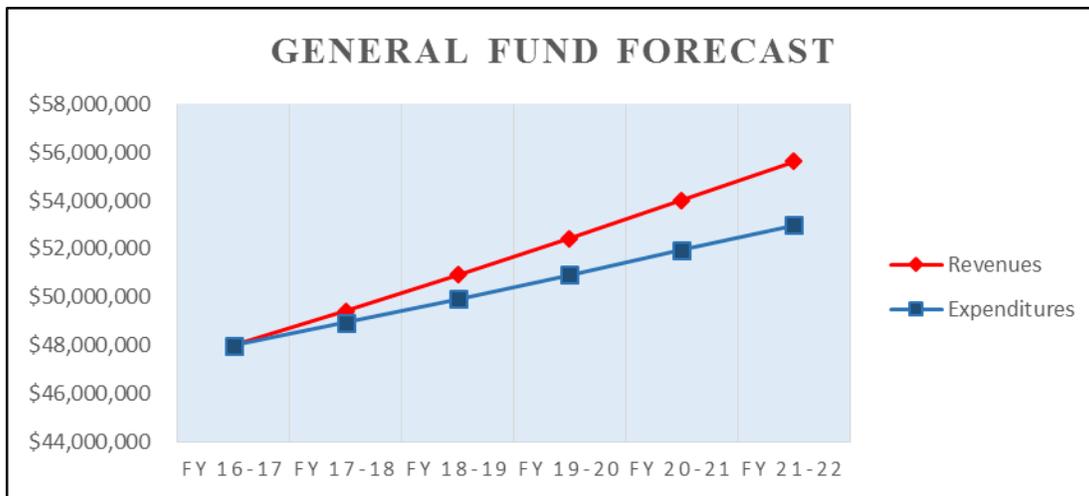
- **Personnel**
Health insurance expenditures make up all the personnel related expenditures in this fund. These expenditures are projected to increase by an annual average of 5%. Adding new employees for new or expanded services will increase this expenditure by more than the projected.
- **Operational**
Other non-personnel related risk financing expenditures are projected to increase by 3% annually.

Five Year Financial Forecast



General Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Ad Valorem Taxes	\$ 25,390,000	\$ 26,151,700	\$ 26,936,251	\$ 27,744,339	\$ 28,576,669	\$ 29,433,969
Other Taxes	\$ 14,500,000	\$ 14,935,000	\$ 15,383,050	\$ 15,844,542	\$ 16,319,878	\$ 16,809,474
Unrestricted Intergovernmental	\$ 595,000	\$ 612,850	\$ 631,236	\$ 650,173	\$ 669,678	\$ 689,768
Restricted Intergovernmental	\$ 2,054,401	\$ 2,116,033	\$ 2,179,514	\$ 2,244,899	\$ 2,312,246	\$ 2,381,614
Licenses and Permits	\$ 7,200	\$ 7,416	\$ 7,638	\$ 7,868	\$ 8,104	\$ 8,347
Sales and Services	\$ 1,750,359	\$ 1,802,870	\$ 1,856,956	\$ 1,912,665	\$ 1,970,044	\$ 2,029,146
Investment Earnings	\$ 125,000	\$ 128,750	\$ 132,613	\$ 136,591	\$ 140,689	\$ 144,909
Miscellaneous	\$ 318,000	\$ 327,540	\$ 337,366	\$ 347,487	\$ 357,912	\$ 368,649
Other Financing Sources	\$ 3,249,773	\$ 3,347,266	\$ 3,447,684	\$ 3,551,115	\$ 3,657,648	\$ 3,767,378
Total	\$ 47,989,733	\$ 49,429,425	\$ 50,912,308	\$ 52,439,677	\$ 54,012,867	\$ 55,633,253
Expenditures						
Personnel	\$ 30,667,336	\$ 31,280,683	\$ 31,906,296	\$ 32,544,422	\$ 33,195,311	\$ 33,859,217
Operational	\$ 12,673,274	\$ 12,926,739	\$ 13,185,274	\$ 13,448,980	\$ 13,717,959	\$ 13,992,319
Capital	\$ 3,488,878	\$ 3,558,656	\$ 3,629,829	\$ 3,702,425	\$ 3,776,474	\$ 3,852,003
Contingency	\$ 650,000	\$ 663,000	\$ 676,260	\$ 689,785	\$ 703,581	\$ 717,653
Special Appropriations Funding	\$ 1,093,859	\$ 1,115,736	\$ 1,138,051	\$ 1,160,812	\$ 1,184,028	\$ 1,207,709
Debt Service	\$ 1,415,519	\$ 1,443,829	\$ 1,472,706	\$ 1,502,160	\$ 1,532,203	\$ 1,562,847
Interfund Transfers	\$ 1,200,311	\$ 1,224,317	\$ 1,248,804	\$ 1,273,780	\$ 1,299,255	\$ 1,325,240
Pro-Rata Reimbursements	(\$3,199,444)	(\$3,263,433)	(\$3,328,702)	(\$3,395,276)	(\$3,463,181)	(\$3,532,445)
Total	\$ 47,989,733	\$ 48,949,528	\$ 49,928,518	\$ 50,927,089	\$ 51,945,630	\$ 52,984,543

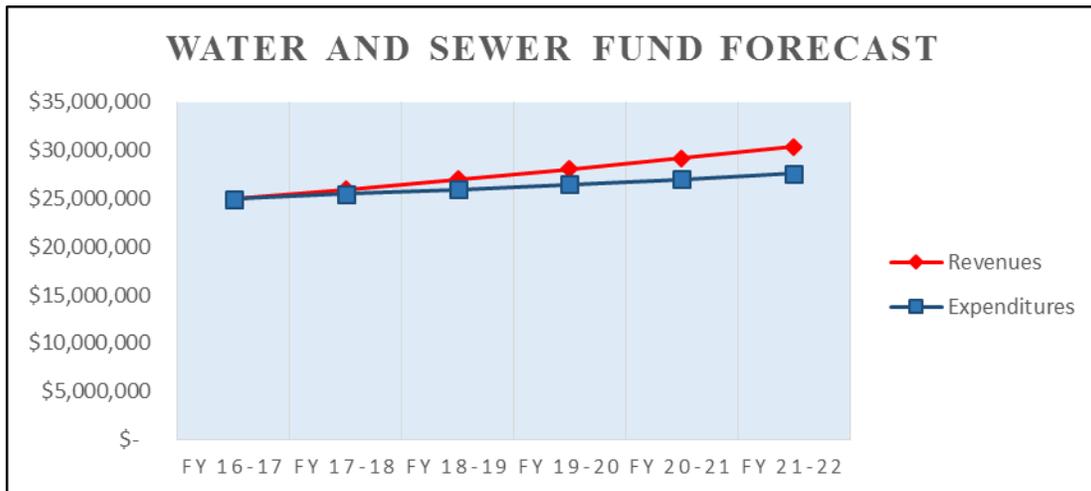


Five Year Financial Forecast



Water and Sewer Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Restricted Intergovernmental	\$ 1,181,577	\$ 1,228,840	\$ 1,277,994	\$ 1,329,113	\$ 1,382,278	\$ 1,437,569
Sales and Services	\$ 21,716,880	\$ 22,585,555	\$ 23,488,977	\$ 24,428,537	\$ 25,405,678	\$ 26,421,905
Investment Earnings	\$ 50,000	\$ 52,000	\$ 54,080	\$ 56,243	\$ 58,493	\$ 60,833
Miscellaneous	\$ 340,000	\$ 353,600	\$ 367,744	\$ 382,454	\$ 397,752	\$ 413,662
Other Financing Sources	\$ 1,681,128	\$ 1,748,373	\$ 1,818,308	\$ 1,891,040	\$ 1,966,682	\$ 2,045,349
Total	\$ 24,969,585	\$ 25,968,368	\$ 27,007,103	\$ 28,087,387	\$ 29,210,883	\$ 30,379,318
Expenditures						
Personnel	\$ 5,537,968	\$ 5,648,727	\$ 5,761,702	\$ 5,876,936	\$ 5,994,475	\$ 6,114,364
Operational	\$ 7,523,276	\$ 7,673,742	\$ 7,827,216	\$ 7,983,761	\$ 8,143,436	\$ 8,306,305
Capital	\$ 3,355,700	\$ 3,422,814	\$ 3,491,270	\$ 3,561,096	\$ 3,632,318	\$ 3,704,964
Contingency	\$ 300,000	\$ 306,000	\$ 312,120	\$ 318,362	\$ 324,730	\$ 331,224
Special Appropriations Funding	\$ 63,002	\$ 64,262	\$ 65,547	\$ 66,858	\$ 68,195	\$ 69,559
Debt Service	\$ 3,619,792	\$ 3,692,188	\$ 3,766,032	\$ 3,841,352	\$ 3,918,179	\$ 3,996,543
Interfund Transfers	\$ 1,157,697	\$ 1,180,851	\$ 1,204,468	\$ 1,228,557	\$ 1,253,128	\$ 1,278,191
Pro-Rata Reimbursements	\$ 3,412,150	\$ 3,480,393	\$ 3,550,001	\$ 3,621,001	\$ 3,693,421	\$ 3,767,289
Total	\$ 24,969,585	\$ 25,468,977	\$ 25,978,356	\$ 26,497,923	\$ 27,027,882	\$ 27,568,439

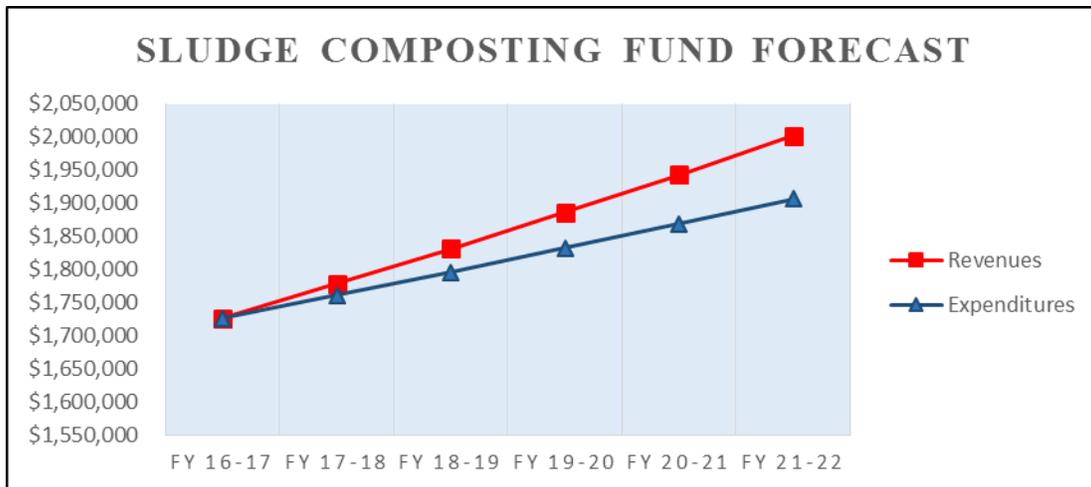


Five Year Financial Forecast



Sludge Composting Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Restricted Intergovernmental	\$ 1,726,338	\$ 1,778,128	\$ 1,831,472	\$ 1,886,416	\$ 1,943,009	\$ 2,001,299
Total	\$ 1,726,338	\$ 1,778,128	\$ 1,831,472	\$ 1,886,416	\$ 1,943,009	\$ 2,001,299
Expenditures						
Operational	\$ 1,555,086	\$ 1,586,188	\$ 1,617,911	\$ 1,650,270	\$ 1,683,275	\$ 1,716,941
Capital	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,122	\$ 55,204
Pro-Rata Reimbursements	\$ 121,252	\$ 123,677	\$ 126,151	\$ 128,674	\$ 131,247	\$ 133,872
Total	\$ 1,726,338	\$ 1,760,865	\$ 1,796,082	\$ 1,832,004	\$ 1,868,644	\$ 1,906,017

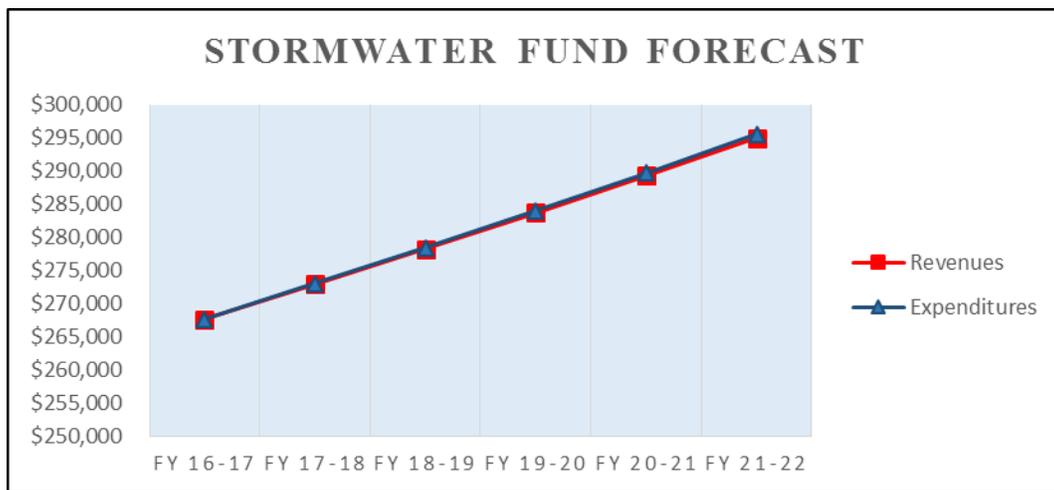


Five Year Financial Forecast



Stormwater Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Other Financing Sources	\$ 267,702	\$ 272,949	\$ 278,299	\$ 283,753	\$ 289,315	\$ 294,986
Total	\$ 267,702	\$ 272,949	\$ 278,299	\$ 283,753	\$ 289,315	\$ 294,986
Expenditures						
Personnel	\$ 108,452	\$ 110,621	\$ 112,833	\$ 115,090	\$ 117,392	\$ 119,740
Operational	\$ 159,250	\$ 162,435	\$ 165,684	\$ 168,997	\$ 172,377	\$ 175,825
Total	\$ 267,702	\$ 273,056	\$ 278,517	\$ 284,088	\$ 289,769	\$ 295,565



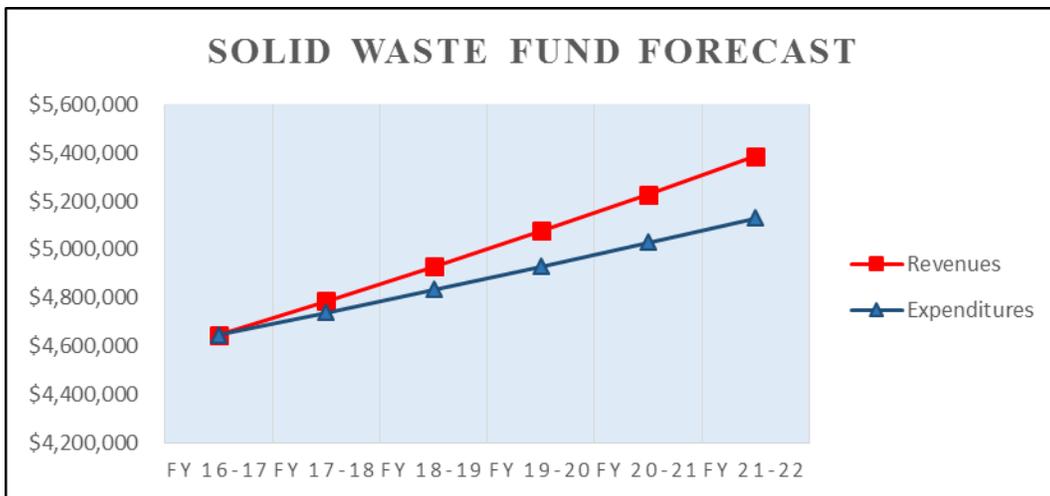
Five Year Financial Forecast



Solid Waste Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Other Taxes	\$ 25,000	\$ 25,750	\$ 26,523	\$ 27,318	\$ 28,138	\$ 28,982
Sales and Services	\$ 4,241,400	\$ 4,368,642	\$ 4,499,701	\$ 4,634,692	\$ 4,773,733	\$ 4,916,945
Investment Earnings	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796
Miscellaneous	\$ 3,000	\$ 3,090	\$ 3,183	\$ 3,278	\$ 3,377	\$ 3,478
Other Financing Sources	\$ 371,460	\$ 382,604	\$ 394,082	\$ 405,904	\$ 418,082	\$ 430,624
Total	\$ 4,645,860	\$ 4,785,236	\$ 4,928,793	\$ 5,076,657	\$ 5,228,956	\$ 5,385,825

Expenditures	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Personnel	\$ 1,513,714	\$ 1,543,988	\$ 1,574,868	\$ 1,606,365	\$ 1,638,493	\$ 1,671,263
Operational	\$ 2,325,198	\$ 2,371,702	\$ 2,419,136	\$ 2,467,519	\$ 2,516,869	\$ 2,567,206
Capital	\$ 363,000	\$ 370,260	\$ 377,665	\$ 385,219	\$ 392,923	\$ 400,781
Contingency	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060	\$ 54,122	\$ 55,204
Pro-Rata Reimbursements	\$ 393,948	\$ 401,827	\$ 409,863	\$ 418,061	\$ 426,422	\$ 434,950
Total	\$ 4,645,860	\$ 4,738,777	\$ 4,833,553	\$ 4,930,224	\$ 5,028,828	\$ 5,129,405

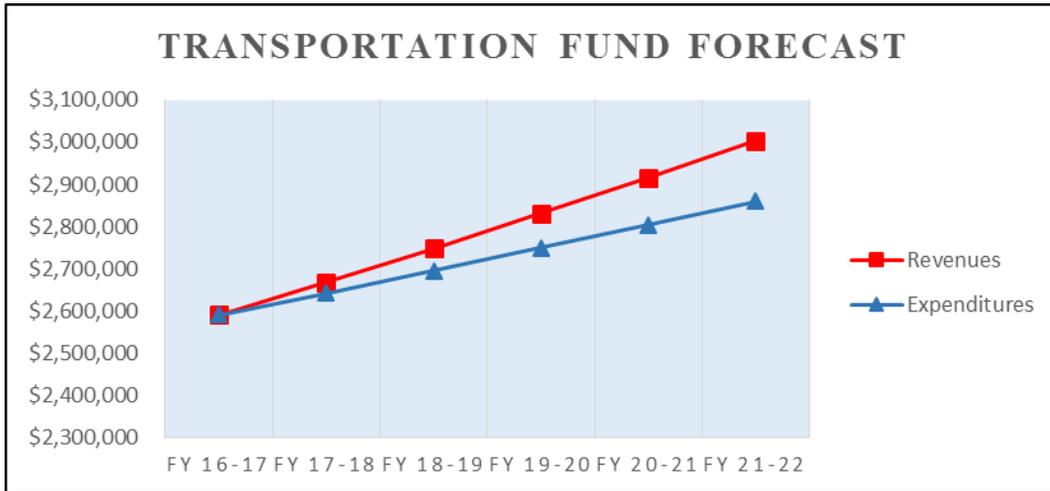


Five Year Financial Forecast



Transportation Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Sales and Services	\$ 2,584,027	\$ 2,661,548	\$ 2,741,394	\$ 2,823,636	\$ 2,908,345	\$ 2,995,596
Restricted Governmental	\$ 6,000	\$ 6,180	\$ 6,365	\$ 6,556	\$ 6,753	\$ 6,956
Investment Earnings	\$ 1,000	\$ 1,030	\$ 1,061	\$ 1,093	\$ 1,126	\$ 1,159
Total	\$ 2,591,027	\$ 2,668,758	\$ 2,748,821	\$ 2,831,285	\$ 2,916,224	\$ 3,003,710
Expenditures						
Personnel	\$ 510,464	\$ 520,673	\$ 531,087	\$ 541,708	\$ 552,543	\$ 563,594
Operational	\$ 1,866,102	\$ 1,903,424	\$ 1,941,493	\$ 1,980,322	\$ 2,019,929	\$ 2,060,327
Capital	\$ 65,000	\$ 66,300	\$ 67,626	\$ 68,979	\$ 70,358	\$ 71,765
Contingency	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122
Pro-Rata Reimbursements	\$ 119,461	\$ 121,850	\$ 124,287	\$ 126,773	\$ 129,308	\$ 131,895
Total	\$ 2,591,027	\$ 2,642,848	\$ 2,695,704	\$ 2,749,619	\$ 2,804,611	\$ 2,860,703

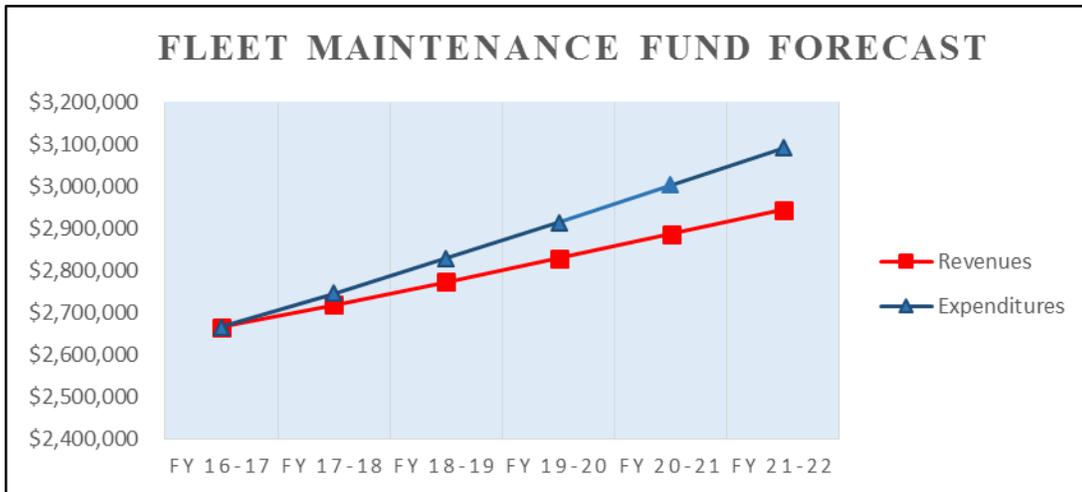


Five Year Financial Forecast



Fleet Maintenance Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Sales and Services	\$ 2,666,033	\$ 2,719,354	\$ 2,773,741	\$ 2,829,216	\$ 2,885,800	\$ 2,943,516
Total	\$ 2,666,033	\$ 2,719,354	\$ 2,773,741	\$ 2,829,216	\$ 2,885,800	\$ 2,943,516
Expenditures						
Personnel	\$ 613,961	\$ 632,380	\$ 651,351	\$ 670,892	\$ 691,019	\$ 711,749
Operational	\$ 1,765,003	\$ 1,817,953	\$ 1,872,492	\$ 1,928,666	\$ 1,986,526	\$ 2,046,122
Capital	\$ 28,000	\$ 28,840	\$ 29,705	\$ 30,596	\$ 31,514	\$ 32,460
Pro-Rata Reimbursements	\$ 259,069	\$ 266,841	\$ 274,846	\$ 283,092	\$ 291,584	\$ 300,332
Total	\$ 2,666,033	\$ 2,746,014	\$ 2,828,394	\$ 2,913,246	\$ 3,000,644	\$ 3,090,663



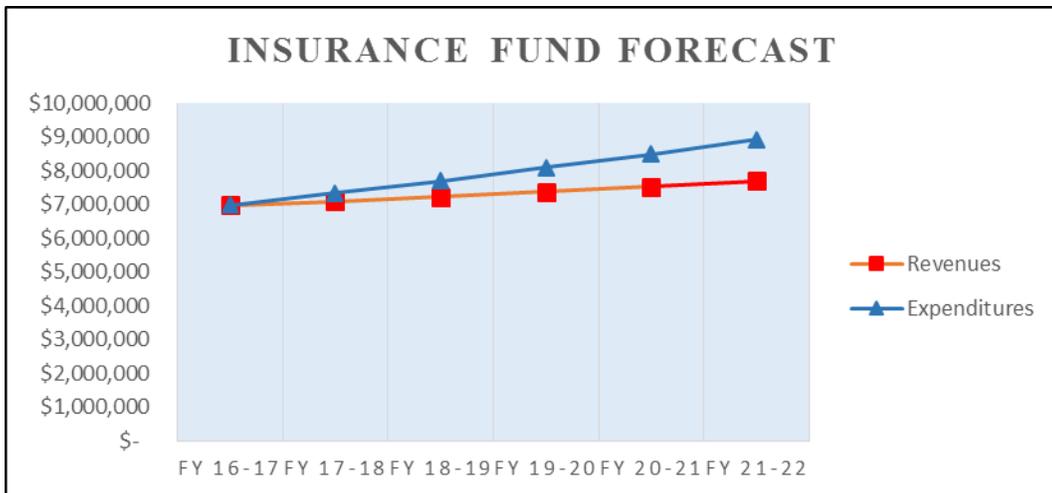
Five Year Financial Forecast



Insurance Fund Forecast

Revenues	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Sales and Services	\$ 6,917,094	\$ 7,055,436	\$ 7,196,545	\$ 7,340,475	\$ 7,487,285	\$ 7,637,031
Investment Earnings	\$ 40,000	\$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297	\$ 44,163
Other Financing Sources	\$ 37,462	\$ 38,211	\$ 38,975	\$ 39,755	\$ 40,550	\$ 41,361
Total	\$ 6,994,556	\$ 7,096,236	\$ 7,238,161	\$ 7,382,924	\$ 7,530,582	\$ 7,681,194

Expenditures	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Operational	\$ 6,994,556	\$ 7,344,284	\$ 7,711,498	\$ 8,097,073	\$ 8,501,927	\$ 8,927,023
Total	\$ 6,994,556	\$ 7,344,284	\$ 7,711,498	\$ 8,097,073	\$ 8,501,927	\$ 8,927,023



Performance Measurement



2016-2017 Adopted Budget

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.

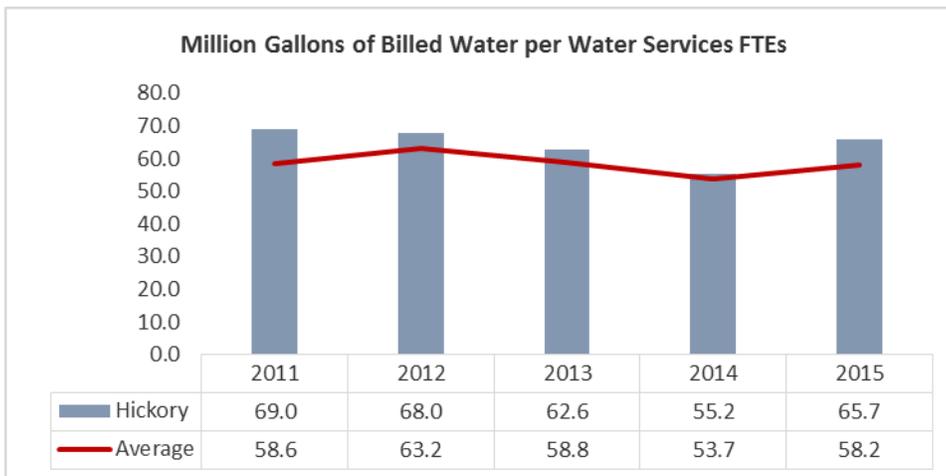
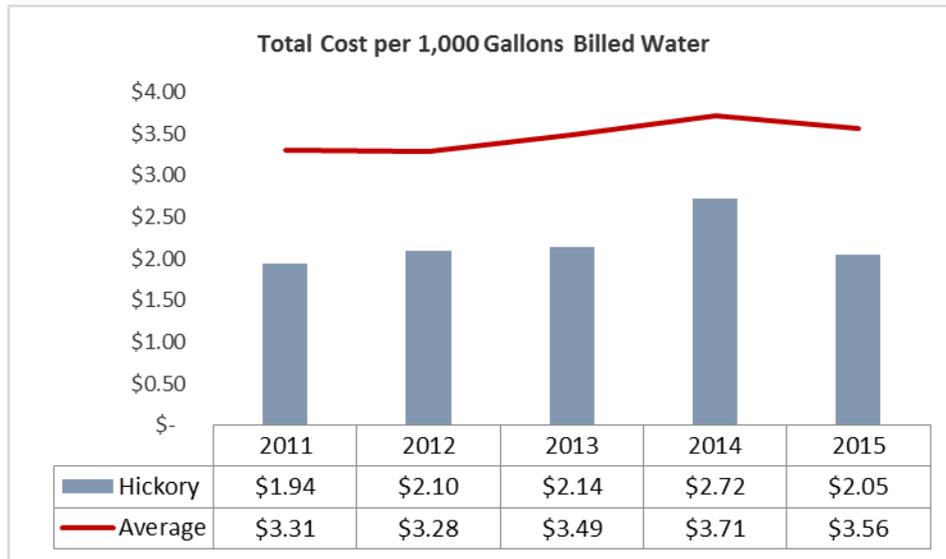
Since FY1998-1999 the City has participated in the North Carolina Local Government Performance Measurement Project (NCPMP). The primary purpose of the project is to develop a model that North Carolina cities can duplicate and use to support ongoing efforts in performance measurement and benchmarking. One of the greatest benefits of the project is the “Benchmarking Meetings,” which gives individuals responsible for overseeing the delivery of service and opportunity to discuss how to be more efficient and effective.

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

Participants in the NCPMP include the cities of: Apex, Asheville, Burlington, Cary, Charlotte, Concord, Durham, Greensboro, Greenville, Hickory, High Point, Salisbury, Wilmington, Wilson and Winston-Salem. The following are the FY2014-2015 services measured and a sampling of the results.

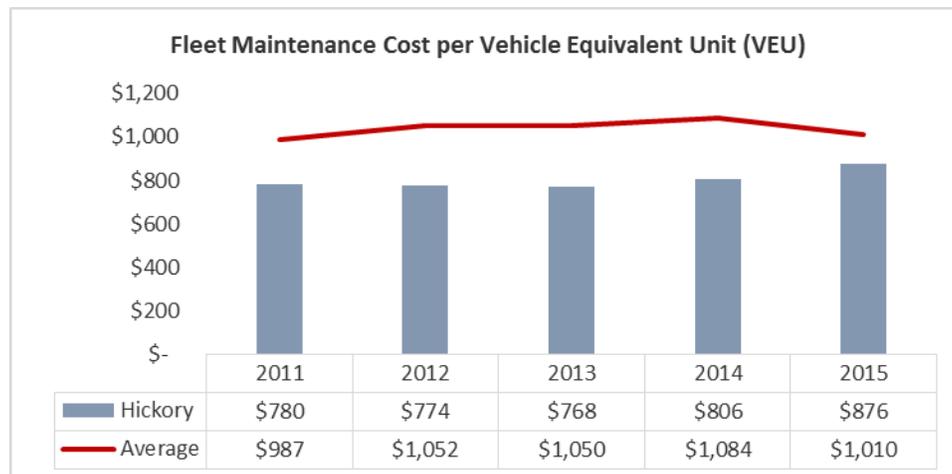
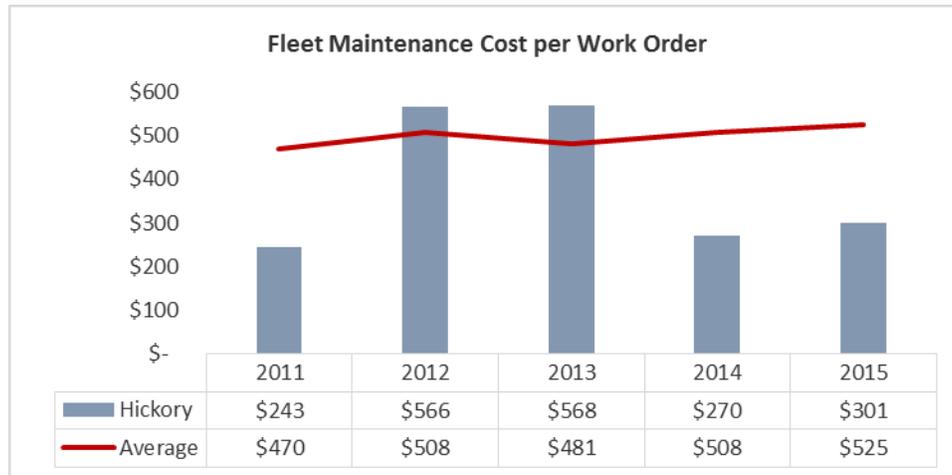
Water Services



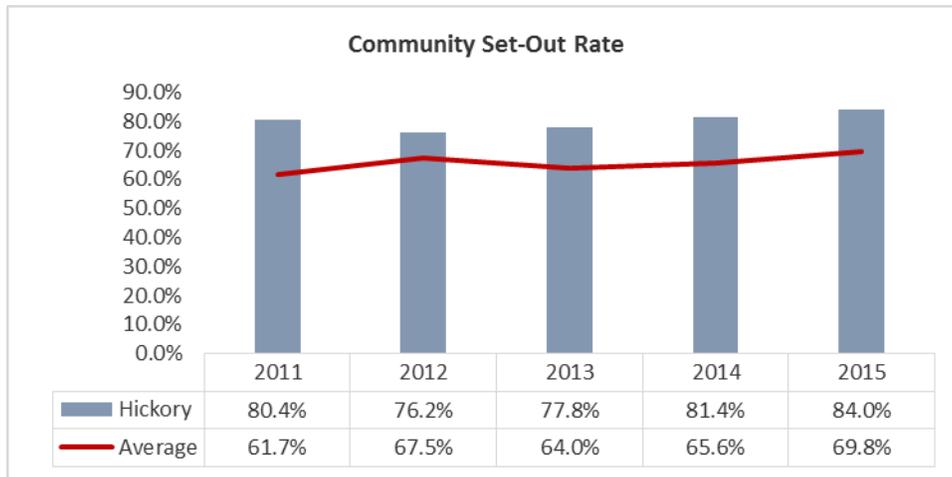
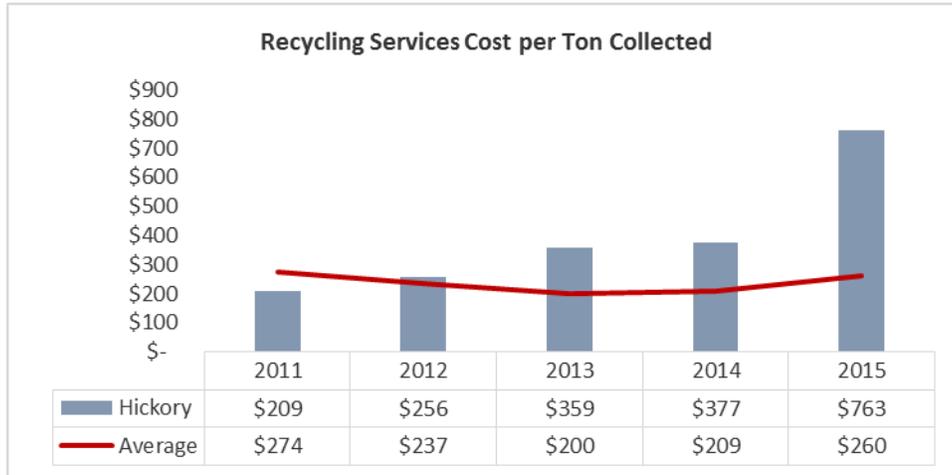
Human Resources



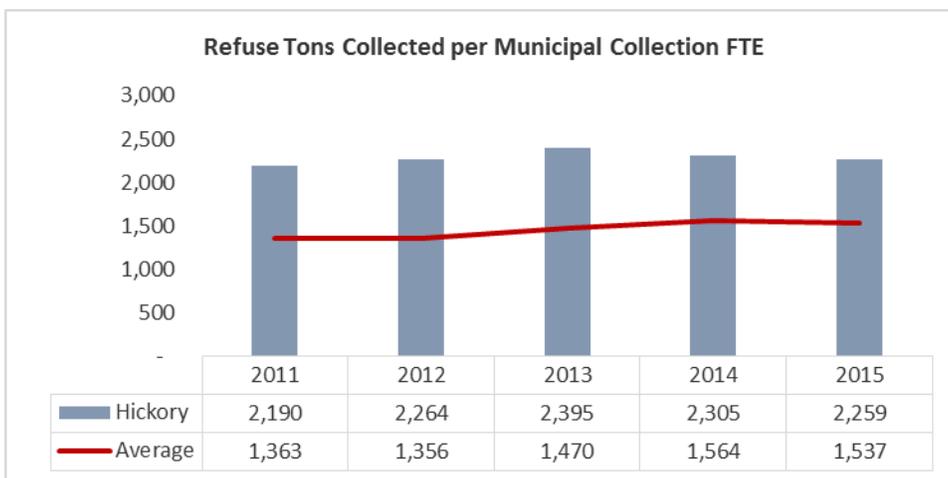
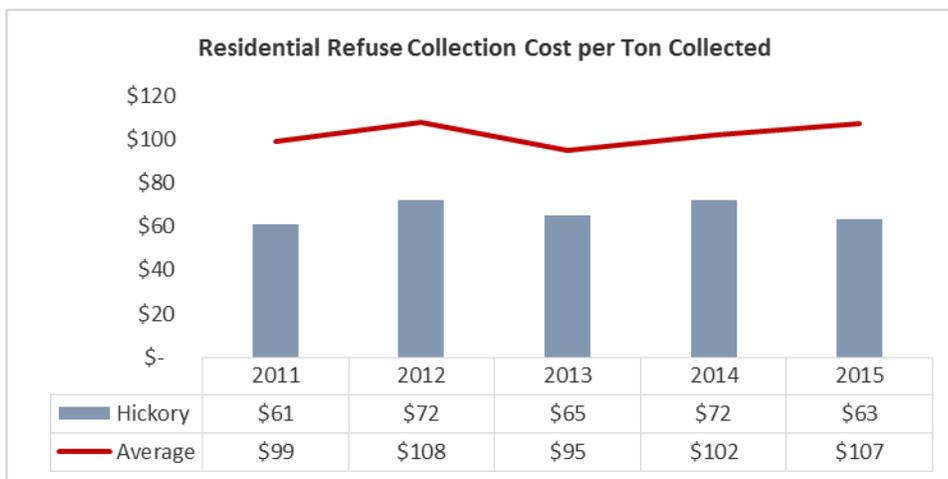
Fleet Maintenance



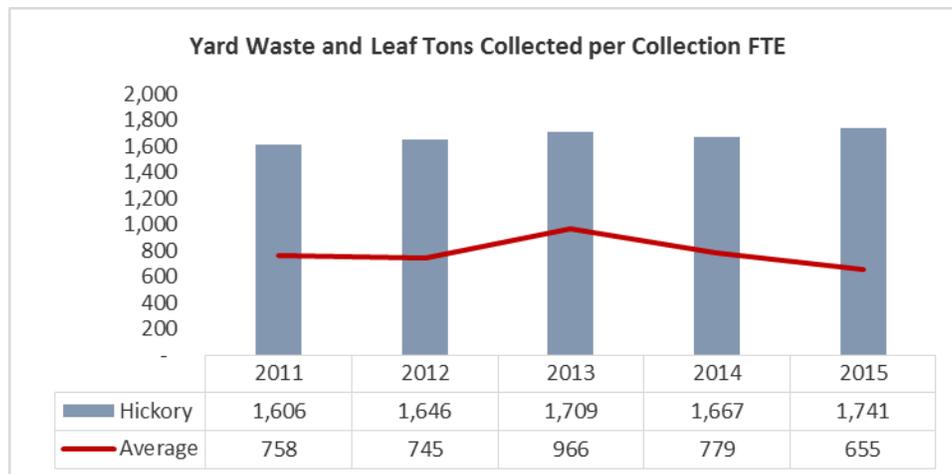
Household Recycling



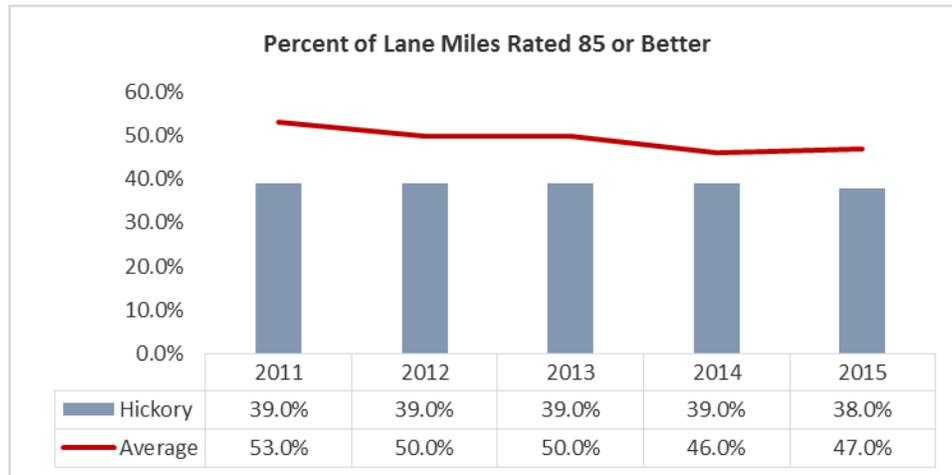
Residential Refuse Collection



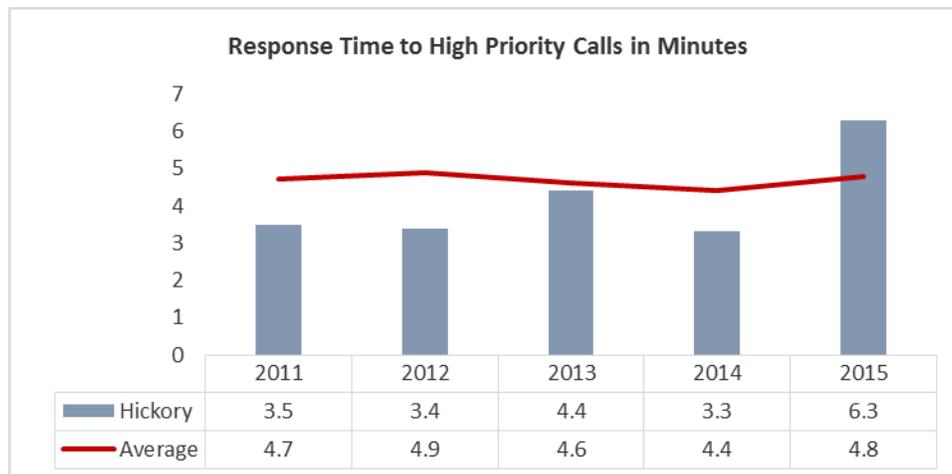
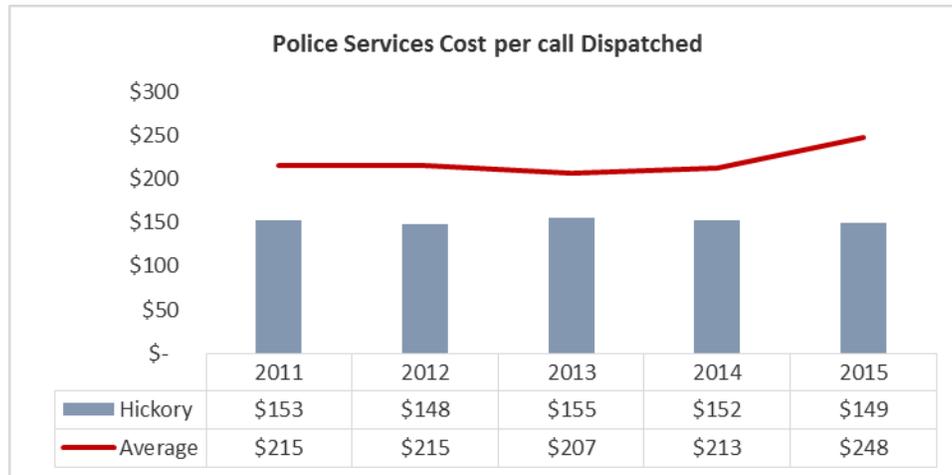
Yard Waste and Leaf Collection



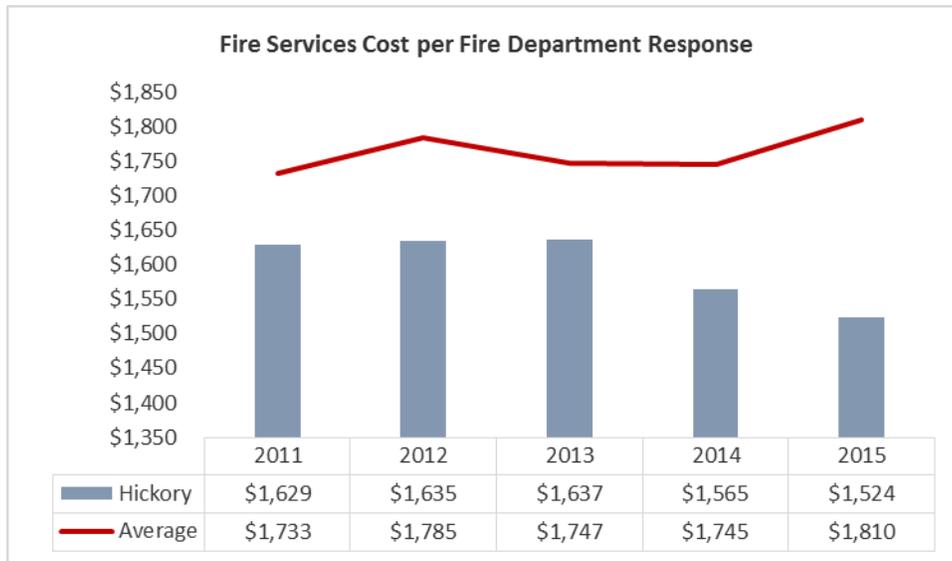
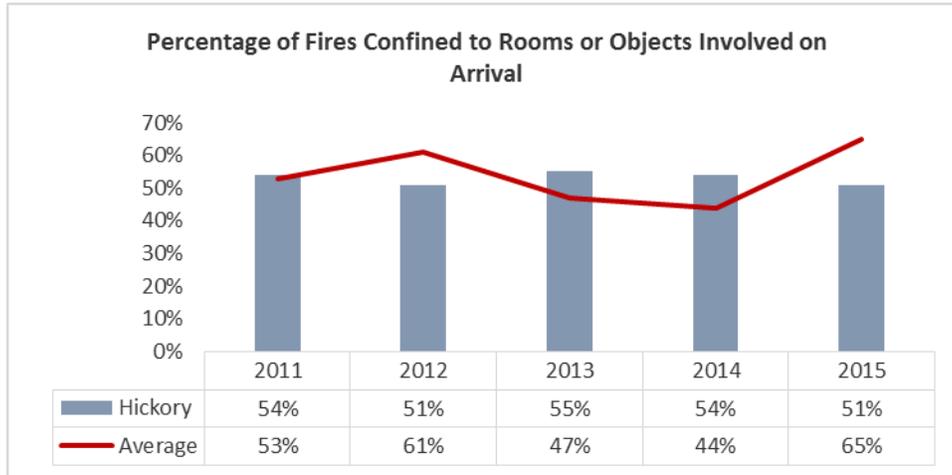
Asphalt Maintenance



Police Services



Fire Services



Supplementary Information



2016-2017 Adopted Budget

Supplementary Information

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.

Demographic Information

With a population of 40,330 the City serves as a trade, distribution, communications and service center to approximately 364,870 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.

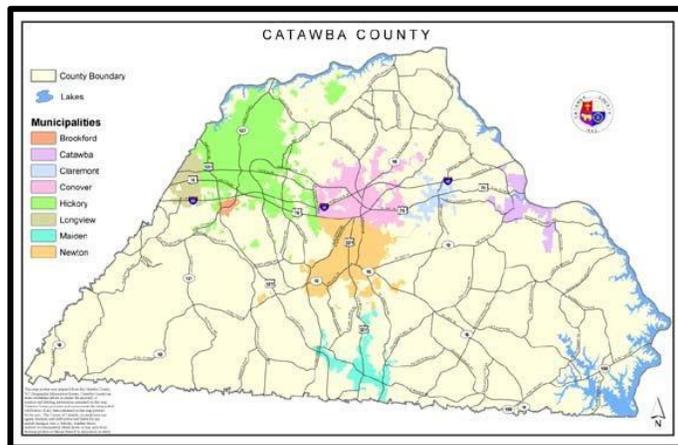
The City of Hickory provides access to many social and economic resources. Hickory offers extensive educational opportunities with two colleges in the area: Catawba Valley Community College (CVCC) and Lenoir-Rhyne University, a fully accredited liberal arts university affiliated with the North Carolina 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 (JULY 2015)	SIZE (SQUARE MILES)
City of Hickory	40,330	29.8
Catawba County	155,832	398.7

(Sources: Western Piedmont Council of Governments and Catawba County 2015-2016 Budget)

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 16 th 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

Supplementary Information



Distinguished Budget Presentation Award
Government Finance Officers Association
1994-1995 through 2014-2015

Certificate of Achievement for Excellence in Financial Reporting
Government Finance Officers Association
1995-1996 through 2014-2015

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

Supplementary Information



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

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.

Supplementary Information



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
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

Supplementary Information



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 (FY2015-2016) Estimated through June 2016

Type	Catawba	Burke	Caldwell	Total
Real	\$3,470,579,938	\$10,302,734	\$ 75,305,100	\$3,556,187,772
Personal	819,522,741	27,826,329	21,672,148	869,021,218
Public Services	98,013,480	426,308	16,040,259	114,480,047
TOTAL	\$4,388,116,159	\$38,555,371	\$113,017,507	\$4,539,689,037

HICKORY METRO AREA WATER & SEWER RATE COMPARISONS

City/County	Water Rate per 5,000 Gallons	Sewer Rate per 5,000 Gallons	Total
Burke County	\$ 43.00	\$ 47.00	\$ 90.00
City of Conover	\$ 20.80	\$ 27.06	\$ 47.86
City of Newton	\$ 30.88	\$ 40.73	\$ 71.61
Town of Taylorsville	\$ 33.40	\$ 30.90	\$ 64.30
Average	\$ 32.02	\$ 36.42	\$ 68.44
City of Hickory	\$ 23.04	\$ 29.68	\$ 52.72 Current

Utilities

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

Water/Sewer Service Connections

Residential	34,825
Commercial	4,909
Total	<u>39,734</u>

TEN LARGEST WATER USERS
In Gallons
July 1, 2014 – June 30, 2015

CUSTOMERS	CONSUMPTION
CONOVER, CITY OF	677,154,272
MAIDEN, TOWN OF	365,607,440
LONGVIEW, TOWN OF	274,992,503
ICARD TOWNSHIP WATER CORP	151,439,288
APPLE	60,092,039
ALEXANDER CORR INST (PRISON)	45,787,698
CATAWBA VALLEY MEDICAL CENTER	35,892,062
FRYE REGIONAL MEDICAL CENTER	30,133,741
LENOIR RHYNE UNIVERSITY	28,115,854
TARLTON, JAMES V JR	21,975,567
	1,691,190,464

TEN LARGEST SEWER USERS
In Gallons
July 1, 2014 – June 30, 2015

CUSTOMERS	CONSUMPTION
MDI	261,046,411
LONGVIEW, TOWN OF	167,220,411
BURKE COUNTY	93,826,000
CATAWBA VALLEY MEDICAL CENTER	35,892,062
FRYE REGIONAL MEDICAL CENTER	30,130,674
LENOIR RHYNE UNIVERSITY	25,239,622
TARLTON, JAMES V JR	21,609,720
SHURTAPE TECH	16,956,562
LEGENDS AT HICKORY	15,547,554
CATAWBA CO BOARD OF EDUCATION	8,591,865
	676,060,881

Top Ten Amazing Facts about the City of Hickory



1. Hickory Life. Well Crafted. Brand campaign and message is five years old.
2. Hickory Police Department raised over \$17,000 for Special Olympics North Carolina during the 2015-2016 fiscal year.
3. Existing Harris Radio system has been accepted onto the North Carolina State VIPER (Voice Interoperability Plan for Emergency Responders) System. Giving the department the ability to communicate with agencies throughout the State in the event of a mutual aid emergency situation.
4. The Planning Department issued 208 residential zoning permits and 499 commercial zoning permits for a total of 707 zoning permits.
5. The Library presented 1,092 public programs. There were 374,194 visits to the library facilities. Patrons checked out 385,298 items.
6. The Solid Waste Department implemented a Single Stream Recycling program that increased the tonnage of recycled material picked up at the curb by 92% over the previous year. The whole recycling program diverted over 17,218 tons of material from the landfill.
7. During the Fiscal Year 2015-2016, the Development Assistance Center received 105 Special Event Permits.
8. The City of Hickory is responsible for the maintenance of 550 miles of sewer lines which is equivalent to the drive from Murphy, NC to Manteo, NC.
9. Landscape Services planted 3,200 annuals throughout the City and 2,000 other perennials, shrubs, and trees.
10. Landscape crews used 17 rolls of weed eater string this year, which is roughly 2+ miles.

Supplementary Information



City of Hickory Pay Plan July 1, 2016

GRADE	POSITION	MINIMUM	MIDPOINT	MAXIMUM
8	Maintenance Worker I Parking Enforcement Officer	\$26,074.82	\$32,593.52	\$39,112.22
9	Airport Customer Service Representative Customer Service Representative I Fleet Vehicle Service Technician Library Assistant I Maintenance Worker II Meter Reader Police Records Clerk Transfer Station Operator	\$27,394.86	\$34,243.57	\$41,092.28
10	Administrative Technician Animal Control Officer Construction Worker Customer Service Representative II Electrician Apprentice Equipment Operator Groundskeeper Horticultural Technician Park Supervisor PS Dispatcher	\$28,781.71	\$35,977.15	\$43,172.58
11	Airport Line Technician Brick Mason Heavy Equipment Operator Meter Mechanic Police Telecommunicator Utilities Warehouse Coordinator Utility Locate Technician	\$30,238.78	\$37,798.49	\$45,358.19
12	Accounting Technician Administrative Assistant CAD Operator I Central Services Coordinator Central Warehouse Coordinator Community Development Technician Crew Leader Human Resources Assistant Laboratory Technician I Library Maintenance Coordinator Library Technician Maintenance Mechanic Mechanic I	\$31,769.64	\$39,712.03	\$47,654.45

Supplementary Information



	Parts Specialist			
	Planning Technician			
	Pretreatment Technician			
	Public Utilities Technician			
	Purchasing Technician			
	Senior Customer Service Representative			
	Wastewater Treatment Plant Operator I			
	Water Treatment Plant Operator I			
13	Firefighter	\$33,377.97	\$41,722.46	\$50,066.94
	Recreation Programmer			
	Senior Groundskeeper			
	Wastewater Treatment Plant Operator II			
	Water Treatment Plant Operator II			
14	Administrative Services Budget Coordinator	\$35,067.72	\$43,834.66	\$52,601.59
	CAD Operator II			
	Cemetery Sexton			
	Circulation Supervisor			
	Electrician			
	Fire Education Assistant			
	Fire Mechanic			
	IT Tech I			
	Horticulturist			
	Laboratory Technician II			
	Library Associate			
	Library Outreach Coordinator			
	Maintenance Mechanic Crew Leader			
	Mechanic II			
	Police Budget Coordinator			
	Police Officer			
	Police Victim & Community Service Coordinator			
	Wastewater Treatment Plant Operator III			
	Water Treatment Plant Operator III			
	Zoning Enforcement Officer			
15	City Arborist	\$36,843.03	\$46,053.79	\$55,264.55
	Police Communications Supervisor			
	Public Utilities Specialist			
	Senior Firefighter			
16	Accountant	\$38,708.21	\$48,385.26	\$58,062.31
	Chemist			
	Code Enforcement Officer			
	Electrical Supervisor			
	Executive Assistant			
	Fire Apparatus Operator			
	Fire Maintenance Supervisor			
	Paralegal			
	Senior Laboratory Technician			

Supplementary Information



	Senior Recreation Programmer			
	Senior Wastewater Treatment Plant Operator			
	Senior Water Treatment Plant Operator			
	Traffic Signal / Radio Operator			
17	Airport Operations Supervisor	\$40,667.82	\$50,834.77	\$61,001.71
	Assistant Parks Maintenance Supervisor			
	Fire Education Coordinator			
	Fire Prevention Inspector			
	Landscape Services Supervisor			
	Master Police Officer			
	Meter Operations Supervisor			
	Police Crime Analyst			
	Police Digital Forensic Evidence Technician			
	Police Gang Intelligence Crime Analyst			
	Police Gang of One Coordinator			
	Reference Librarian			
	Senior Code Enforcement Officer			
	Solid Waste Supervisor			
	Utilities Supervisor			
18	Fleet Maintenance Supervisor	\$42,726.63	\$53,408.27	\$64,089.93
	Grants and Projects Coordinator			
	Planner			
	Senior Accountant			
	Senior Fire Prevention Inspector			
	Senior Land Surveyor			
	Street Maintenance Supervisor			
	Traffic Signal System Operator			
	Utilities Inspector/Plan Reviewer			
19	Budget Analyst	\$44,889.65	\$56,112.06	\$67,334.49
	Code Enforcement Supervisor			
	Fire Captain			
	Human Resources Analyst			
	Library Branch Manager			
	Occupational Health Nurse			
	Police Sergeant			
	Pretreatment Coordinator			
	Recreation Supervisor			
	Senior Planner			
	Systems Analyst			
20	Billing and Collections Manager	\$47,162.19	\$58,952.74	\$70,743.28
	Building Maintenance Manager			
	Communications Specialist / Policy Analyst			
	Civil Engineer I			
	Fire Battalion Captain			
	Parks Maintenance Supervisor			
	Purchasing Manager			

Supplementary Information



	Wastewater Treatment Plant Superintendent Water Treatment Plant Superintendent			
21	City Clerk Civil Engineer II Collections Manager Community Development Manager Deputy Finance Officer Fire Battalion Chief Fleet Manager Landscape Services Manager Library Head of Reference and Tech Services Library Head of Youth Services Planning Manager Network Architect Police Lieutenant Risk Manager Senior Systems Analyst Solid Waste Manager Street Maintenance Manager	\$52,058.24	\$65,072.80	\$78,087.35
22	Assistant Parks & Recreation Director Environmental Manager Infrastructure Manager Police Captain Senior Civil Engineer Transportation Manager	\$57,462.54	\$71,828.18	\$86,193.83
23	Airport Manager Communications & Marketing Manager Deputy Fire Chief Finance Officer Government Affairs Manager Information Technology Manager	\$63,427.91	\$79,284.89	\$95,141.86
24	Assistant Public Services Director Deputy Chief of Police	\$70,012.55	\$87,515.67	\$105,018.81
25	Deputy Attorney Fire Chief Human Resources Director Library Director Parks and Recreation Director Planning Director Police Chief Public Services Director	\$70,638.38	\$98,868.52	\$127,955.21
27	Assistant City Manager	\$94,159.08	\$117,698.85	\$141,238.62

Budget Glossary



2016-2017 Adopted Budget

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.

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.

Appropriation - An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources.

Assessed Valuation - A value that is established for real or personal property for use as a basis to levy property taxes.

Balanced Budget - The sum of estimated net revenues and appropriated fund balances is equal to appropriations.

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 sum of money on a specific date at a specified interest rate. 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.

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 - The instrument used by the budget-making authority to present a comprehensive financial program to the City Council.

Budget Glossary

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 Outlays - Expenditures available for the acquisition of capital assets, including the cost of land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment with a value of \$5,000 or more.

Capital Improvements Program - A plan for capital expenditures which provides long-lasting physical improvements to be incurred over a fixed period of several future years.

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

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.

Budget Glossary

Collaborative Networking - A networking approach designed to help different parts/groups of an organization address their mutual responsibilities.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Corrective Action Request (CAR) - A system that gives coworkers a means to recommend and participate in improvements. All that is required is completion of a corrective action request form. Forms are available in every department and work facility.

CPI - The acronym used for Consumer Price Index

CVB - The acronym used for Convention Visitors Bureau

DAC - The acronym used for Development Assistance Center

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.

Department - An organizational unit responsible for carrying out a major governmental function.

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.

Development Assistance Center (DAC) - A division of the Planning Department, the Development Assistance Center provides same day issuance of the purpose of acquiring conventional single family dwelling permits.

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.

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 insure 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 recycling.

Budget Glossary

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.

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.

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 - 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 June 30th.

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.

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.

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.

Budget Glossary

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.

GDS - The acronym used for Garbage Disposal Service

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, recreation, and airport.

General Ledger - A file that contains a listing of the various accounts necessary to reflect the financial position of the government.

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 Fund - Funds used to account for all or most of the general activities and services, including the acquisition or construction of capital assets and the servicing of general long-term debt.

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

IBT - The acronym used for Interbasin Transfer

Interfund Transfers - Amounts transferred from one fund to another.

Budget Glossary

Intergovernmental Revenue - Revenue received from another government for a specified purpose.

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.

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.

Budget Glossary

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 unmatured principal and interest on general long term debt is recognized when due.

MPO - The acronym used for Metropolitan Planning Organization

NCDOT - This acronym is short for North Carolina Department of Transportation.

NCLGPMP - This acronym is short 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).

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.

Budget Glossary

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 - This acronym is short 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.

