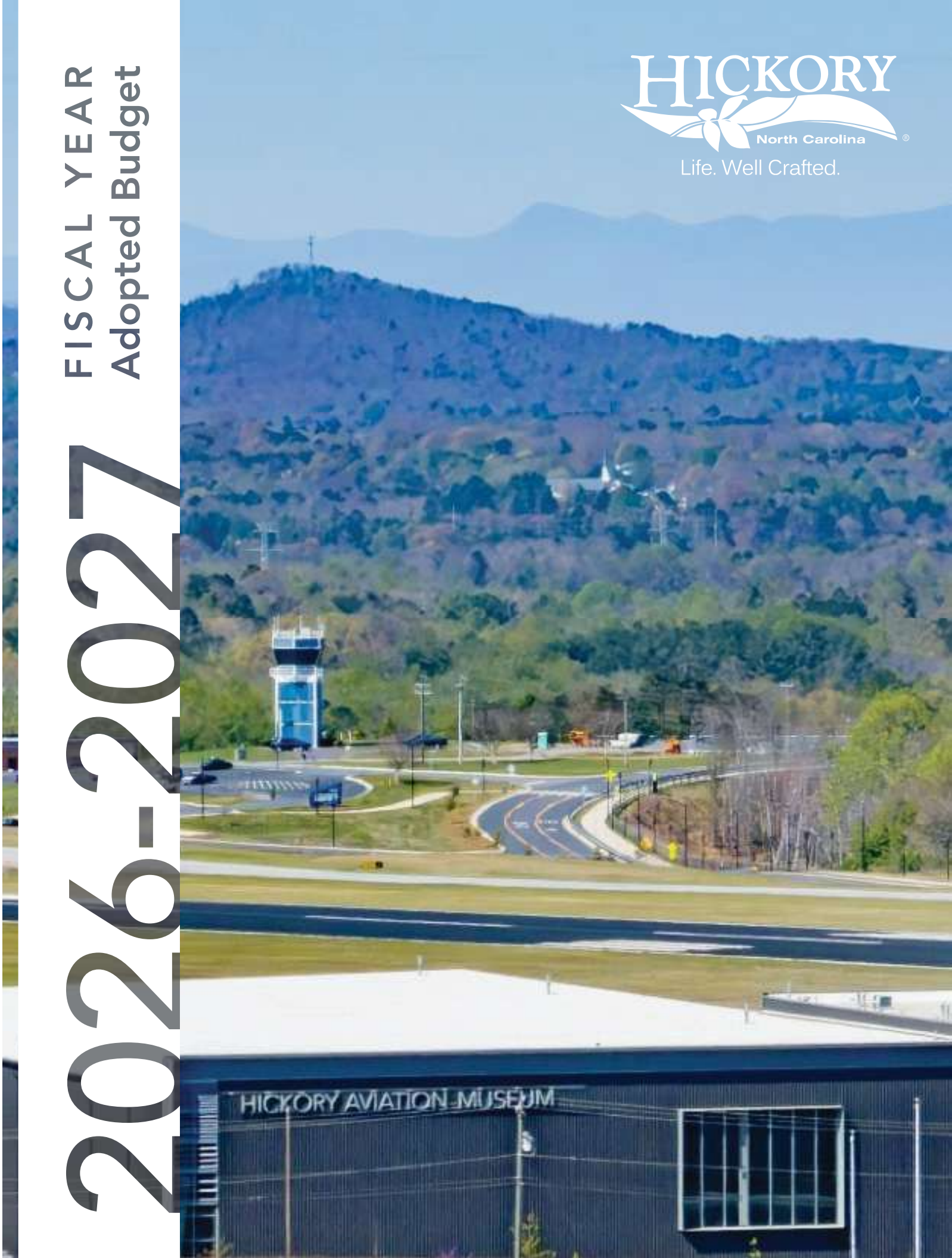
FISCAL YEAR 2026-2027 Adopted Budget

HICKORY
North Carolina
Life. Well Crafted.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Hickory
North Carolina

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget presentation to the City of Hickory for its annual budget for the fiscal year beginning July 1, 2025.

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.

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Hickory City Council



Mayor – Hank Guess



Ward 1 – Tony Wood



Ward 2 – Charlotte Williams



Ward 3 – Danny Seaver



Ward 4 – Anthony Freeman (Mayor Pro Tempore)



Ward 5 – Arnita Dula



Ward 6 – Jill Patton

City of Hickory
Recommended Budget

Fiscal Year
July 1, 2026 – June 30, 2027

City Administration

City Manager	Warren Wood
Deputy City Manager/CFO	Rodney Miller
Assistant City Manager	Yaidee Fox
Assistant City Manager	Steve Miller
Airport Director	Chad Hunsucker
Business Development Director	Dave Leonetti
Communications and Marketing Manager	Dana Kaminske
Finance Director	Kari Dunlap
Fire Chief	Matt Hutchinson
Human Resources Director	Mitch Friar
Information Technology Director	Darin Kiracofe
Library Director	Sarah Greene
Parks, Recreation, & Sports Tourism Director	Mark Seaman
Planning Director	Brian Frazier
Police Chief	Bryan Adams
Public Utilities Director	Will Hamblin
Assistant Public Works Director	Caroline Kone

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.



Annual Hickory City Council Retreat, May 1, 2025

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

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

Introduction

To present a complete picture of the City's finances and spending plans for FY 2026-2027, this detailed Budget Document is organized into the following sections:

*****

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

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

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

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

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

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

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

General Fund: This section describes the largest fund within the City. The General Fund usually includes most of the basic operating services and is funding through property taxes, licenses and permits, local taxes and other types of revenue.

Enterprise Funds: This section describes the City departments in which the services provided are financed and operated similarly to those of a private business. Enterprise funds in Hickory are established for services such as water and sewer, sludge composting, and solid waste and recycling services.

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

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

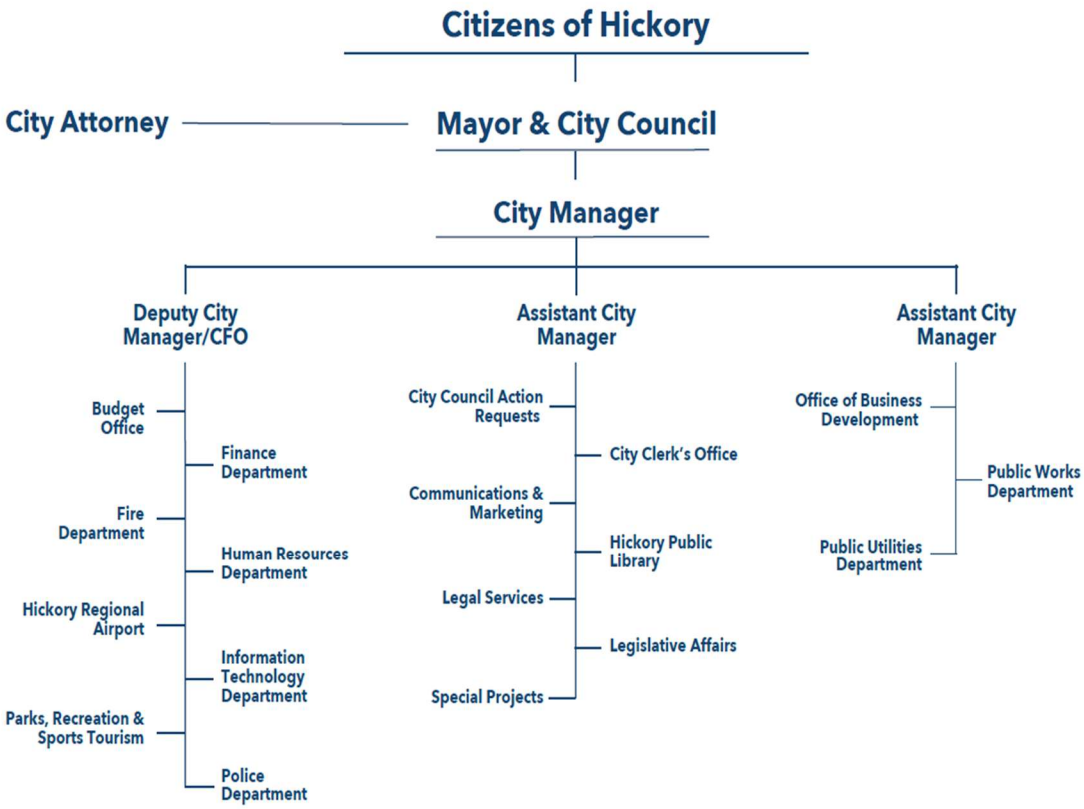
Debt Service: The City's debt position is outlined with projections for future debt needs.

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

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

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

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



City of Hickory
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May 19, 2026

Members of the Hickory City Council
Hickory, North Carolina

Dear Members of the Hickory City Council:

INTRODUCTION

Overview

Pursuant to Section 159-11 of the North Carolina General Statutes, I am pleased to present the City of Hickory's Annual Budget for FY2026-2027 for your review and consideration. The FY2026-2027 Annual Budget totals $162,760,671, a 2.3% increase over the FY2025-2026 Adopted Budget, and is balanced, with projected revenues equaling projected expenditures. This budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act.

The annual budget is the most important policy document City Council adopts each year. There are many changes each year with every new budget. Still, there is also continuity from one budget year to the next in initiatives that have been determined to work and in services required to keep our community safe and clean.

Fund	*FY25-26*	*FY26-27*	*%CHG*
General	$78,877,527	$83,078,681	5.3%
Water and Sewer	$41,696,303	$44,032,059	5.6%
Insurance	$7,960,009	$8,211,667	3.2%
Fleet Maintenance	$3,755,000	$3,906,911	4.0%
Biosolids Facility	$1,984,616	$2,217,805	11.7%
Stormwater	$288,466	$290,260	0.6%
Airport	$2,453,368	$2,583,368	5.3%
Solid Waste	$8,335,722	$8,214,920	-1.4%
Capital Reserve	$7,065,000	$6,225,000	-11.9%
W&S Capital Reserve	$6,659,822	$4,000,000	-39.9%
Total	***$159,075,833***	***$162,760,671***	***2.3%***

Funds of the Budget

Approximately 80% of the City's financial activity in the Annual Budget occurs in three funds: General, Water and Sewer, and Solid Waste. Below is a summary of each of those major funds, as well as the other funds contained in the FY2026-2027 Recommended Annual Budget:

General Fund

The FY2026-2027 General Fund budget totals $83,078,681, a 5.3% increase over the FY2025-2026 Adopted Budget. This includes a one-time $1,000,000 appropriation of Unassigned Fund Balance for additional street resurfacing and an additional $300,000 from Capital Reserve Investment Earnings for our annual sidewalk maintenance and extension program. Together, these two items account for 1.6% of the 5.3% increase.

The property tax rate for FY2026-2027 is recommended to remain the same at $0.46 per $100 of valuation. We continue to reserve $0.033 of the rate to service the voter-approved 2014 General Obligation (G.O.) Bonds and $0.005 for significant water and sewer system improvements outlined in the Hickory 2050 Plan.

Within the General Fund, there are three areas considered "core services": Police, Fire, and Transportation (Street and Traffic). There is also one area considered "statutory", the debt service associated with the voter-approved 2014 G.O. Bonds. The total funding for these four areas is $46,987,887, or 56.6% of the FY2026-2027 General Fund Budget.

Our "Current Year Collections" projected for Property Tax collections in FY2026-2027 is $41,800,000, so these four vital areas of funding exceed the only significant source of revenue that City Council has full control of by $5,187,887. The difference is made up from Sales Tax Revenue and Electricity & Natural Gas Tax Revenue, which are shared by the State with local governments. This is an important point we have been making to our state legislators during their deliberations on new legislation to limit local property tax levies.

Water and Sewer Fund

The FY2026-2027 Water and Sewer Fund budget totals $44,032,059, a 5.6% increase over the FY2025-2026 Adopted Budget. Regarding Water and Sewer rates, there is a adopted 1% increase in the Customer Charge, a 2% increase in the Availability Charge, and a 10% increase in Volume Charges for the coming year. This will result in a monthly increase of $3.02 on the average residential water and sewer bill.

The City's Water and Sewer Fund operates a regional system serving about 120,000 customers in 12 different jurisdictions. The system includes one regional water plant, three wastewater treatment plants, 1,000 miles of waterlines, and 600 miles of sewer lines.

Over the course of FY2026-2027, we will develop recommendations for your consideration to move our Water and Sewer rates toward a more conservation-based rate structure that places greater emphasis on "volume" (or usage) rather than "fixed fees". It has been almost 30 years since the last significant update to the City's water and sewer rate structure. Depending upon City Council's final decision, the goal would be to implement this new rate structure in FY2027-2028.

Water security is one of the City's top priorities, both currently and in the long term. We share the Catawba-Wateree River Basin with numerous other cities and counties, making it our collective responsibility to protect. The Catawba-Wateree River System is not a limitless source of water, and we will continue to oppose any new Inter-Basin Transfers (IBTs) that would divert water from our Basin, thus jeopardizing future water availability for all communities in the Basin. Opposing the City of Charlotte's pending 30 MGD IBT request is currently at the forefront of this effort, as it would add to their existing 33 MGD IBT and the 10 MGD Concord/Kannapolis IBT, which they receive from the City of Charlotte. 73 MGD would be the total IBT if the current request is approved. This is 26.6 billion gallons of water annually, and three billion gallons more than the entire storage capacity of Lake Rhodhiss, a feeder lake to Lake Hickory.

Under the Hickory 2050 plan, the City is prioritizing projects that enhance water and sewer system resiliency & redundancy, improve operational efficiency, and help us prepare for future growth. Key projects include:

- Advanced Metering Infrastructure (AMI)
- Water and Sewer Risk-Based Assessment Capital Plan
- Interconnectivity with Surrounding Water Systems
- Raw Water Intake Resiliency Improvements
- Secondary Raw Water Intake
- Additional Water Storage Capacity
- Flood Mitigation – Sewer Infrastructure
- Building Additional Water Production Capacity
- Building or Purchasing Additional Wastewater Treatment Capacity

Funding for these projects will require up to a 25-year planning window and will include a variety of funding sources, including:

- Increased Revenue from Water and Sewer Rates
- Water and Sewer Capital Reserves
- Continuing to Reserve 0.005 Cents on the Property Tax Rate
- System Development Fees
- Reserving Retired Debt
- Grant Funding
- Low Interest State Loans
- Issuance of Revenue Bonds
- Traditional Bank Financing

Solid Waste Fund

The Solid Waste Fund contains the financial activity of all City solid waste operations. The FY2026-2027 Budget is $8,214,920, a 1.4% decrease compared to the FY2025-2026 Adopted Budget.

The City provides extremely robust solid waste services with household stops at every home in Hickory each week for residential waste, yard waste, and junk items, with an additional stop every other week for recycling. Seasonal leaf collection also occurs in the fall on every residential street multiple times, which allows residents to avoid the trouble of bagging leaves. With few exceptions, if a resident gets an item to the curb, the City will dispose of it. One of the most frequent compliments we hear is from new residents who have relocated to Hickory and are impressed by the level of service our Sanitation Division provides compared to many other jurisdictions.

The current Solid Waste Fee for our residential customers is $29 per month. I am recommending an increase of $1 per month in FY2026-2027 to $30 per month. The coming year will be the first year in which the General Fund will not have to subsidize the Solid Waste Fund, meaning this Fund will be self-supporting for the first time since its establishment 30 years ago, based on the revenues it is projected to receive in FY2026-2027.

Insurance Fund

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

The FY2026-2027 Budget for the Insurance Fund totals $8,211,667, an increase of 3.2% over the FY2025-2026 Adopted Budget.

Two of the most significant changes in the Insurance Fund are the implementation of new rates and increases in existing rates that employees pay toward their health insurance benefit. We are also taking steps to gain more control over our prescription costs by encouraging the use of more biosimilar prescription options and increasing the amount employees pay for Tier 3, Tier 4, and Tier 5 prescriptions.

Fleet Maintenance Fund

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

The FY2026-2027 Budget for the Fleet Maintenance Fund totals $3,906,911, an increase of 4.0% over the FY2025-2026 Adopted Budget.

Biosolids Facility Fund

The Biosolids Facility Fund contains all sludge (wastewater by-product) management activities of Hickory (90% ownership) and Conover (10% ownership).

The FY2026-2027 Budget for the Biosolids Facility Fund totals $2,217,805, an increase of 11.7% over the FY2025-2026 Adopted Budget. The City is repaying a $30 million state revolving loan for this facility, at a rate of $1.5 million per year, with Conover contributing 10% of the payments.

Stormwater Fund

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

The FY2026-2027 Budget for the Stormwater Fund totals $290,260, an increase of 0.6% over the FY2025-2026 Adopted Budget.

Airport Fund

The Airport Fund covers all activities of the Hickory Regional Airport, including administrative operations, maintenance, capital improvements, the Control Tower, and Fixed Base Operations.

The FY2026-2027 Budget for the Airport Fund totals $2,583,368, an increase of 5.3% over the FY2025-2026 Adopted Budget.

In partnership with Burke County, the City continues to develop additional aircraft hangar space. In the past year, we have added 12 additional T-hangars and 1 additional 12,000 sq. ft. box hangar. This allows us to accommodate additional based aircraft and increases the Airport's property tax revenue, hangar rental revenue, and fuel sales. The Airport's revenue stream makes it a self-supporting enterprise.

There are a variety of runway improvement projects that will come forward over the next year, most of which will be 95% federally funded. We also continue to pursue commercial air service, as we have maintained the Airport under the FAA Part 139 Certificate requirements, which are required for an airport to be eligible for commercial service.

Capital Reserve Fund

The FY2026-2027 Budget for the Capital Reserve Fund totals $6,225,000, a decrease of 11.9% from the FY2025-2026 Adopted Budget. The Capital Reserve Fund is jointly funded by the General Fund and the Water and Sewer Fund and serves as a financial tool to fund capital projects related to buildings, equipment, vehicles, and infrastructure.

Financial appropriations from this fund go back to the "fund of origin", meaning neither the General Fund nor the Water and Sewer Fund ultimately spends funds it did not contribute.

W&S Capital Reserve Fund

The FY2026-2027 Budget for the W&S Capital Reserve Fund totals $4,000,000, a decrease of 39.9% from the FY2025-2026 Adopted Budget. Effective FY2026-2027, this fund will be the fund designated to house and account solely for the Water and Sewer Fund System Development Fees (SDFs). Ultimately, these funds will be used for the major water and sewer projects identified earlier in the Hickory 2050 Plan.

Other Highlights

Hickory 2050

As discussed at the Council-Staff Retreat, we are completing implementation of the Bond Program, which has led to significant private-sector investment and an improved quality of life for citizens. We are now transitioning our focus toward a long-term planning strategy – Hickory 2050. Hickory 2050 is about preparing the City to meet significant infrastructure, growth management, and technology objectives in the years ahead.

The areas of focus are as follows:



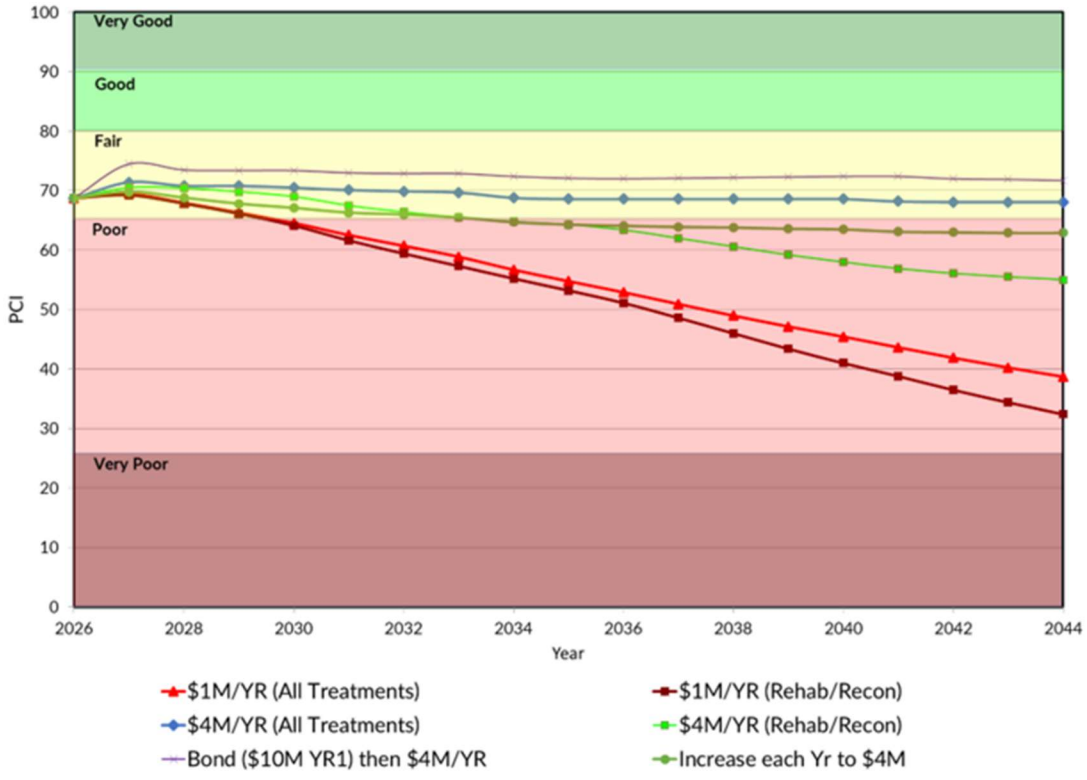
Pavement Preservation & Street Resurfacing

One specific area of the Hickory 2050 Plan I want to discuss that will impact the General Fund is the Pavement Preservation & Street Resurfacing Plan. A few months ago, we had a pavement condition survey completed to determine the condition of City-owned streets. The survey results recommend increasing our current paving and resurfacing budget from $1,000,000 to $4,000,000 annually to maintain and repair our 480 street lane miles at an acceptable level.

For FY2026-2027, I am recommending that the resurfacing budget be increased from $1,000,000 to $2,000,000 by a one-time utilization of $1,000,000 in Unassigned Fund Balance. I will recommend permanently increasing this budget by $3,000,000 in FY2027-2028 to reach the recommended $4,000,000 needed by setting aside two pennies on the property tax rate (or $2,000,000), when the property tax rate will be adjusted to account for Catawba County's real property revaluation, which occurs every four years. Additionally, I will recommend funding the remaining $1,000,000 to reach the $4,000,000 funding goal by earmarking revenue anticipated from the new Microsoft facility coming online.

The chart below projects that this $4,000,000 funding level will allow Hickory to maintain its street system at an acceptable condition level.

Figure 1 – PCI Comparison

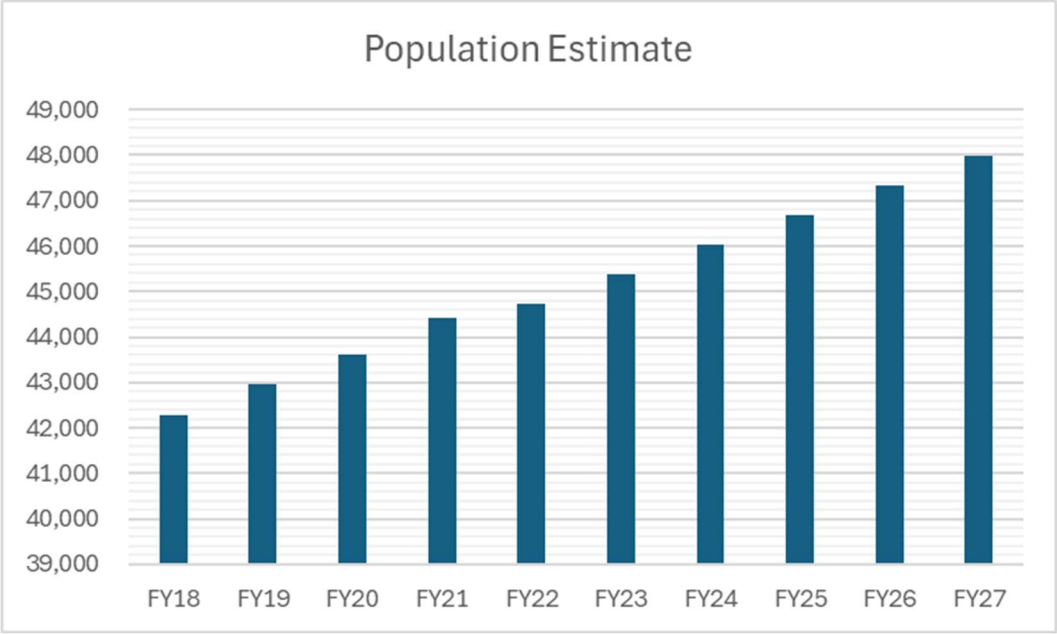


Where Hickory is Trending

Population

Since FY2017-2018, the City's population has grown by an average of 1.5% annually, which meets our unofficial population growth goal. It is vital that our population continues to grow. Hickory's median age is 37.7 years, while the Hickory Metro's median age is 43.5 years, and 54% of the Metro area is over 40 years old.

Hickory is the major employment hub for the Hickory Metro area, with the majority of our workforce commuting from outside Hickory. Continued growth in our population and workforce is essential to our economic success, as the region's population and workforce are aging faster than ours.

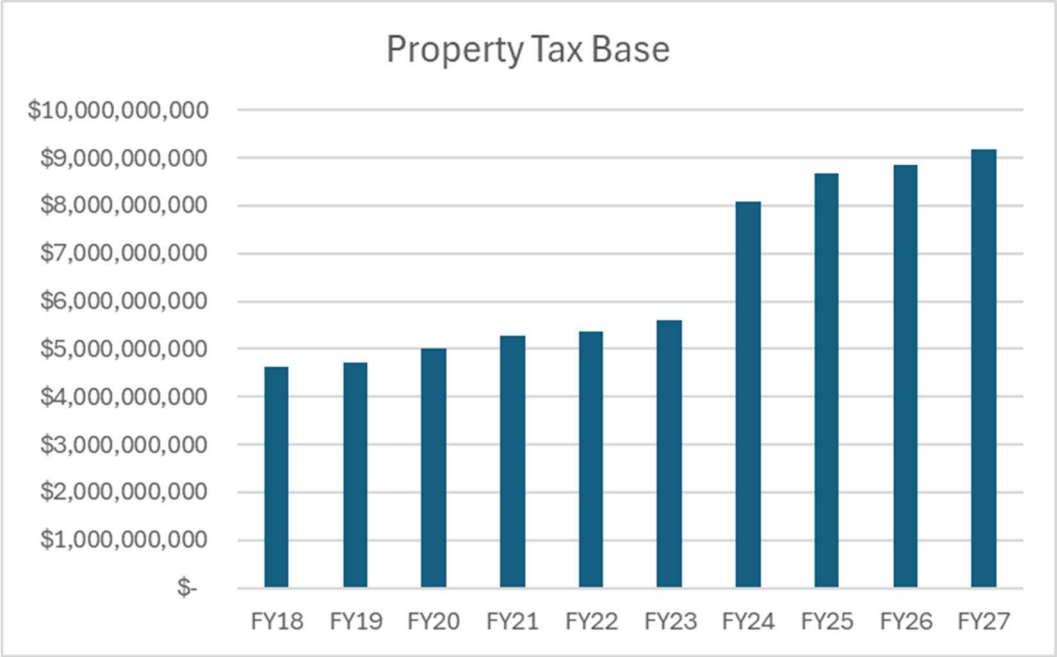


Property Tax Base

Since FY2017-2018, Hickory's property tax base has doubled. This timeframe includes two real property revaluations:

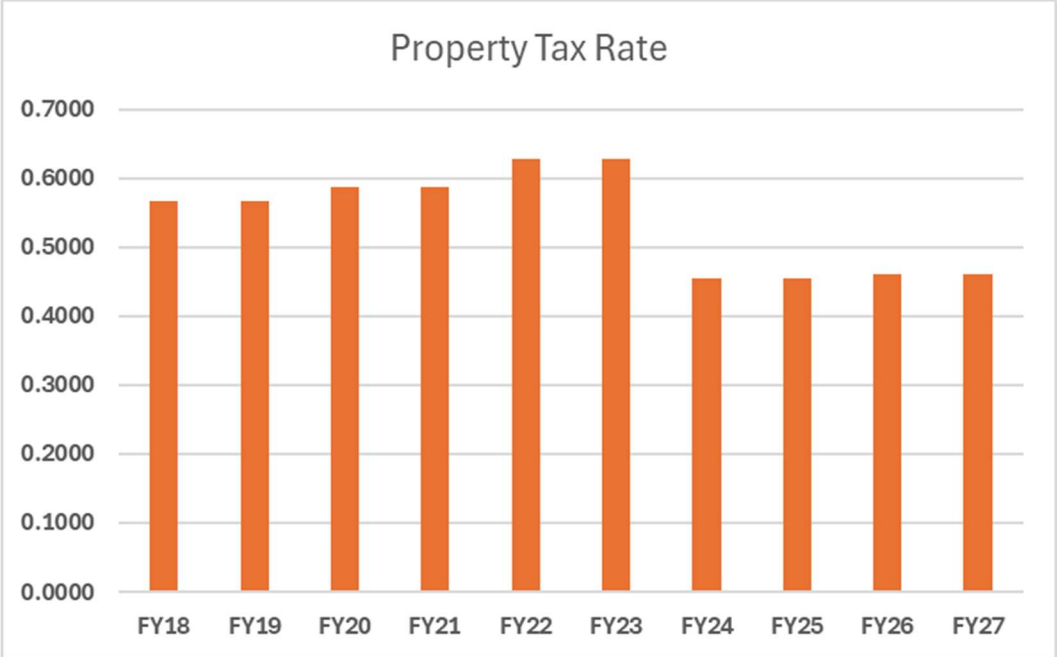
- Effective in FY2019-2020 = +6% increase in the total property tax base value
- Effective in FY2023-2024 = +50% increase in the total property tax base value

Most of the remaining growth has been organic, driven by private sector development. In FY2025-2026, Hickory will experience its fifth straight year of +$230 million in building permitting values.



Property Tax Rate

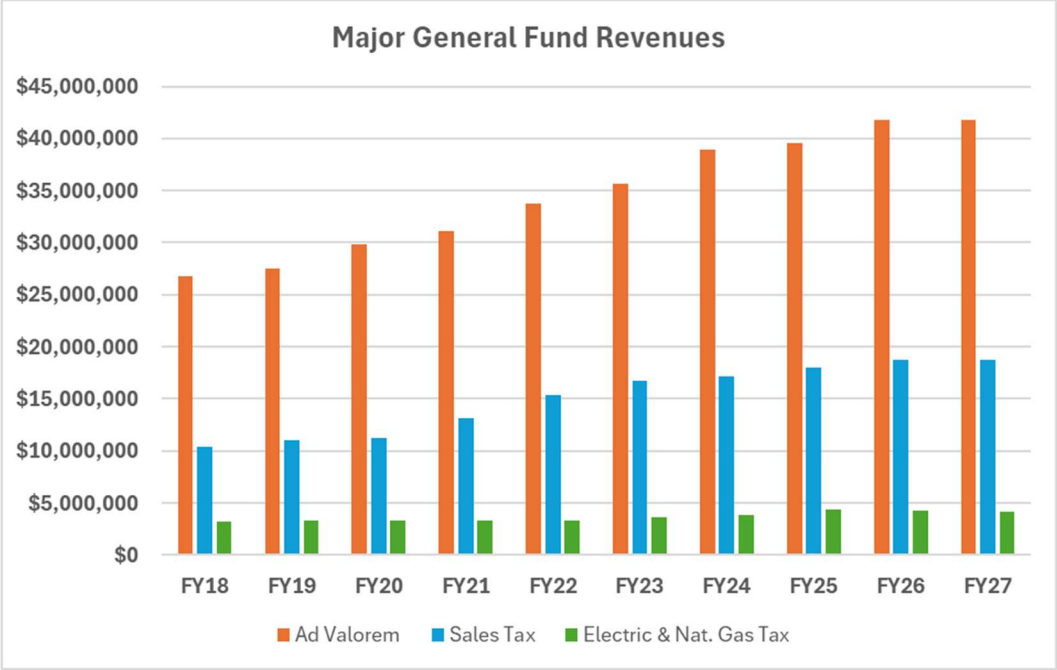
Since FY2017-2018, our property tax rate has dropped from 56.65 cents to 46 cents, a 19% decline. The current rate includes the equivalent of 3.3 cents dedicated to our voter-approved G.O Bonds, and 0.5 cents dedicated to our major long-range water and sewer projects.



Three Major General Fund Revenues

The three most significant sources of revenue for the General Fund are Property Tax, Sales Tax, and the Electric & Natural Gas Tax. These three revenues alone account for almost 80% of all General Fund revenues. The Property Tax is the only source of revenue City Council has control over, as the other two are collected and distributed or "shared" by the State.

As discussed earlier, within the General Fund, there are three areas considered "core services," Police, Fire, and Transportation (Street and Traffic). There is also one area considered "statutory": the debt service associated with the voter-approved 2014 General Obligation (G.O.). Bonds. The total funding for these four areas is $46,987,887, or 56.6% of the FY2026-2027 General Fund Budget, which exceeds our projected Property Tax revenue collection by over $5 million.



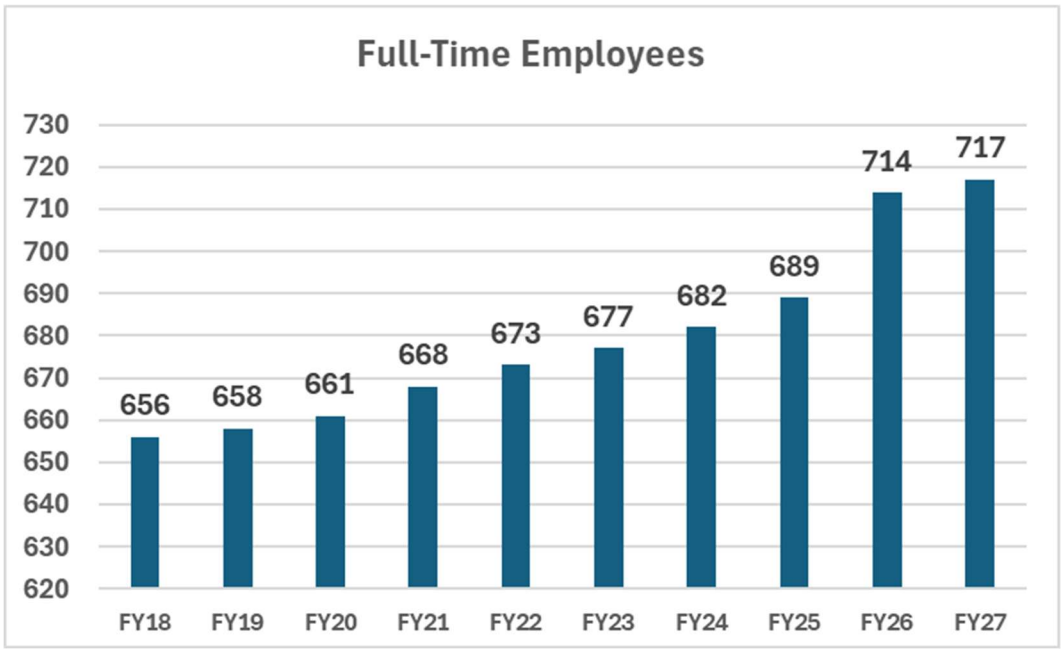
Full-Time Employees

While the City's population has grown by an average of 1.5% annually since FY2017-2018, the City's full-time employee count has increased by an average of 1% annually.

The largest area of growth in full-time employees since FY2017-2018 has been in the City's Water and Sewer Fund, as our utility system's customer base has grown steadily. This fund has added 28 of the 61 total positions added during this period.

To manage personnel costs while maintaining service delivery, we have increased our part-time and seasonal positions from 124 in FY2017-2018 to 193 today. Part-time and

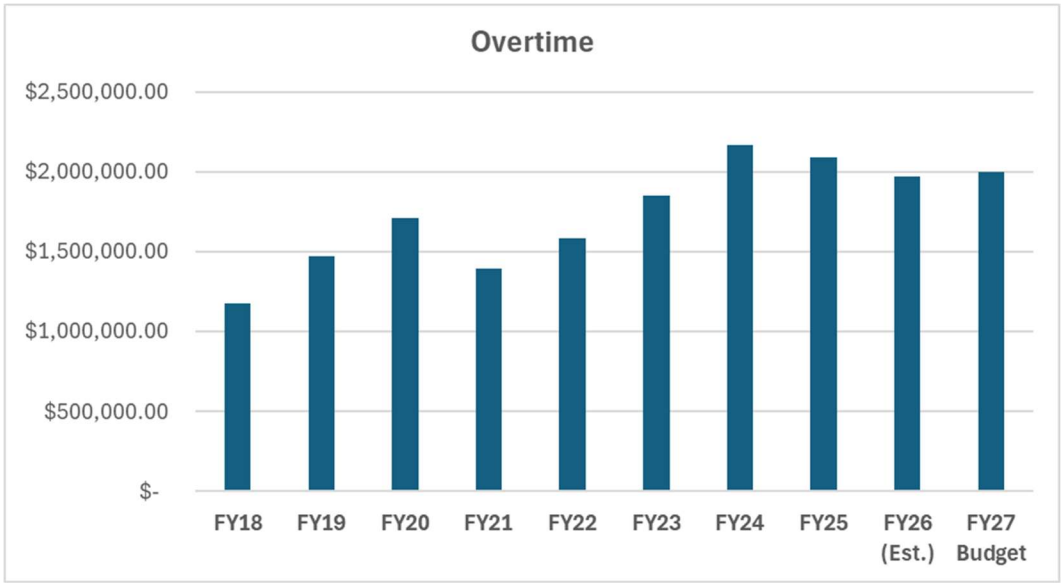
seasonal employees are not eligible for City benefits such as retirement and health insurance.



Overtime

Another method we have used to control growth in full-time personnel expenses while still meeting our daily and weekly service delivery standards is by utilizing more overtime.

Our overtime expenses have grown from $1.17 million in FY2017-2018 to $2 million (projected) in FY2026-2027, a 71% increase during that time.



General Fund Unassigned Fund Balance

The City's Unassigned General Fund Balance (not reserved or obligated) has increased by $14,536,496 since FY2017-2018. City Council's policy is for its General Fund Unassigned Fund Balance to be maintained at a level no less than 25% of the subsequent year's adopted General Fund Budget. This equates to 3 months of General Fund expenditure. We are currently at 36.6%.

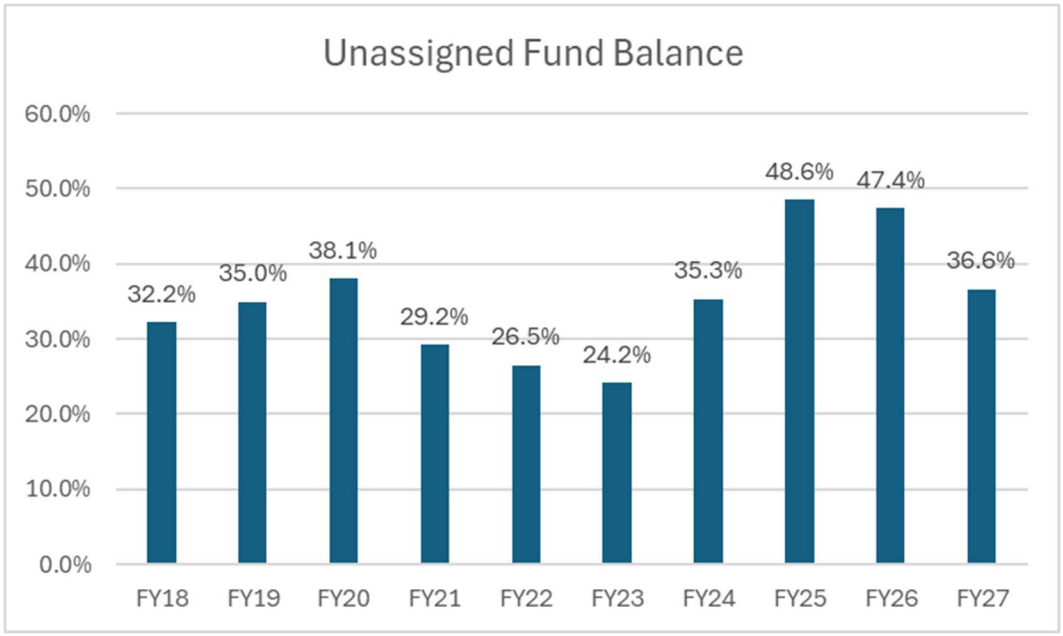
Each fiscal year, for our major sources of General Fund revenue, we budget only what we anticipate will be received in the prior year. Not budgeting projected revenue growth in the coming year is a strategy to protect the City financially against economic downturns, as fewer expenditure cuts would be required to offset revenue losses.

However, in typical years, it also provides funding for various capital purchases and projects, allowing us to avoid debt financing. Excluding the voter-approved 2014 GO Bond Debt and debt paid by the Tourism Development Authority (TDA), at the end of FY2025-2026 the General Fund will have $3,760,183 in remaining debt principal, a modest number given our legal debt limit is $600 million.

We also use Unassigned Fund Balance as a funding source for the City's match required for most of the grants we receive.

Some examples include:

- $600,000 in grant matching funds for the Springs Rd. Sidewalk Project
- $700,000 in grant matching funds for the Kenworth/Kiwanis Sidewalk Project
- $625,000 in grant matching funds for Sandy Pines Park



Conclusion

As Hickory comes to the end of implementing the 2014 Bond Program, we look forward to setting the stage for the City of Hickory's continued success by focusing on the projects and initiatives outlined in the Hickory 2050 Plan. Doing the work required to protect and enhance our fundamental public infrastructure and the services our citizens depend on us for is rewarding to everyone involved.

With that, I respectfully submit the Adopted Annual Budget for FY2026-2027.

Sincerely,



Warren Wood
City Manager
City of Hickory, NC

FY2026-27 BUDGET OVERVIEW

Operating Funds	*Budgeted Amount*
General Fund	$83,078,681
Water and Sewer Fund	44,032,059
Biosolids Fund	2,217,805
Stormwater Fund	290,260
Airport Fund	2,583,368
Solid Waste Fund	8,214,920
Total	*$140,417,093*
**Internal Service Funds*	
Capital Reserve Fund	$6,225,000
W&S Capital Reserve Fund	4,000,000
Fleet Maintenance Fund	3,906,911
Insurance Fund	8,211,667
Total	*$22,343,578*
All Funds Total	*$162,760,671*

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

THE FUNDS OF THE BUDGET

General Fund

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

In the FY2026-2027 Budget, the General Fund is balanced with a property tax rate of forty-six ($0.46) cents per one hundred dollars ($100) valuation. This rate is expected to provide $42,200,000 in property tax revenue.

The FY2026-2027 General Fund Budget totals $83,078,681.

Water and Sewer Fund

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

There is an adopted 10% increase in the water and sewer volume rate, 1% customer charge, and 2% availability charge for FY2026-2027.

The FY2026-2027 Water and Sewer Fund Budget totals $44,032,059

Biosolids Fund

The Biosolids Fund contains all wastewater by-product management activities of Hickory and Conover.

The City's new Biosolids facility at the Henry Fork Sewer plant replaced the former sludge composting facility. This facility is operated by City staff and funded with Hickory and Conover contributions at 90% and 10%, respectively, to the Biosolids operation this year.

The FY2026-2027 Budget for the Biosolids Fund totals $2,217,805.

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 FY2026-2027 Stormwater Fund Budget totals $290,260.

Airport Fund

The Airport Fund contains all activities of the Hickory Regional Airport, including administrative operations, maintenance, capital improvements, Control Tower, and Fixed Based Operations responsibilities. This fund is largely self-supporting through fees and sales; however, during FY2022-2023, the City began contributing property tax revenue in an amount generated directly by aircraft. For FY2026-2027, this amount is $325,000.

The FY2026-2027 Budget for the Airport Fund totals $2,583,368.

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 FY2026-2027, there is an adopted rate increase of $1.00 per month to residential customers and 10% to commercial services which makes the fund self-supporting.

The FY2026-2027 Solid Waste Fund Budget totals $8,214,920.

Capital Reserve Fund and Water and Sewer 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, 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 FY2026-2027 Budget, the General Fund and Water and Sewer Fund will both make financial contributions to the Capital Reserve Fund. The amounts will be $2,725,000 and $1,340,000 respectively.

The total budget for the Capital Reserve Fund for FY2026-2027 is $6,225,000, which includes the appropriations toward major capital purchases and projects along with $4,000,000 to Water and Sewer Capital Reserve to specifically earmark system development fees.

Fleet Maintenance Fund

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

The FY2026-2027 Budget for the Fleet Maintenance Fund totals $3,906,911.

Insurance Fund

The Insurance Fund contains all insurance (health, dental, property/casualty, liability and workers' 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 FY2026-2027 Budget for the Insurance Fund totals $8,211,667.

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 FY2026-2027 Budget.

General Government (Governing Body, City Manager's Office, Office of Communications, Finance, Human Resources, Information Technology, Budget Office, City Clerk, Engineering, 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 Service Awards Program
- Coworker Quality Awards Program
- Coworker Health Fair
- Safety Consulting Services
- Technology Upgrades
- GIS Database Maintenance Services (WPCOG)
- Contracted Legal Services (City Attorney)

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

- Catawba County Animal Shelter Funding
- Replacement of Police Communications Equipment
- Replacement Police Vehicles and Accessories
- Expansion of the Police Camera Program
- Replacement of Police Weapons
- Spay/Neutering Program
- Fire Department Suppression Vehicles and 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, Biosolids 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
- Provide 90% of the Funding for the Biosolids Facility Operations, Conover Provides 10% (2 Member Consortium)
- Contract with Republic for Recycling Services (Single Stream)
- Contract for Yard Waste Grinding Services
- Contracted Labor for Leaf Collection
- Replacement of Cardboard Recycling Containers
- Replacement of Multifamily Recycling Containers
- Replacement of Residential Sanitation Containers
- Replacement of Commercial Bulk Dumpsters

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

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

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

- Recreation Facility Upgrades
- Recreation Fitness Equipment Replacement
- Priority Facility Use Agreement with Hickory Public Schools
- Funding for Library Technology Upgrades
- Funding for Arts Culture Catawba
- Funding for the SALT Block

Other Financing Uses

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

Debt Service

- General Obligation Bonded Debt
- Hickory Metro Convention Center – General Fund
- Geitner Basin Sewer Project – Water and Sewer Fund
- Northeast Wastewater Treatment Plant – Water and Sewer Fund
- Hickory-Catawba Wastewater Treatment Plant – Water and Sewer Fund
- Cripple Creek Sewer Outfall – Water and Sewer Fund
- Central Business District Infrastructure Rehabilitation – Water and Sewer Fund
- Police Department Radio Communications System

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

FUND-DEPARTMENT MATRIX

	General Fund		Enterprise Fund					Internal Service Fund	
	General Fund	Capital Reserve Fund	Water & Sewer Fund	Biosolids Fund	Stormwater Fund	Airport Fund	Solid Waste Fund	Fleet Fund	Insurance Fund
Hickory City Council	x								
City Manager's Office	x								
Communications Office	x								
Risk Management	x								
Budget Office	x								
Human Resources	x								
Finance Department	x								
City Clerk's Office	x								
Information Technology	x								
Engineering Department	x	x							
Office of Business Development	x								
Office of Planning	x								
Police	x	x							
Fire	x	x							
Public Services: Building Services	x	x							
Public Services: Central Services	x	x							
Public Services: Traffic	x	x							
Public Services: Street	x	x							
Public Services: Landscape Services	x	x							
Parks, Recreation, & Sports Tourism	x	x							
Public Library	x	x							
City Hall/Public Buildings	x	x							
Public Utilities Administration			x						
Utilities Collection			x						
Henry Fork Plant			x						
Northeast Plant			x						
Water Plant			x						
Pretreatment/Lab			x						
Distribution			x						
Biosolids				x					
Stormwater					x				
Airport						x			
Fixed Base Operations						x			
Recycling							x		
Sanitation							x		
Commercial Bulk Services							x		
Insurance									x
Fleet Maintenance								x	

	Special Revenue Fund					Capital Project Fund			
	ARPA Fund	Multi-Year Grant Project Fund	URP Fund	Water & Sewer Capital Reserve Fund	CDBG Fund	General Capital Project Fund	Water & Sewer Capital Project Fund	Airport Capital Project Fund
Hickory City Council								
City Manager's Office								
Communications Office								
Risk Management								
Budget Office								
Human Resources								
Finance Department								
City Clerk's Office								
Information Technology								
Engineering Department						X		
Office of Business Development			X		X			
Office of Planning								
Police	X	X				X		
Fire	X	X				X		
Public Services: Building Services						X		
Public Services: Central Services								
Public Services: Traffic						X		
Public Services: Street						X		
Public Services: Landscape Services						X		
Parks, Recreation, & Sports Tourism						X		
Public Library						X		
City Hall/Public Buildings						X		
Public Utilities Administration								
Utilities Collection								
Henry Fork Plant				X			X	
Northeast Plant				X			X	
Water Plant				X			X	
Pretreatment/Lab				X			X	
Distribution				X			X	
Biosolids								
Stormwater								
Airport								X
Fixed Base Operations								X
Recycling								
Sanitation								
Commercial Bulk Services								
Insurance								
Fleet Maintenance								

CITY OF HICKORY
Budget Ordinance
Fiscal Year 2026-2027

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, 2026 and ending June 30, 2027:

Ad Valorem Taxes	$ 42,200,000
Other Taxes	26,980,000
Unrestricted Intergovernmental Revenues	739,113
Restricted Intergovernmental Revenues	3,061,379
Licenses and Permits	4,600
Sales and Services	2,569,260
Investment Earnings	750,000
Miscellaneous	545,000
Other Financing Sources	6,229,329
	$ 83,078,681

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, 2026 and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this City:

General Government	$ 17,033,114
Public Safety	34,805,399
Transportation	9,193,363
Economic and Community Development	5,795,614
Culture and Recreation	5,631,486
Other Financing Uses	3,728,842
Debt Service	5,540,863
Contingency	1,350,000
	$ 83,078,681

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, 2026 and ending June 30, 2027:

Restricted Intergovernmental Revenues	$ 1,552,212
Sales and Services	34,216,690
Investment Earnings	100,000
Miscellaneous	3,400,000
Other Financing Sources	4,763,157
	$ 44,032,059

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, 2026 and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	$ 35,095,682
Other Financing Uses	4,485,130
Debt Service	3,951,247
Contingency	500,000
	$ 44,032,059

SECTION 5: It is estimated that the following revenue will be available in the Biosolids Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027:

Restricted Intergovernmental Revenues	$ 2,217,805
	$ ***2,217,805***

SECTION 6: The following amounts are appropriated in the Biosolids Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	$ 2,067,805
Contingency	150,000
	$ 2,217,805

SECTION 7: It is estimated that the following revenue will be available in the Stormwater Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027:

Other Financing Sources	$ 290,260
	$ 290,260

SECTION 8: The following amounts are appropriated in the Stormwater Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	$ 290,260
	$ 290,260

SECTION 9: It is estimated that the following revenues will be available in the Airport Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027:

Sales and Services	$ 2,103,368
Restricted Intergovernmental Revenues	110,000
Investment Earnings	25,000
Miscellaneous	20,000
Other Financing Sources	325,000
	$ 2,583,368

SECTION 10: The following amounts are appropriated in the Airport Fund for the operation of Airport activities for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this City:

Transportation	$ 2,410,307
Contingency	173,061
	$ 2,583,368

SECTION 11: It is estimated that the following revenues will be available in the Solid Waste Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027:

Other Taxes	$ 30,000
Sales and Services	8,115,000
Investment Earnings	30,000
Miscellaneous	2,000
Other Financing Sources	37,920
	$ 8,214,920

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, 2026 and ending June 30, 2027, in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	$ 8,139,920
Contingency	75,000
	$ 8,214,920

SECTION 13: It is estimated that the following revenue will be available in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027:

Other Financing Sources	$ 6,225,000
	$ 6,225,000

SECTION 14: The following amounts are hereby appropriated in the Capital Reserve Fund for the Fiscal Year beginning July 1, 2026, and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this City:

General Government	$ 2,300,000
Environmental Protection	1,765,000
Other Financing Uses	2,160,000
	$ 6,225,000

SECTION 15: It is estimated that the following revenue will be available in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027:

Other Financing Sources	$ 4,000,000
	$ 4,000,000

SECTION 16: The following amounts are hereby appropriated in the Water and Sewer Capital Reserve Fund for the Fiscal Year beginning July 1, 2026, and ending June 30, 2027 in accordance with the chart of accounts heretofore established for this City:

Environmental Protection	$ 3,000,000
Other Financing Uses	1,000,000
	$ 4,000,000

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

Sales and Services	$ 3,906,911
	$ 3,906,911

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

General Government	$ 3,906,911
	$ 3,906,911

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

Sales and Services	$ 8,041,667
Investment Earnings	80,000
Other Financing Sources	90,000
	$ 8,211,667

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

General Government	$ 8,211,667
	$ 8,211,667

SECTION 21: The operating funds encumbered on the financial records of June 30, 2026 are hereby reappropriated into this budget.

SECTION 22: There is hereby levied a property tax at the rate of forty-six cents ($0.46) per one hundred dollars ($100) valuation of property as listed for taxes as of January 1, 2026, 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 $9,165,000,000 and the Fiscal Year 2026-2027 estimated rate of collection of 99.15%.

SECTION 23: The corresponding "FY 2026-2027 Schedule of Fees" is approved with the adoption of this Annual Budget Ordinance.

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

a. He may transfer amounts between line-item expenditures within the same functional area within a fund without limitation and without a report being required.

b. He may transfer amounts up to $350,000 each between functional areas including contingency appropriations within the same fund.

c. He may not transfer any amounts between funds, except as approved by the Governing Board in the Annual Budget Ordinance as amended.

SECTION 25: The City Manager (Budget Officer) is hereby authorized to execute implementing the FY2026-2027 Annual Budget. To enhance the efficiency of implementing the FY2026-2027 Annual Budget, the Governing Board also grants authority to the City Manager (Budget Manager) to:

a. Approve lease agreements;
b. Purchase real property when funds are available in an adopted or amended budget;
c. Approve applications and agreements for acceptance of grant funds from other governmental units and non-profit organizations;
d. Approve grant agreements granting funds to public and non-profit organizations;
e. Dispose of personal property as provided under NCGS 160A-266(c);
f. Adjust the payment of fees owed to the City when both reasonable and justified;
g. Approve contracts related to bid awards made by the Governing Board;
h. Approve settlement agreements;
i. Approve easements;
j. Enter into all other contracts and agreements adopted by the Governing Board when authorized to do so under NC General Statutes;
k. Take all other action not specifically reserved for City Council under NC General Statutes.

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

CITY OF HICKORY
2026 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 2026 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	$ 361,188
Miscellaneous	100,000
	$ 461,188

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

Economic and Community Development	$ 461,188
	$ 461,188

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. 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.

CITY OF HICKORY

OPIOID SETTLEMENT
SPECIAL REVENUE FUND

BE IT ORDAINED by the City Council of the City of Hickory that, pursuant to Section 8 of Chapter 159 of the General Statutes of North Carolina, the following Special Revenue Fund is hereby adopted.

SECTION 1. The following revenues are anticipated to be available in the Opioid Settlement Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Miscellaneous Revenues	$ 100,000
	$ 100,000

SECTION 2. The following amounts are appropriated in the Opioid Settlement Fund for the fiscal year beginning July 1, 2026 and ending June 30, 2027:

Public Safety	$ 100,000
	$ 100,000

Adopted this 16th day of June, 2026

_____

Mayor

Attest:

_____

Debbie Miller
City Clerk



GOALS AND OBJECTIVES

POPULATION GROWTH AND ECONOMIC DEVELOPMENT

Bond Projects

- Complete construction of Hickory Trail segments (OLLE Art Walk)
- Establish development opportunities along the Hickory Trail System and work toward the goals set forth in the Hickory Trail Report

Promote Economic Development and Jobs

- Continue pursuing development partnerships and opportunities for high-tech manufacturing at Trivium Corporate Center and its expansion at Trivium East
- Encourage corporate headquarter recruitment and industrial park growth
- Continue marketing the remaining City-owned industrial properties
- Continue the utilization of Vacant Building Revitalization and Brownfield Grants to improve blighted properties and redevelop obsolete manufacturing facilities
- Utilize NCWorks and other career-based initiatives to promote local employment opportunities
- Support the partnership of the Hickory Aviation Museum and Dale Earnhardt Regional Innovation Complex
- Pursue development partnerships and opportunities in current and new growth center corridors (including the Innovation District)

Encourage Development of Additional Housing

- Support partnerships and policies to help encourage the construction of new housing, both market-rate and affordable, to help increase the housing stock in Hickory
- Pursue single-family home ownership opportunities in strategic locations to help stabilize distressed neighborhoods, including partnerships with nonprofit housing groups such as Habitat for Humanity

STRATEGIC OBJECTIVES

OBJECTIVE 1
Population Growth and Economic Development

OBJECTIVE 2
Infrastructure

OBJECTIVE 3
Quality of Life

OBJECTIVE 4
Vision and Leadership

OBJECTIVE 5
Organization Success

OBJECTIVE 6
Communication and Marketing

INFRASTRUCTURE

Improve Transportation

- Continue to pursue commercial air service at Hickory Regional Airport
- Pursue enhancements to Hickory Regional Airport to attract additional aircraft and hangar development
- Work with NCDOT and the MPO to develop other transportation projects benefiting Hickory
- Continue to partner with Greenway Public Transit system to provide transit options for residents
- Support and encourage passenger rail in Hickory
- Continue to use the Hickory Moving Forward safety strategies to reduce fatal and serious injury crashes on streets and roads
- Update the Bicycle and Pedestrian Plan to guide projects and improve safety for pedestrians and bicyclists

Leverage the City's Regional Utilities

- Pursue new utility extensions and regional agreements to enhance the utility system's economy of scale
- Use the City's strength in water and sewer services as an economic development tool



QUALITY OF LIFE

Offer High-Quality Recreation and Cultural Opportunities

- Focus efforts on expanding recreational opportunities through the Parks, Recreation & Sports Tourism Department along with partnerships with the Hickory Metro Convention Center & Visitors Bureau and other recreation partners in the community
- Utilize the updated Library Strategic Plan and Recreation Master Plan to guide programming and facilities within budget

Provide a Safe Community for Residents and Visitors

- Promote proactive public safety partnerships with citizens and neighborhood groups
- Support participation in the Law Enforcement Assisted Diversion (LEAD) program
- Support participation in the Active Bystandership for Law Enforcement (ABLE) program

Protect the Natural Environment

- Continue to promote the Hickory Litter Quitter Campaign to encourage residents to make a public commitment to refrain from littering
- In meeting the EPA NPDES Phase II federal storm water regulations, continue implementing stormwater best practices and complying with stormwater regulations
- Partner with other organizations (Reese Institute, Duke Energy, Catawba-Wateree Basin Advisory Commission, the Catawba Science Center and the Catawba Riverkeeper) to promote policies and practices which protect the river, improve water quality, and protect our water supply
- Continue development of the Catawba River Environmental Education Center to promote water-focused environmental education and community engagement
- Continue watershed protection efforts through the purchase of strategically positioned property



VISION AND LEADERSHIP

Support and Promote Higher Education Opportunities

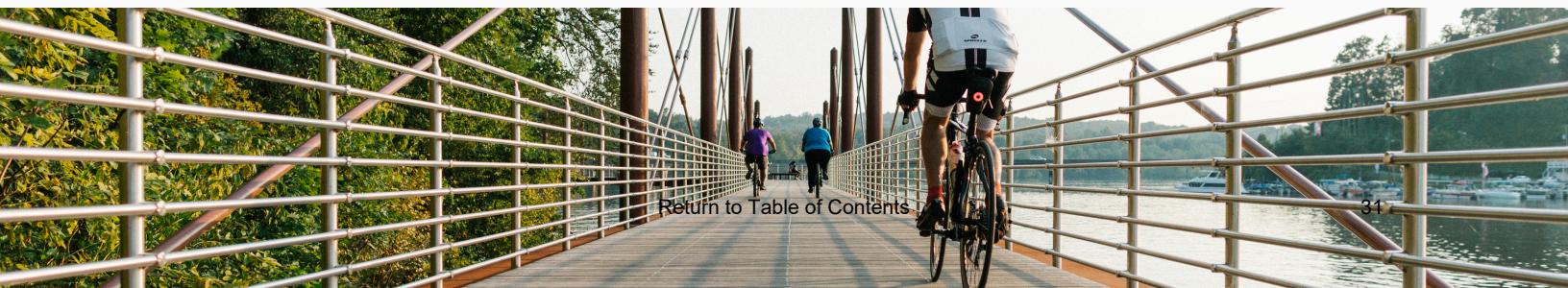
- Work collaboratively with Lenoir-Rhyne University, Catawba Valley Community College (CVCC), and Appalachian State University on initiatives and opportunities which would positively impact our community
- Pursue partnerships with local high schools and higher education facilities for recruitment and to encourage careers in municipal government
- Continue to partner with CVCC to promote careers in public safety and workforce development

Promote City Priorities in the 2026-2027 Legislative Agenda to Federal and State Governments

- Continue to monitor state and federal legislative issues affecting the City
- Develop and promote state and national legislative priorities that are in the specific interest of the City of Hickory

Lead Regional Initiatives

- Be the lead agency on regional economic development issues to adequately represent the hub of the population and workforce in the Hickory Metro Area
- Participate on local and regional boards/committees to ensure City interests are preserved (i.e., WPCOG, EDC, MPO, NC Works, and Innovate Catawba)
- Continue to lead the region in protecting and promoting the Catawba-Wateree River Basin





ORGANIZATION SUCCESS

To Attract and Retain the Best Talent, Drive Organizational Success, and Positively Impact the Communities We Serve

- Become an employer of choice by fostering a culture that values and nurtures our employees' growth, well-being, and professional development
- Create a workplace that recognizes all individuals' unique perspectives and contributions
- Provide continuous learning and skill development opportunities, enabling employees to thrive and reach their full potential
- Provide a safe and healthy workplace that prioritizes employee well-being, both physically and mentally
- Offer competitive compensation packages and comprehensive benefits to employees
- Recognize outstanding performance to ensure employees feel valued and rewarded
- Expand marketing initiatives to promote employment and career opportunities within the City of Hickory

COMMUNICATION AND MARKETING

- Provide best practice quality communication on public information and city events to our residents
- Expand the City's marketing and recruitment efforts for economic development opportunities as well as workforce and population growth
- 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
- Continue to offer and support interactive and innovative programs offered by the City, such as the Neighborhood College and the Citizens' Police and Fire Academies



Hickory City Council
FY 2026-2027 Financial Policies

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

1. *Revenue Policy*

A. The property tax rate shall be set each year based on the cost of providing general government services.

B. The rate and fee structure established for the Water and Sewer Fund will be sufficient to finance needed operating, capital, and debt service costs for providing water and sewer services. Rates and fees in the Water and Sewer Fund will generally increase annually by the amount necessary to keep the Fund self-supporting.

C. The City will endeavor to ensure the Solid Waste Fund is a self-supporting enterprise.

D. Revenue projections will be made in a conservative manner.

E. To the extent practical, any City service that benefits specific recipients shall be supported either fully or in part by user fees. Those fees will generally increase by the annual Consumer Price Index. Examples include certain recreation programs and fire inspection activities.

F. Project revenues for five years and update those projections annually.

G. When investing City funds, safety and liquidity will take precedence over yield.

H. Except in cases of emergencies, under urgent conditions, or for one-time capital expenses, Fund Balance Appropriated shall not exceed an amount that management can reasonably expect to save during the year.

2. *Operating Budget Policy*

A. The City will continue to develop benchmarks and productivity ratios integrated with work performance standards to assist in the evaluation of expenditures.

B. Continue the City's participation in the North Carolina Performance Measurement Project.

C. Prepare a five-year operating budget projection that will include projections of annual growth.

D. Ensure that all water and sewer expansions represent sound investments for the City.

E. During the course of the fiscal year, the City Manager may, at his discretion, take the necessary action to keep the City's Annual Budget balanced and solvent.

3. *Capital Improvement Policy*

A. Annually, the City will update its Five-Year Capital Improvement Plan, which will list each capital project, the estimated cost and the anticipated year in which the project is to occur. This plan will be used as a guide in the development of the annual budget.

B. When funding capital items, priority will be placed on the replacement of existing equipment, maintaining existing facilities, and making enhancements to existing facilities. Capital projects related to new facilities not currently in existence will receive the lowest priority, unless a designated funding source is available for the project.

4. *Accounting Policy*

A. Annually, an independent certified public accounting firm will issue an official opinion on the City's annual financial statements to the City Council. Additionally, City Council will appoint an Audit Committee to meet with the auditors and discuss their findings.

B. Financial systems will be maintained to monitor revenues and expenditures on a monthly, quarterly, and annual basis.

C. Staff will give a Financial Report to City Council on a quarterly basis.

5. *Debt Management Policy*

Introduction

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

Purpose

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

Debt Instruments

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

General Obligation Bonds:

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

Revenue and Special Obligation Bonds:

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

Other Financing Options:

Installment financings are alternative financing methods that do not require voter approval. Certificates of participation or limited obligation bonds represent an undivided interest in the payments made by a public agency pursuant to a financing lease or an installment purchase agreement. The security for this financing is represented by a lien on the property acquired or constructed.

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

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

Guidelines for Debt Issuance

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

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

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

Debt Structure

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

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

Negotiated sales or private placements may be used where allowed when complex financing or sales structure is a concern with regard to marketability. In a negotiated sale, the bonds may be sold through an exclusive arrangement between the City and an underwriter or underwriting syndicate. At the end of successful negotiations, the issue is awarded to the underwriter. This method offers the most flexibility to the City. The criteria used to select an underwriter or syndicate in negotiated sales should include, but not be limited to, the following: overall experience, marketing philosophy, capability, recent experience, underwriter's discount, and overall expenses.

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

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

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

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

Debt Ratios

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

The City shall adhere to the following ratios:

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

Net Direct Debt Service as a Percentage of Operational Budget:
This ratio reflects the City's budgetary flexibility to adjust spending levels as economic conditions change. The City will maintain its net debt service at no more than 15% of the operational budget.

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

Refinancing of Outstanding Debt

The City will continually review its outstanding debt and recommend issue for refunding as market opportunities arise. Debt shall only be refinanced for the purpose of achieving debt service savings, unless required to achieve specific debt management goals of the City. The estimation of net present value savings should be, at a minimum, in the range of 3% of the refunded maturities before a refunding process would be considered unless the City otherwise determines the annual savings warrant the refunding. The City will not refinance debt for the purpose of deferring scheduled debt service, unless unique circumstances are present. The City is aware that refinancing for the purpose of deferring debt service may have an impact on its credit rating.

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

refunded debt. All costs incurred in completing the refunding shall be taken into account when determining the net present value savings.

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

Pay-As-You-Go Financing

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

Issuance of Debt

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

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

Continuing Disclosure

In accordance with the Securities and Exchange Commission (SEC), Rule 15c-2-12, the City will provide financial and operating information to the repository or repositories designated by the SEC. Where applicable, the City will also provide its Annual Comprehensive Financial Report

(ACFR) and other relevant information to rating agencies, corporate trustees, and financial institutions as required by Continuing Disclosure requirements within all debt documents.

Arbitrage Liability Management

The City will maintain a system of record keeping and reporting to meet the arbitrage and rebate compliance requirements of the federal tax code. This effort includes tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting applicable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues.

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

Credit Ratings

The City will maintain good communication with bond rating agencies about its financial condition. This effort will include providing periodic updates on the City's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance. The City will continually strive to maintain its bond rating of Aa1/AA+ by improving its financial policies, budgets, forecasts, and financial health.

Financing Team

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

Administration and Implementation

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

6. Reserve Policies

A. In the Annual Budget, the City will reserve the equivalent of two cents on the City's property tax rate in the General Capital Reserve Fund, for the purpose of funding capital expenditures on a pay-as-you-go basis.

B. The City will establish a General Fund Contingency Reserve to provide for unanticipated expenditures of a nonrecurring nature to meet unexpected increases in service delivery costs. This reserve will be budgeted at an amount up to 1.5% of recurring General Fund revenues estimated for that fiscal year.

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

Definitions

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

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

I. Non-spendable fund balance – Amounts that are not in spendable form or amounts which are legally required to be remain intact.

II. Restricted fund balance – Amounts that can be spent only for the specific purposes stipulated by external parties either constitutionally or through enabling legislation.

III. Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action of the Council. Commitments may be modified or removed by the same formal action required for initial commitment.

IV. Assigned fund balance – Amounts intended to be used by the government for specific purposes which are neither restricted nor committed.

V. Unassigned fund balance – Amounts not included in any other classification. Unassigned amounts are available for any legal purpose.

Policy

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

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

Use and Replenishment

General fund balance will not be appropriated to support the ongoing operations of the City except in extreme emergency situations. It will be used for expenditures considered non-recurring in nature. If the fund balance amount should fall below the twenty-five percent (25%) goal level at the end of the fiscal year, Council must approve and adopt a plan to restore the balance to the goal level within twenty-four (24) months.

If restoration of the fund balance cannot be accomplished within the time period without severe hardship to the City, then Council will establish a different time period agreed upon by Council members and City management.

7. *Financial Partnerships Policy*

A. When feasible, the City will seek financial partnerships with organizations in the community as a means of providing services in the most cost-effective way.

B. When renovating, enhancing or constructing City-owned facilities, the City will seek financial partnerships, when feasible, with organizations or individuals who benefit from those facilities in order to limit the use of public funds and to maximize the benefit of those funds.

8. *Investment Policy*

Purpose

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

Governing Authority

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

Scope

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

General Objectives

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

Safety

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

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity).

Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

Yield

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

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

Standards of Care

Prudence

Investments will be made according to the "prudent person" standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Delegation of Authority

Authority to manage the investment portfolio is granted to the City's Finance Officer, who shall act in accordance with established procedures and internal controls for the operation of the investment portfolio consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures

established by the Finance Officer. The Finance Officer will be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinates.

Safekeeping and Custody

Delivery vs Payment (DVP)

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

Safekeeping

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

Internal Controls

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

Suitable and Authorized Investments

Investment Types

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

Collateralization

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

Investment Parameters

Diversification

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

Maximum Maturities

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase.
It is the City's intent to hold investments until maturity to ensure the return of all invested principal dollars. Changes in economic or market conditions may require the City to sell or trade securities prior to maturity.

Reporting

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

Exemption

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

Budget Calendar

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

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

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

What's New in the Budget?

Changes to the FY2026-2027 budget reflect the ongoing efforts by the City of Hickory to enhance the municipal environment while maintaining a high level of basic services as the Bond Projects come to an end. As with any new budget year, many changes are necessary to meet new community, financial, or legal obligations and mandates.

The most significant changes to the FY2026-2027 budget are:

- New positions have been added to the budget in the areas of Police, Fire, Parks and Public Properties, Information Technology, and Building Services.
- Water and Sewer volume rates are increasing by 10%, a 2% increase in availability charges, and a 1% increase in customer charges, resulting in an estimated $3.02 increase per month on an average residential water and sewer bill.
- With increasing costs of Solid Waste operations from labor and vehicle costs, the City is recommending a $1 increase from $29 to $30 per month that will generate approximately $160,000 in additional revenue to offset those costs.
- The Airport Fund has budgeted $472,000 for capital projects for security, facility, and services improvements.

Budget Calendar

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

November 4, 2025	***Budget Office distributes Budget Calendar to departments***
November 11, 2025	Sign up for Departmental Budget Meetings opens and Budget Kickoff invitation distributed to departments
November 25, 2025	Departmental Budget Meetings begin and deadline to sign up for Departmental Budget Meetings
December 10, 2025	External appropriation request letters sent out; also notices *re:* Board and Commission Workplan deadlines
December 10, 2025	Publish newspaper ad re: notification of call for External appropriation requests (due date January 17, 2026)
December 16, 2025	Personnel expenditures projected by Human Resources
January 7, 2026	Budget Kick-off Meeting: ***9:00 a.m. @ Council Chambers*** • Distribute Allocation Sheets based on Departmental Meetings • Departments that haven't had a Budget meeting will receive Allocation Sheets after their Budget Meeting • Budget Manual and Access for departments to key in Munis will be given
January 8, 2026	New position requests and reclassification requests due to Human Resources

Budget Calendar

January 10, 2026	Worker's Compensation, Property and Liability Insurance by Risk Management
January 10, 2026	Debt projected by Finance (existing debt only)
January 17, 2026	External Appropriation requests due
January 31, 2026	Departmental Budget Meetings conclude
January 31, 2026	Departments to have ***entered FY26-27 operational*** budget requests into Munis ***Requests should balance to department's initial budget allocation.***
February 3, 2026	Performance Measure pages sent to departments for updates by Budget Office
February 3, 2026	Projected revenues entered into Munis by Budget Office
February 3, 2026	City Council Financial Policy expenditures (transfers and contingency) projected by Budget Office
February 7, 2026	5-year CIP to be entered into Munis by departments
February 10, 2026	Board & Commission workplans due
February 14, 2026	Information Technology to review and make recommendations on technology requests
February 14, 2026	Fleet Management to review and make recommendations on new capital vehicle/equipment requests
February 14, 2026	City Engineer to review and make recommendations on capital construction requests
February 28, 2026	Departments to return FY26-27 Fee Schedule changes to Budget Office

Budget Calendar

March 7, 2026	City Manager's Recommended Budget balanced
March 11, 2026	Performance Measurement pages due to Budget Office from departments
Week of April 7, 2026	Individual Management Briefings to City Council members re: FY26-27 budget
Weeks of April 28 & May 5, 2026	Management Presentations to City Coworkers on FY26-27 budget
May 16, 2026	Final Recommended Budget due to CMO and City Council by Budget Office
May 19, 2026	City Council Meeting: • Call for public hearing on Recommended Budget • FY26-27 Budget distributed to City Council
May 20, 2026	Publish notice of public hearing and make a copy available to news media in the County
June 2, 2026	City Council Meeting: • Public Hearing on Recommended Budget • FY26-27 Budget approved on 1st reading
June 16, 2026	City Council Meeting: • FY26-27 Budget adopted on 2nd reading
June 24, 2026	Notification of tax rate sent to Tax Administrators in Burke, Caldwell, and Catawba Counties
June 24, 2026	Notify organizations who requested appropriation of City funds of funding status
July 1, 2026	Fiscal Year 2026-2027 begins

Phase I (Initial Budget Planning Stage)
Budget planning for the FY2026-2027 Annual Budget began in Fall 2025. Recommendations were to continue with the budget development cycle and budget development calendar.

Phase II
In December of 2025 projections of personnel expenditures and projections of risk management insurance expenditures were made for the upcoming fiscal year. This information is used to determine what new revenues would need to be produced to maintain current staffing levels and to maintain current risk management insurance policies. These projections are done early due to the significant dollar value involved with these items and the vital role they play in the overall budget development process.

Phase III
In November and December of 2025, Budget staff held individual budget meetings with divisions/departments for preliminary discussions on significant budgetary needs for FY2026-2027 and to review the status of performance measures.

Phase IV
In January 2026, there was a "Budget Kick-off Meeting" held with all departments. At this meeting, departments were given the FY2026-2027 budget manuals, FY2026-2027 budget calendar, FY2026-2027 personnel projections, FY2026-2027 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 FY2026-2027. All new personnel requests were due to the Human Resources Department by January 8, 2026.

Phase V (Final Budget Planning Stage)
Annually, the Hickory City Council adopts their Goals and Objectives, 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 Goals and Objectives guide City officials in budget development and planning for the upcoming and future budget years. In short, this policy document provides the structure by which the City of Hickory functions during the fiscal year.

Planning for the upcoming budget was completed at this point and the development of the FY2026-2027 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.

Budget Planning

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. He may also transfer amounts not to exceed $350,000 between functional areas, including contingency appropriations, within the same fund. All other budget amendments must be approved by the City Council through legislative action. All amendments affecting the original budget ordinance not within the scope of the authority granted to the City Manager require two readings for City Council approval.

Budget Format: The Basics

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

City Council manages the budget at the broadest level. Council policy, statutes, and financial standards mandate the City's accounting system parallel the functions, but at a much more detailed level.

The accounting structure of the City is organized on the basis of account groupings called *funds*, each of which is considered a separate accounting entity. Government monies are allocated to and accounted for in individual funds based upon the purposes for which they are earmarked, and the means by which spending activities are managed. The budgeted monies (i.e., revenues) must always equal the proposed expenditures within each fund. This segregation of financial activity ensures that certain funds, which are restricted in purpose, are explicitly spent on the appropriate government function.

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

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

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

by the cities of Conover and Hickory. The Airport Fund exists with funding from user fees, intergovernmental agreements, and grant funding.

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

Finally, Hickory also utilizes *Internal Service Funds.* These funds account for activities that serve other departments or parts of the same government, rather than the public. Hickory maintains two *Internal Service Funds* including the Fleet Maintenance Fund and the Insurance Fund. In addition, Hickory has two *Special Revenue Funds* which are the General Capital Reserve Fund and the Water and Sewer Capital Reserve Fund.

Even though there is no statutory obligation to include *Internal Service Funds* or the *Special Revenue Funds* in the Annual Budget, Hickory does include them in order to more fully reveal the City's finances. We have established that budgets, while managed by functions, are also managed as complex accounting groupings called funds, which are either operational or project oriented in nature. Operational funds can be enterprise funds depending on the fund's revenue characteristics.

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

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

About the Document Presentation

All combinations of departments and divisions, funds, and functions appear in this budget document. The presentation takes the reader from discussions of the broadest overview in the budget document (*Consolidated Budget Summary*) to discussions of the most specific departmental review (*General Fund, Enterprise Funds*). The document

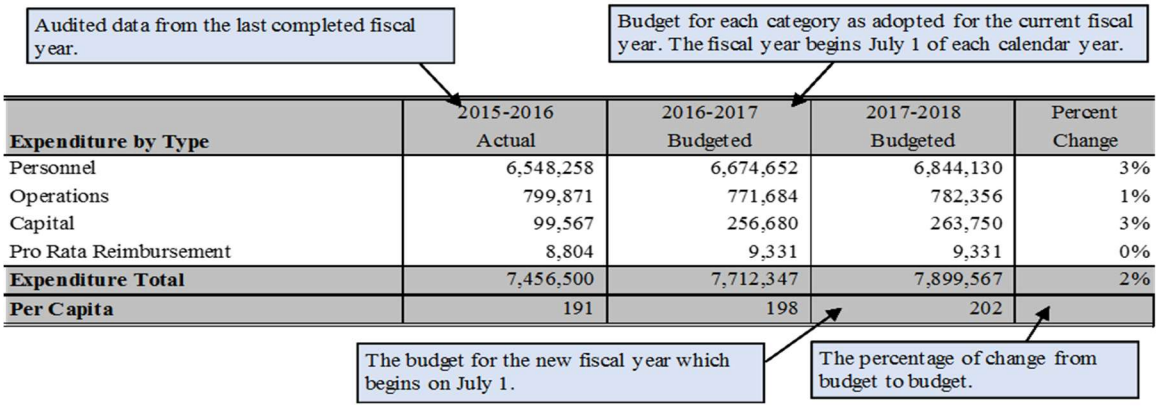
places a distinct emphasis on the City's departments and divisions because these pages represent the plans of the men and women who are charged with the duty of providing services to citizens. Following the City budget from this basic level back up through funds, functions, and consolidated totals can help the reader associate services to the respective budget data.

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

Instead, this document presents budget data in a summary form that shows groups of like data by category (e.g., Personnel, Operations, Capital). Presenting the City of Hickory's budget in this style facilitates comparisons between groups of data, making the overall trends more discernible to the reader. Acknowledging that the reader does not have access to every account code, the Budget Highlights attempt to explain key departmental changes by relating the "numbers behind the numbers" to budget summaries. A second document that presents the complete listing of all City of Hickory budget codes only is also available through the City of Hickory's Budget Office (828)-323-7400 Ext. 7200 if further detail is needed.

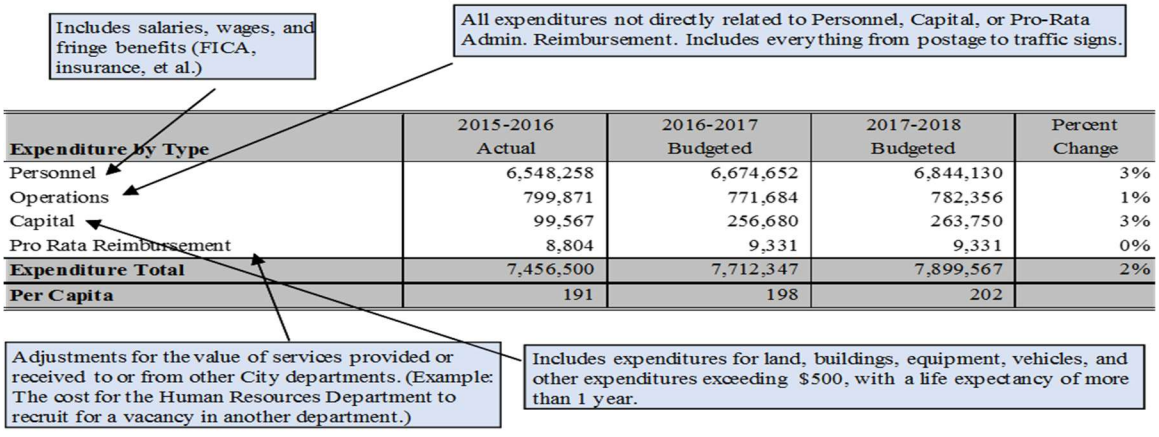
Budget Format: The Basics

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



Expenditure by Type	2015-2016 Actual	2016-2017 Budgeted	2017-2018 Budgeted	Percent Change
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	

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.



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Per Capita	191	198	202	

GENERAL FUND

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

General Fund Revenues

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

General Fund Expenditures

- ***General Government*** – Expenditures for the City Council and Administration consisting of the City Manager's Office, Budget Office, Risk Management, Human Resources, Finance, City Clerk, Communications, Information Technology, Legal, Public Buildings, Union Square, Engineering, Central Services, and Landscape Services, as well as various special appropriations.

- ***Public Safety*** – Expenditures for the Police Department, the Fire Department, the Hickory Rural District, and various special appropriations.

- ***Transportation*** – Expenditures for the Traffic and Street Divisions of Public Services.

- ***Economic and Community Development*** – Expenditures for the Planning and Development Department; Economic Development Incentives, and several special appropriations.

- ***Culture and Recreation*** – Expenditures for the Recreation Department, Parks Maintenance, L.P. Frans Stadium, Hickory Public Library, and various special appropriations.

- ***Other Financing Uses*** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund.

- ***Debt Service*** – Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases.

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

Enterprise Funds

The ***Water and Sewer, Stormwater, Biosolids, Airport***, 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 100,000 customers inside and outside the city limits, regulate stormwater runoff, produce a high-quality compost material, provide air transportation services, and provide solid waste services, respectively.

Water and Sewer Fund Revenues

- ***Restricted Intergovernmental*** – City of Conover repayment portion of debt service for Hickory's Water Treatment Plant, Catawba County's portion of the Hickory Catawba Wastewater Treatment Plant, City of Claremont and Town of Hildebran operations maintenance contracts, and the Town of Maiden's buy in to the City's Water Plant.

- ***Sales and Services*** – Initial tap fees and user fees charged for the provision of water and sewer service.
- ***Investment Earnings*** – Interest earned on the investment of the fund's idle cash balance.
- ***Miscellaneous*** – Plant capacity fees charged with water or sewer taps and any unanticipated revenues.
- ***Other Financing Sources*** – Proceeds from the issuance of bonds, installment purchase contracts, or lease purchase agreements, transfers from capital project funds, or fund balance appropriated.

Water and Sewer Fund Expenditures

- ***Environmental Protection*** – Expenditures for Administration, Collection Division, the Henry Fork Wastewater Treatment Plant, the Northeast Wastewater Treatment Plant, the Hickory-
Catawba Wastewater Treatment Plant, the Water Treatment Plant, the Lab Division, and the Distribution Division of the Public Services Department, and special appropriations.
- ***Other Financing Uses*** – Money transferred to other funds to subsidize and/or finance activity required to be accounted for in another fund.
- ***Debt Service*** – Expenditures for the required repayment of debt principal and interest incurred for the construction of large capital projects or major capital purchases.
- ***Contingency*** – Budgetary reserve set aside for emergencies or unforeseen expenditures.

Stormwater Fund Revenues

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

Stormwater Fund Expenditures

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

Biosolids Fund Revenues

- ***Restricted Intergovernmental*** – Intergovernmental funding for operational expenses from the City of Hickory for 90% and the City of Conover for 10%.

Biosolids Fund Expenditures

- ***Environmental Protection*** – Expenditures for personnel, operating, and capital to operate the new Biosolids facility at the Henry Fork Wastewater plant.

Airport Fund Revenues

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

Airport Fund Expenditures

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

Solid Waste Fund Revenues

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

Solid Waste Fund Expenditures

- ***Environmental Protection*** – Expenditures for Recycling Services, Residential Sanitation, Commercial Bulk Services, contracted services with Republic, and Catawba County landfill tipping fees.

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

INTERNAL SERVICE FUNDS

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

Fleet Maintenance Fund Revenues

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

Fleet Maintenance Fund Expenditures

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

Insurance Fund Revenues

- ***Sales and Services*** – Charges for health, dental, workers compensation, property, casualty, and liability insurance. These revenues are derived from charges to individual departments.

- ***Investment Earnings*** – Interest earned on the investment of the fund's idle cash balance.

- ***Other Financing Sources*** – Support from Fund Balance allocation.

Insurance Fund Expenditures

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

Capital Reserve Fund Revenues

- ***Other Financing Sources*** – Transfer from the General Fund and Water & Sewer Fund for future capital projects or purchases, and an appropriation from the Capital Reserve Fund Balance towards capital expenditures during the current fiscal year.

Capital Reserve Fund Expenditures

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

Water and Sewer Capital Reserve Fund Revenues

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

Water and Sewer Capital Reserve Fund Expenditures

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

Consolidated Budget Summary

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

The discussion 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 FY2026-2027 is what we project to receive by the end of FY2026-2027. This conservative approach to budgeting helps ensure that budget projections are met, helps to guard against unanticipated economic downturns and, in most years, allows us to place funds into Fund Balance at year end. City Management believes that budgeting unrealized increases in revenues for an upcoming fiscal year, especially with major sources of revenue, is risky at best and could be counter-productive in the end.

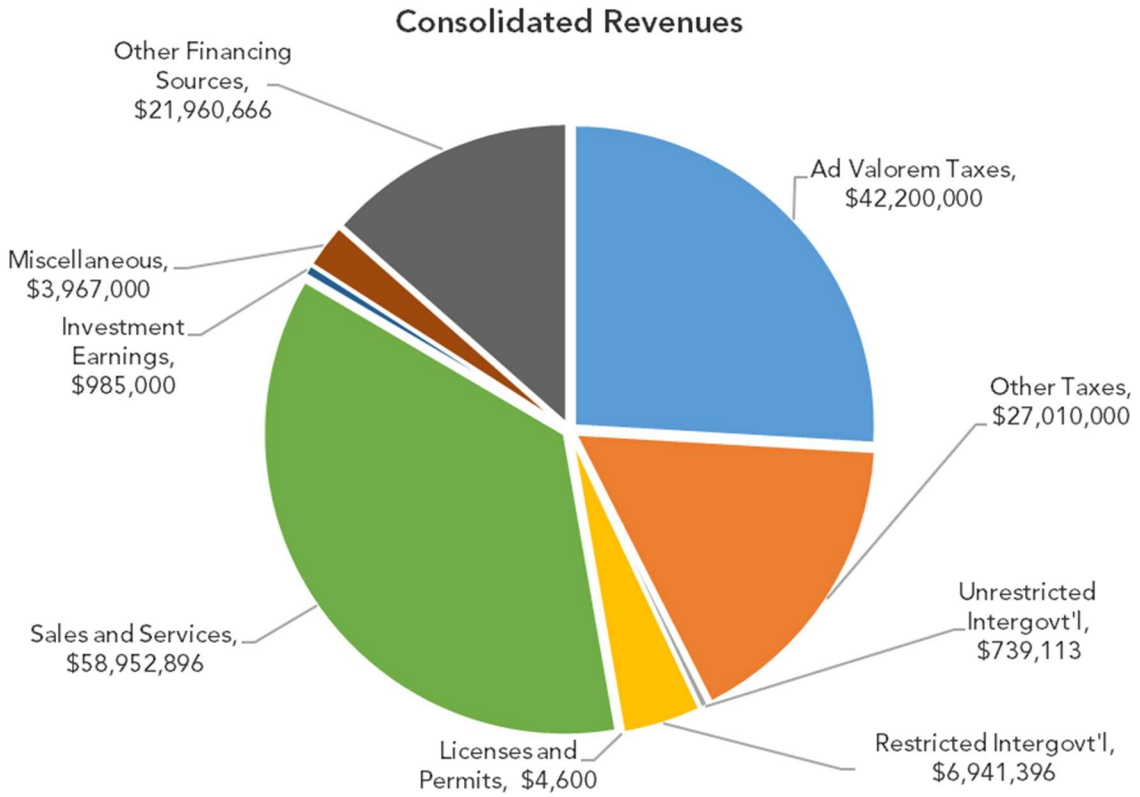
REVENUES	***FORECAST RATIONALE***
AD VALOREM TAXES	
Ad Valorem Taxes	The City contracts with Catawba, Burke, and Caldwell County to assess and collect City property taxes in each of those counties. By the beginning of FY2026-2027, Hickory's assessed property value is projected at $9,165,000,000. The General Fund's property tax rate is $0.46 per one hundred dollars ($100) valuation of property with an estimated collection rate of 99.15%. The total Ad Valorem Tax category of revenues is budgeted at $42,200,000 for FY2026-2027. The Ad Valorem category of revenue includes: current year's collections, prior year's collections, penalties and interest, and refunds.
OTHER TAXES	
Sales Tax	The State collects and distributes the proceeds from the locally levied tax on retail sales. The Article 39 original one-cent local option sales tax is distributed on a point-of-sale basis. Article 40, a one-half of one percent rate, and Article 42, also a one-half of one percent rate, are revenue placed in a statewide pool and then distributed statewide on a per capita basis.

Utility Franchise Tax	The City shares in the sales tax levied by the State on piped natural gas and electricity sales. This tax is collected by the State and then distributed quarterly through a predetermined formula to North Carolina municipalities. This revenue is highly sensitive to the weather. Cool summers and mild winters can lead to a year with little or no growth in 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.
Telecommunications Tax	This tax was previously a part of the Utility Franchise Tax, but was broken out as a separate tax received from the State of North Carolina in FY2003-2004. The Telecommunications Tax is levied by the State on all telephone service. Each city's share of this is tax based on the actual receipts from telephone and cable television service within their municipal boundaries during the fiscal year.
UNRESTRICTED INTERGOVERNMENTAL REVENUES	
Beer and Wine Tax	Cities share in the sales tax revenue from the sale of both beer and wine, based on population.
Traffic Control Revenue	The City of Hickory, through a cooperative agreement, maintains the NCDOT's traffic control systems located within the city limits of Hickory. The City receives annual reimbursements for this service from the NCDOT through the form of Traffic Control Revenue. This revenue may vary from year to year depending upon annual maintenance schedules and scheduled projects, and is projected based on what the City's Traffic Division anticipates.
RESTRICTED INTERGOVERNMENTAL REVENUES	
Powell Bill	Gasoline sales taxes are shared by the State with its municipalities through a legislative act known as the Powell Bill. Revenue distribution projections to local governments are based on a formula that combines both "per capita" and "per mile" values.

Biosolids Revenue	These revenues are based on the percentage of participation to operate the Biosolids Facility. The percentage of participation is: City of Hickory - 90% and City of Conover – 10%. Variable costs of operations are charged by percentage of use by each local government.
LICENSES AND PERMITS	Privilege Licenses were previously a significant source of revenue for the City but were repealed in FY2015-2016.
SALES AND SERVICES	
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 10% increase in volume charges with the FY2026-2027 Annual Budget over the FY2025-2026 rates. This increase will help to keep the Water and Sewer Fund 100% self-supporting.
Water and Sewer Taps	The City charges fees to customers for connecting to the City's water or sewer system. The FY2026-2027 tap fee revenue is projected to increase due to increasing infrastructure and housing in the City compared to the FY2025-2026 budgeted amount.
INVESTMENT EARNINGS	
Investment Earnings	Investment earnings are conservatively projected on the basis of average available cash balances at an anticipated average rate of return of 2%.
FUND BALANCE/ RETAINED EARNINGS	
Fund Balance Appropriated	Fund Balance/Retained Earnings appropriated generally does not exceed an amount that management can reasonably expect to save during the year.

Consolidated Budget Summary

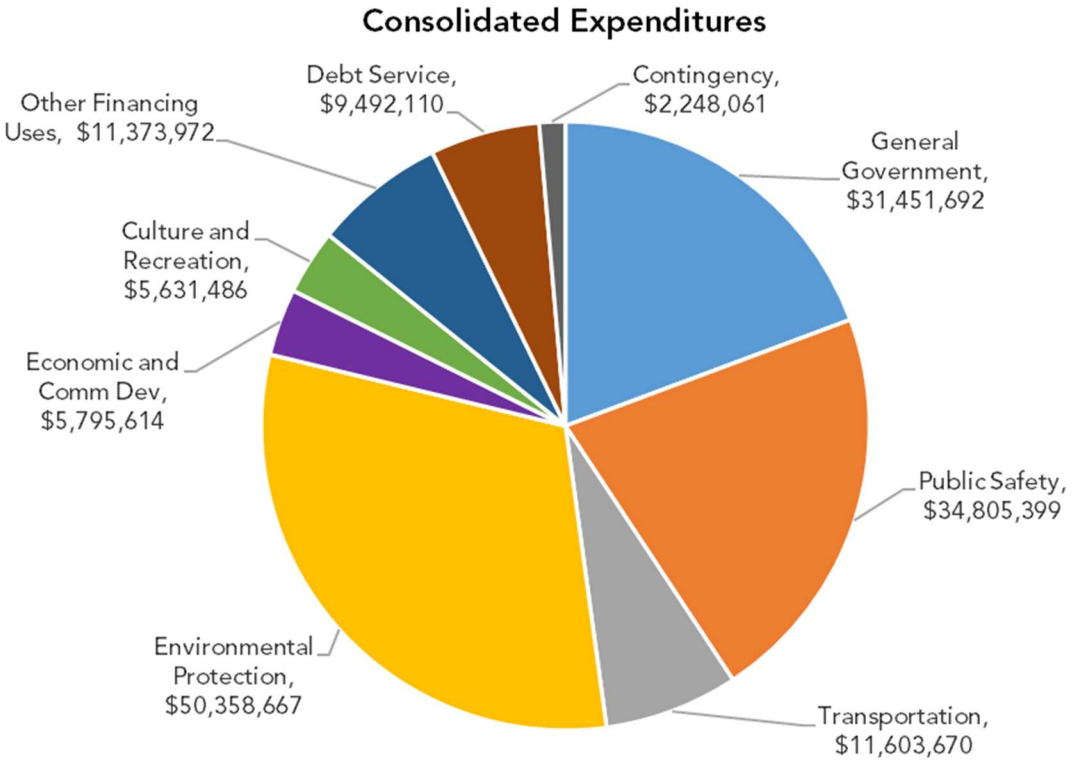
This consolidated revenue graph and table contain all funds, including the internal service funds (Fleet Maintenance and Insurance) and the Capital Reserve Fund. Insurance and fleet costs are budgeted in each of the departments/divisions to better capture the actual cost to provide services. The Fleet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



Consolidated Revenues	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Ad Valorem Taxes	39,886,716	40,775,000	42,200,000	3.5%
Other Taxes	26,928,067	25,660,000	27,010,000	5.3%
Unrestricted Intergovernmental	667,926	735,061	739,113	0.6%
Restricted Intergovernmental	10,431,251	6,701,207	6,941,396	3.6%
Licenses and Permits	5,235	4,600	4,600	0.0%
Sales and Services	58,311,469	55,118,046	58,952,896	7.0%
Investment Earnings	4,222,638	945,000	985,000	4.2%
Miscellaneous	5,751,321	2,037,000	3,967,000	94.7%
Other Financing Sources	15,511,658	27,099,919	21,960,666	-19.0%
Revenue Total	161,716,281	159,075,833	162,760,671	2.3%
Per Capita	3,641.03	3,501.64	3,555.51	

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.

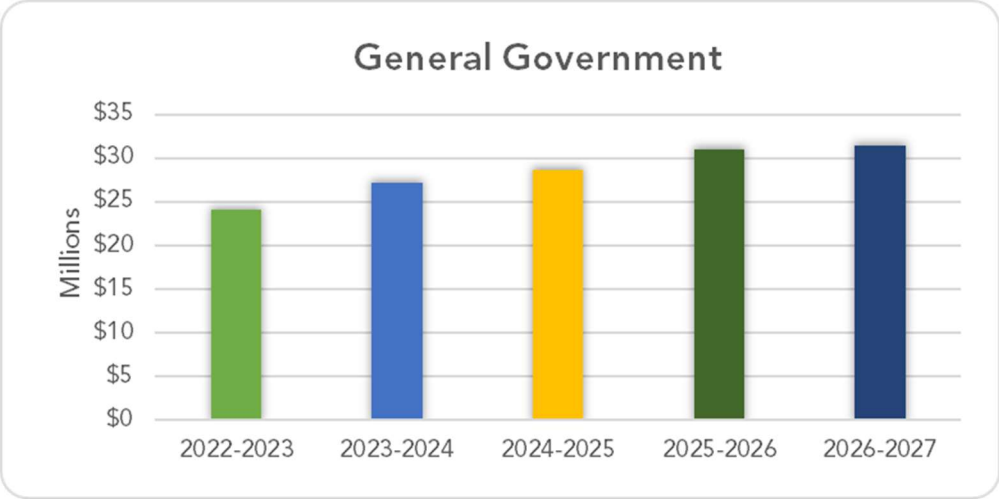


Consolidated Expenditures	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Government	25,866,677	31,031,266	31,451,692	1.4%
Public Safety	32,871,928	33,178,290	34,805,399	4.9%
Transportation	12,357,037	9,566,878	11,603,670	21.3%
Environmental Protection	46,146,721	48,067,228	50,358,667	4.8%
Economic and Community Develop.	5,549,999	5,981,775	5,795,614	-3.1%
Culture and Recreation	5,655,556	5,127,124	5,631,486	9.8%
Other Financing Uses	16,481,006	14,338,288	11,373,972	-20.7%
Debt Service	6,937,296	9,565,389	9,492,110	-0.8%
Contingency	-	2,219,595	2,248,061	1.3%
Expenditure Total	151,866,220	159,075,833	162,760,671	2.3%

Functional Expenditure Trend Summary

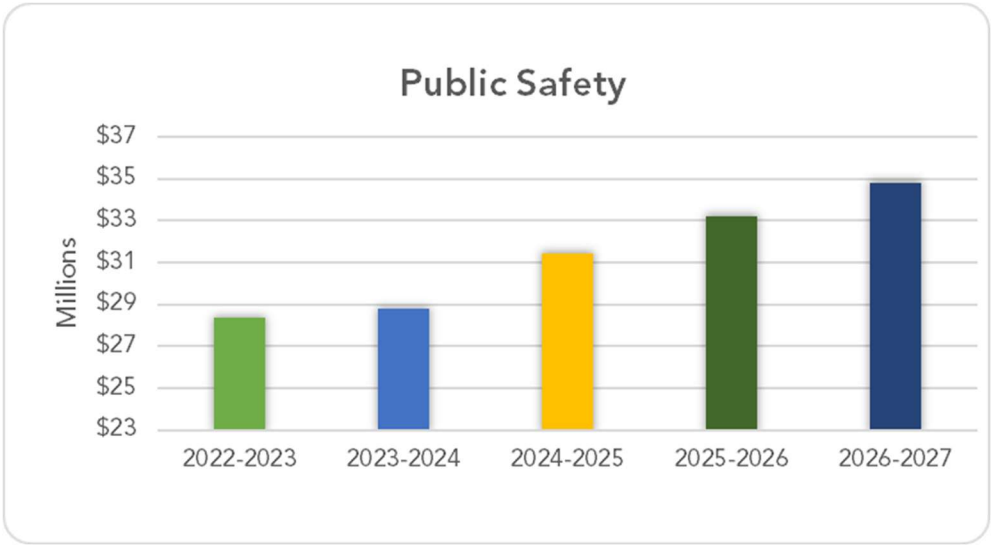
While the City of Hickory's budget consists of approximately 45 individual departments and divisions, each conducts the business of City government as a part of a functional area. For example, the Police Department is part of the functional area known as Public Safety, as is the Fire Department. Both 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 FY2022-2023 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.



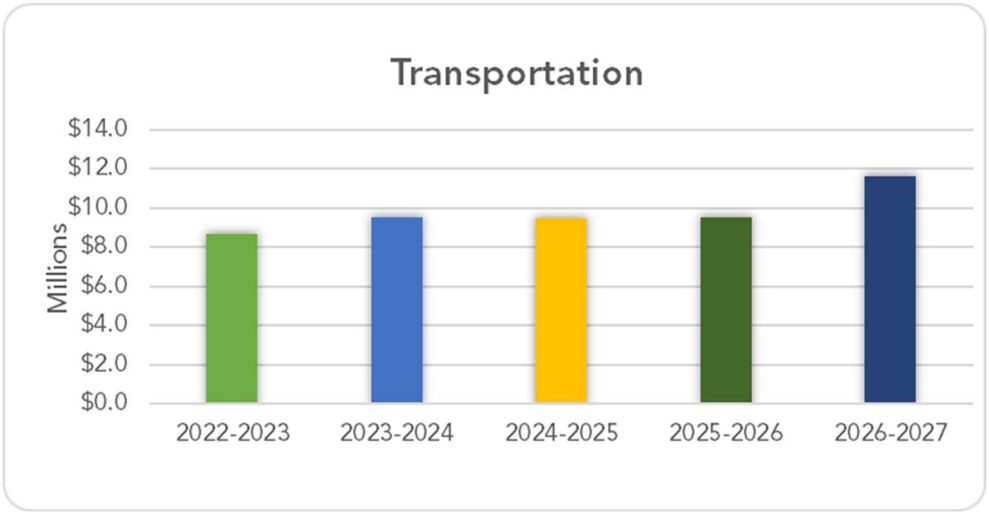
General Government	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	24,095,936	27,146,041	28,561,656	31,031,266	31,451,692
Dollar Change	872,468	3,050,105	1,415,615	2,469,610	420,426
Percent Change	3.8%	12.7%	5.2%	8.6%	1.4%

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



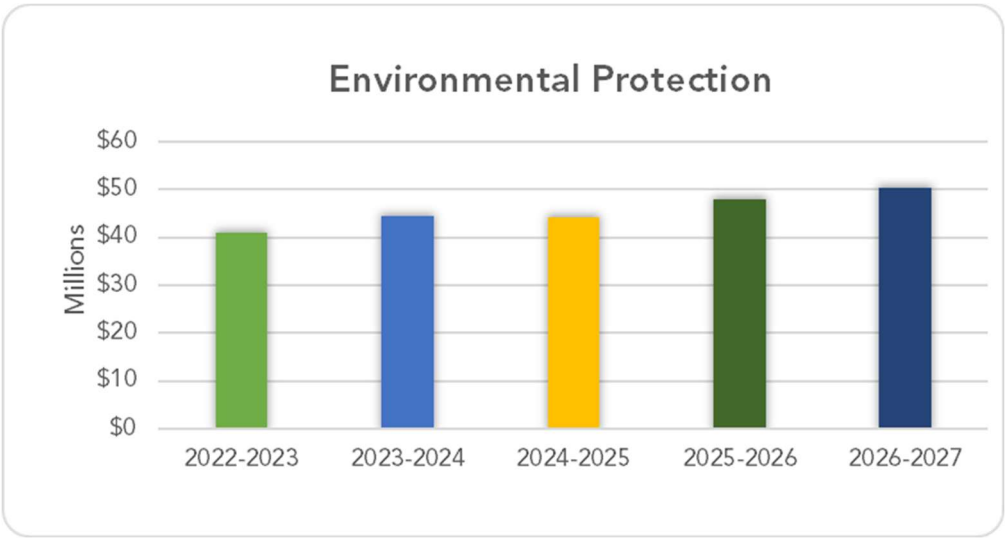
Public Safety	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	28,390,638	28,781,439	31,456,251	33,178,290	34,805,399
Dollar Change	2,212,762	390,801	2,674,812	1,722,039	1,627,109
Percent Change	8.5%	1.4%	9.3%	5.5%	4.9%

Departments/Divisions: Police, Fire, and Volunteer Fire Departments



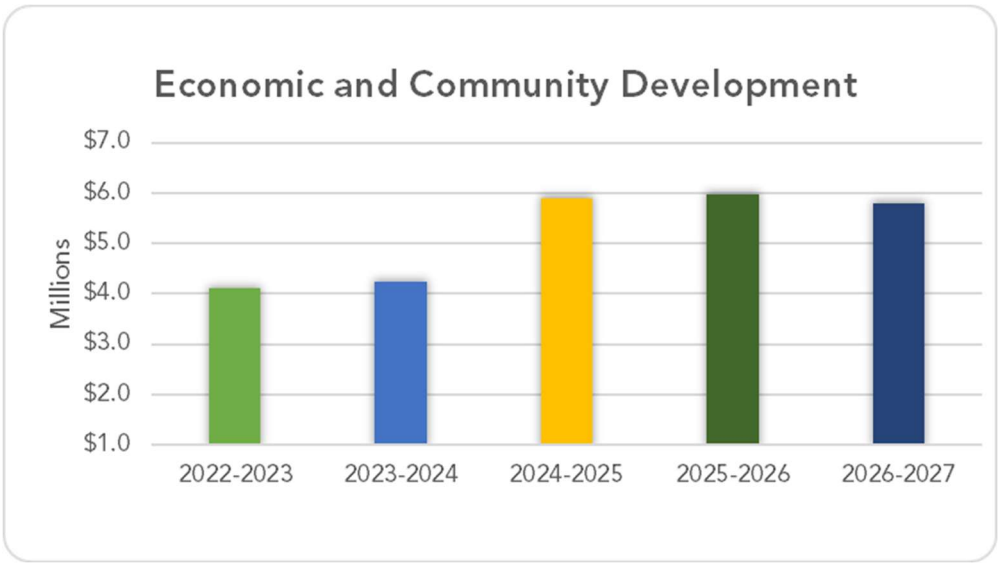
Transportation	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	8,675,092	9,514,571	9,452,176	9,566,878	11,603,670
Dollar Change	42,020	839,479	(62,395)	114,702	2,036,792
Percent Change	0.5%	9.7%	-0.7%	1.2%	21.3%

Departments/Divisions: Airport, FBO, Street, and Traffic



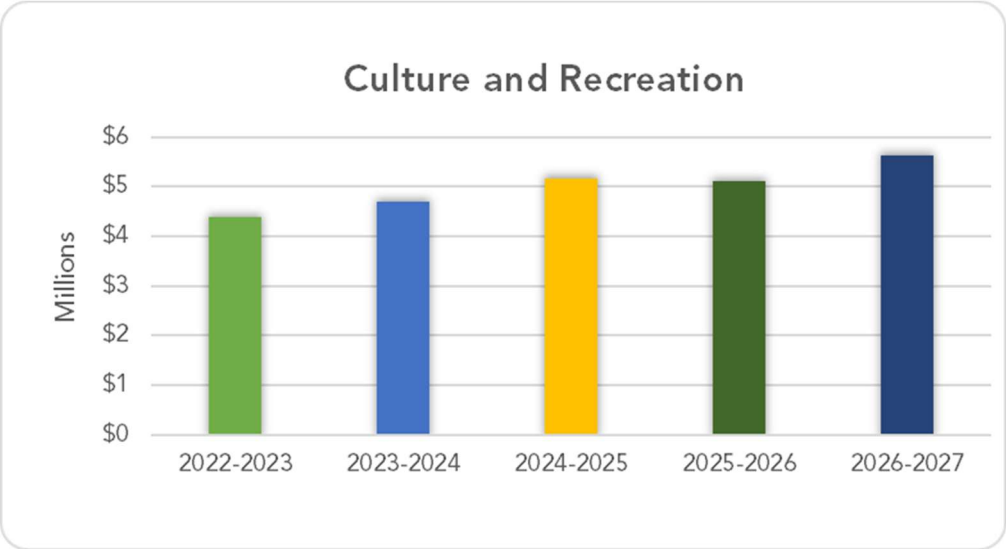
Environmental Protection	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	40,983,833	44,396,234	44,227,060	48,067,228	50,358,667
Dollar Change	5,645,967	3,412,401	(169,174)	3,840,168	2,291,439
Percent Change	16.0%	8.3%	-0.4%	8.7%	4.8%

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



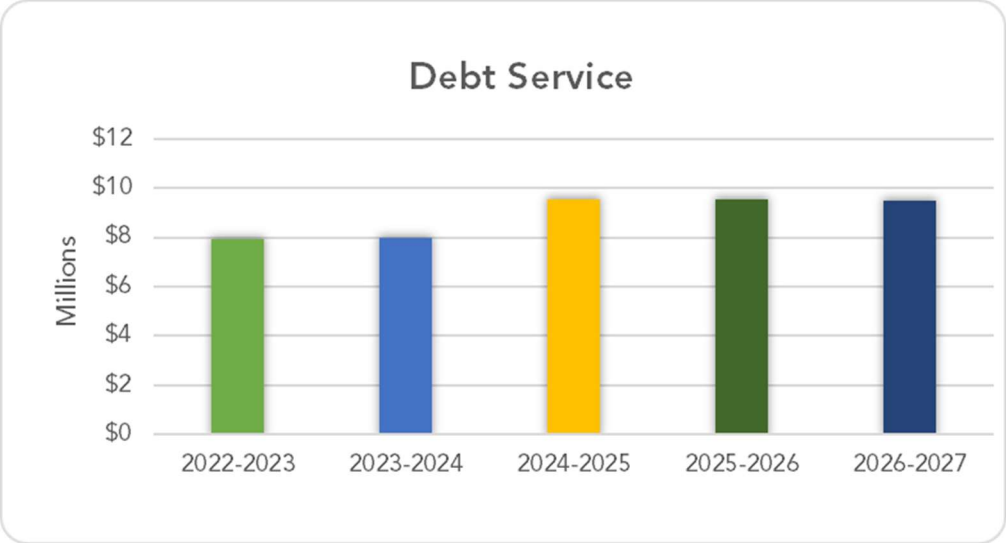
Economic/Community Dev.	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	4,115,737	4,248,780	5,906,440	5,981,775	5,795,614
Dollar Change	1,416,930	133,043	1,657,660	75,335	(186,161)
Percent Change	52.5%	3.2%	39.0%	1.3%	-3.1%

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



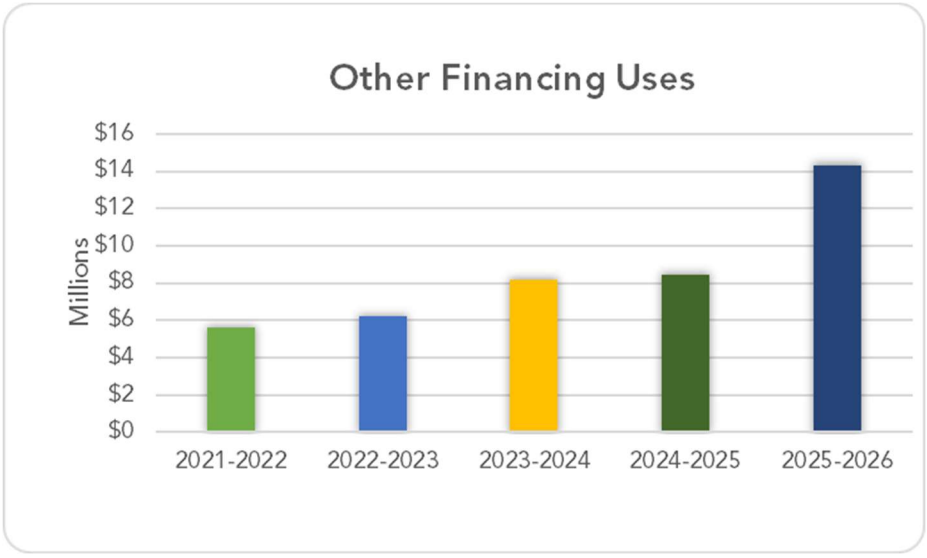
Culture and Recreation	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	4,400,488	4,696,388	5,158,242	5,127,124	5,631,486
Dollar Change	(47,744)	295,900	461,854	(31,118)	504,362
Percent Change	-1.1%	6.7%	9.8%	-0.6%	9.8%

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

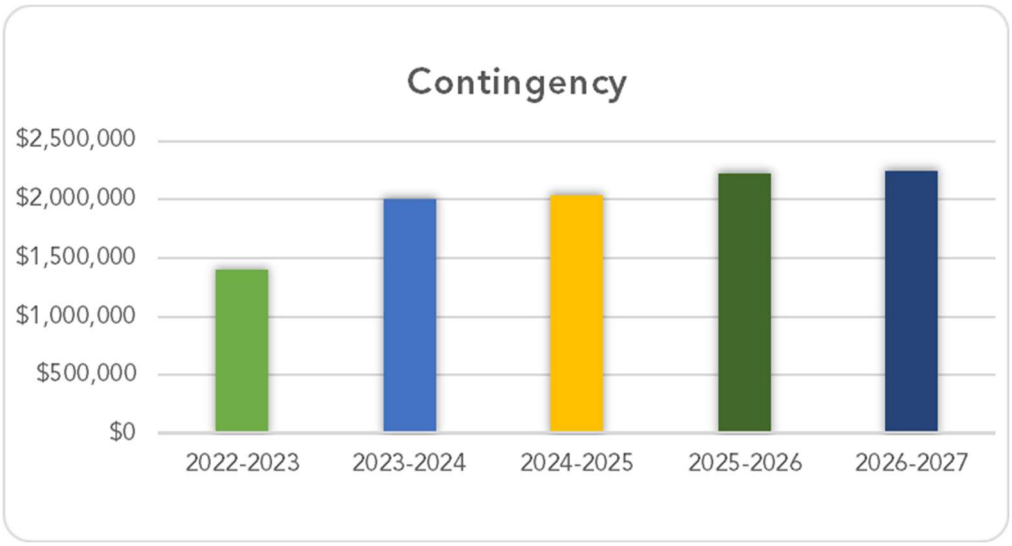


Debt Service	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	7,925,602	7,971,186	9,551,909	9,565,389	9,492,110
Dollar Change	(863,769)	45,584	1,580,723	13,480	(73,279)
Percent Change	-9.8%	0.6%	19.8%	0.1%	-0.8%

Funds with Debt: General Fund, Water and Sewer Fund



Other Financing Uses	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	6,218,842	8,160,088	8,442,920	14,338,288	11,373,972
Dollar Change	590,701	1,941,246	282,832	5,895,368	(2,964,316)
Percent Change	10.5%	31.2%	3.5%	69.8%	-20.7%



Contingency	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
Total Budgeted Amount	1,400,000	2,000,000	2,037,291	2,219,595	2,248,061
Dollar Change	470,000	600,000	37,291	182,304	28,466
Percent Change	50.5%	42.9%	1.9%	8.9%	1.3%

Funds with Contingency: General Fund, Water and Sewer Fund, Airport, Solid Waste, and Biosolids Facility

Consolidated Fund Balance Discussion

In all City funds at the close of 2024-2025, there was a total of $91,930,720 in fund balance/unrestricted net position. The Local Government Commission recommends the minimum level of General Fund Balance available for appropriation at 8% of prior years' expenditures. The Hickory City Council has a financial policy striving to maintain a fund balance of 25% of its general operating budget. The reason for this policy is to avoid cash flow interruptions, to generate investment income, to eliminate the need for short-term borrowing, and to have a reserve available in case of sudden emergencies or opportunities.

Going into FY2026-2027, the City continues to strategically utilize its General Fund Balance to fund various projects and opportunities related to our community's economic growth and development. Along with the ongoing implementation of the Bond Projects, the City has witnessed considerable economic progress over the recent years. A positive result of this has been a steady increase in the City's available General Fund Balance, and we continue to meet and exceed our minimum policy of 25% Unassigned General Fund Balance. The *estimated* Unassigned General Fund Balance as of June 30, 2025, is expected to be approximately 36% of the General Fund budgeted amount as we enter FY2026-2027. For the upcoming Fiscal Year, the City continues to strike an important balance between the need for emergency reserves plus the regular use of Fund Balance for its ongoing operating and capital needs.

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

Fund Balance / Unrestricted Net Position	2021-2022 Actual	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
General Fund-Unassigned FB	15,261,159	24,225,924	35,921,236	37,392,582	30,445,288
Capital Reserve Fund-Committed FB	7,934,945	9,492,329	12,526,424	14,538,610	14,698,726
Water and Sewer-Unrestricted Net Position	31,698,044	23,275,544	27,346,535	1,043,891	1,064,694
Biosolids-Unrestricted Net Position	1,194,162	1,333,006	1,909,236	35,861,916	38,301,634
Stormwater-Unrestricted Net Position	593,430	635,934	697,031	1,889,496	871,186
Solid Waste-Unrestricted Net Position	241,465	914,685	1,430,408	823,103	985,388
Fleet Maint.-Unrestricted Net Position	(2,330,168)	(2,493,544)	(2,995,523)	1,072,280	1,664,400
Airport-Unrestricted Net Position	103,841	1,623,666	(23,180)	(3,559,640)	(1,812,695)
Insurance-Unrestricted Net Position	4,559,809	3,623,464	2,815,244	834,888	(1,187,507)
W&S Capital Reserve Fund - Committed FB	1,137,465	1,010,365	1,010,365	2,033,594	568,992
Fund Totals	60,394,152	63,641,373	80,637,776	91,930,720	85,600,107

Staffing Analysis 2026-27

The City has 717 full-time positions for the FY26-27 budget.

- The Public Works department added the following positions: a Maintenance Technician position in Parks and Public Properties and a Maintenance Tech II position in Building Services.
- The Information Technology Department added a Senior Systems Analyst position.
- The Police Department added a Digital Forensics Analyst position.
- The Library Department added a Library Technician position
- The Fire Department added a Firefighter position.
- The following positions were eliminated: Public Works Director, Land Surveyor, and a Crew Leader in the Meter Shop.

The City has continued to see a decrease in vacancies overall. Maintenance Technicians, Equipment Operators, Firefighters, and Police Officers are the positions that experience the highest turnover. The Fire Academy is still utilized to train entry-level Firefighters, and the Police Apprenticeship program continues to help introduce prospective students to a career in law enforcement. The City is also utilizing an in-house CDL training program to fill Equipment Operator positions.

To help enhance our applicant and employee engagement initiative, the City is addressing the following areas:

- Recruitment/Onboarding – The City will be rolling out an online platform to help streamline communication with applicants through the onboarding process.
- Employee Wellness – The City is continuing to look for opportunities to develop the City's Health Clinic by expanding services for employees and their families.
- Benefits – The City has rolled out a new strategic plan to help control health insurance costs, along with a new model for employee premiums. All employees on the City's health insurance plan will now pay a premium for health insurance.

<u>Other Departmental Changes:</u>

City Manager's Office: Assistant City Manager, Rick Beasley, retired in February 2026. Steve Miller was promoted from Public Works Director to Assistant City Manager. Steve will oversee Public Services, Planning, and Business Development.

Information Technology: Darin Kiracofe was named the Information Technology Director in June 2025.

Police: Bryan Adams was named Chief of Police in July 2025.

Public Works: Caroline Kone was promoted to Assistant Public Works Director – City Engineer in March 2026.

Staffing Analysis Chart 2026-2027

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Actual 2021-2022	Actual 2022-2023	Actual 2023-2024	Actual 2024-2025	Actual 2025-2026	Budgeted 2026-2027
Administration - City Manager's Office	6	6	6	6	6	6	6	7	8
Neighborhoods									
Communications	3	3	3	4	4	4	4	4	4
Budget	1	1	1	1	1	1	1	1	1
Bond Project Manager	1	1	1	0	0	0	0	0	0
Human Resources	6	6	6	6	6	7	7	6	6
Risk	2	2	2	2	2	1	1	2	2
City Clerk	1	1	1	1	1	1	1	1	1
Engineering	6	6	6	6	6	6	6	6	5
Finance	18	18	18	18	18	18	18	18	18
Legal	2	2	2	2	2	2	2	1	0
Public Services									
Building Services	6	6	10	10	10	10	10	11	12
Landscape Services	17	17	36	36	41	41	43	43	44
Central Services	7	7	7	7	7	7	7	7	7
Fleet Maintenance	12	12	12	12	12	12	12	12	12
Information Technology	8	9	9	9	9	9	9	11	12
Public Safety									
Fire	135	137	138	139	139	139	139	140	141
Police	152	152	157	157	157	158	158	156	157
Transportation									
Airport	10	10	10	12	13	13	14	15	14
Public Services									
Streets	43	43	43	43	37	37	37	37	37
Traffic	11	11	11	11	11	11	11	11	11
Environmental Protection									
Public Services									
Sanitation - Commercial	11	11	11	11	11	11	11	11	11
Sanitation - Residential	12	12	12	12	12	12	13	14	14
Stormwater	1	1	1	1	1	1	1	1	1
Biosolids	-	-	-	-	-	-	-	6	6
Public Utilities Administration	11	11	12	13	15	17	18	18	18
Henry Fork Plant	10	10	10	10	10	10	10	9	9
Northeast Plant	11	11	11	11	11	11	11	11	11
Pretreatment and Labs	7	7	7	7	7	8	8	7	6
Collection System (Pump Stations)	16	16	16	16	16	16	16	23	23
Distribution System (Construction)	33	33	33	33	33	33	34	42	42
Water Plant	12	12	12	12	12	12	12	13	14
Claremont	2	2	2	2	2	2	2	1	1
Catawba	3	3	3	3	3	3	3	3	3
Recycling	13	13	13	13	13	13	13	13	13
Economic and Community Development									
Planning	10	10	10	10	11	12	12	7	7
Business Development	-	-	-	-	-	-	-	4	4
Culture and Recreation									
Library	17	17	17	18	19	19	20	23	23
Parks and Recreation	18	19	19	19	19	19	19	19	19
Maintenance	24	23	0	0	0	0	0	0	0
Total	**658**	**661**	**668**	**673**	**677**	**682**	**689**	**714**	**717**

About City Services

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

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

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

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

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

FIRE (mhutchinson@hickorync.gov)
Fire Station 1 located at 19 2nd Street NE is headquarters for Fire Administration. The Fire Chief's office is located at the headquarters station. Fire Education and Fire Prevention offices are located on the second floor of the Julian G. Whitener Municipal Building. The City of Hickory Fire Department operates out of six community-based locations along with one aircraft fire rescue station located at the Hickory Regional Airport. All fire stations are staffed with full

time personnel working a twenty-four shift schedule. The Hickory Fire Prevention Bureau can assist with information on fire code, plan reviews and fire code inspections for all types of occupancy classification. Fire Prevention issues permits for installation of fire alarms, sprinkler systems, other related fire protection systems, storage tank installation and removal, including special events.

HUMAN RESOURCES (mfriar@hickorync.gov)

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

- ***Risk Management*** *(agardner@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 (dkiracofe@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.

LIBRARY (sgreene@hickorync.gov)

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

OFFICE OF BUSINESS DEVELOPMENT

- ***Community Development / Housing Division*** *(dleonetti@hickorync.gov)*
  The Community Development Division is located within the Planning and Development Department on the second floor of the Julian G. Whitener Municipal Building. The Community Development Staff is available to answer questions concerning housing rehabilitation funds, low- income housing, home ownership/down payment assistance, fair housing and Community Development Block Grants (CDBG) for improvement projects in lower income neighborhoods.
- ***Economic Development Division*** *(bfrazier@hickorync.gov)*
  The Economic Development Division is located within the Planning and Development Department on the second floor of the Julian G. Whitener Municipal Building. Marketing the City of Hickory to interested developers outside the area is a key economic development function of this division. The Economic Development Staff is available to

answer questions concerning assistance in location of new or expanded commercial and industrial businesses within the City of Hickory.

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

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

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

PERMIT ASSISTANCE CENTER (bfrazier@hickorync.gov)

The Permit Assistance Center, a subdivision of the Planning and Development Division within the Office of Business Development, is located on the second floor of City Hall and provides guidance and assistance to property owners and developers in obtaining development approvals for residential and commercial projects. The PAC also coordinates approval of permits for Special Events throughout the City.

POLICE (badams@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 (ckoneone@hickorync.gov)

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

- *Central Services (wberry@hickorync.gov)* - This division provides office support to all divisions within Public Services. Customer inquiries, complaints, and service requests regarding Public Services divisions are fielded by this division and forwarded to the proper individuals for prompt response.

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

About City Services

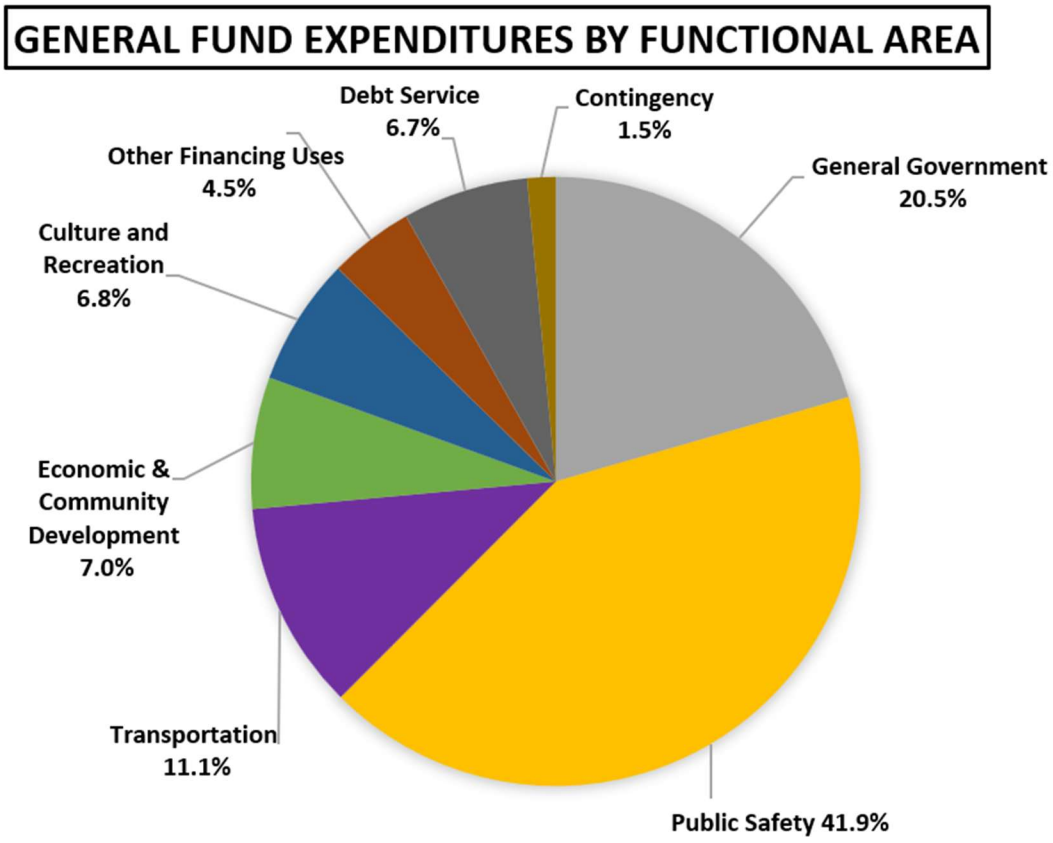
The following is a telephone listing of City services. To get answers to specific questions, you can call the number directly.

ACTION CENTER/CUSTOMER SERVICE 323-7400
ADDRESS ASSIGNMENT 323-7422
AIRPORT 323-7408
ANIMAL CONTROL 324-2060
BILL INQUIRIES 323-7424
BILLING AND COLLECTIONS 323-7424
BROKEN WATER OR SEWER LINES 323-7427
BUDGET 261-2200
BUILDING CODE REQUIREMENTS 465-8399
BUILDING PERMITS 465-8399
BURNING PERMITS 323-7420
BUS SYSTEM – Greenway public transportation 464-9444
BUSINESS LICENSES 323-7424
CEMETERY OFFICE 323-7500
CITY CLERK 323-7409
CITY MANAGER 323-7412
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM 323-7414
CURB AND GUTTER PETITIONS 323-7416
CURB CUTS 323-7500
DEVELOPMENT ASSISTANCE CENTER 323-7410
DOWNPAYMENT ASSISTANCE PROGRAM 323-7414
DRIVEWAY PERMITS 323-7416
ECONOMIC DEVELOPMENT 323-7422
FENCING REQUIREMENTS 323-7410
FINANCE 323-7417
FIRE DEPARTMENT - NON-EMERGENCY CALLS FOR SERVICE 323-7420
- EMERGENCY 911
- LIFE SAFETY EDUCATION 323-7521
- PREVENTION 323-7522
- PUBLIC INFORMATION 323-7521
- TRAINING DIVISION 323-7505
GARBAGE, TRASH, RECYCLING COLLECTION 323-7500
GENERAL CITY INFORMATION 323-7400
GEOGRAPHIC INFORMATION SYSTEM (GIS) 261-2215
HISTORIC PROPERTIES 323-7422
HOUSING REHABILITATION LOANS 323-7414
HUMAN RESOURCES 323-7421
JUNK CARS 261-2649
LANDFILL - CATAWBA COUNTY 704-462-1348
LIBRARY – PATRICK BEAVER MEMORIAL LIBRARY 304-0500
RIDGEVIEW PUBLIC LIBRARY 345-6037

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

General Fund

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



General Fund

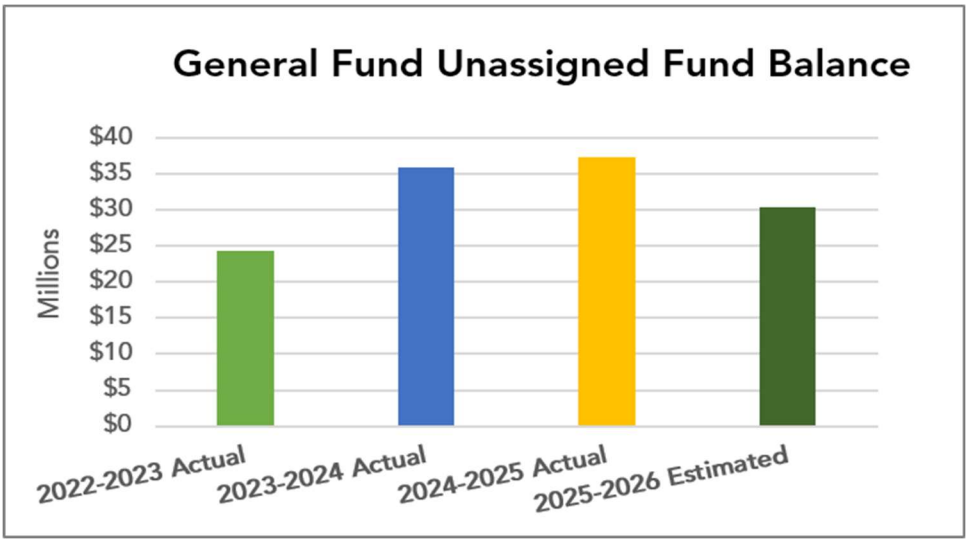
General Fund Revenue by Category	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Ad Valorem Taxes	39,886,716	40,775,000	42,200,000	3.5%
Other Taxes	26,928,067	25,630,000	26,980,000	5.3%
Unrestricted Intergovernmental	667,926	735,061	739,113	0.6%
Restricted Intergovernmental	3,508,156	3,050,784	3,061,379	0.3%
Licenses and Permits	5,235	4,600	4,600	0.0%
Sales and Services	2,600,194	2,559,830	2,569,260	0.4%
Investment Earnings	1,965,226	750,000	750,000	0.0%
Miscellaneous	1,026,441	415,000	545,000	31.3%
Other Financing Sources	6,924,049	4,957,252	6,229,329	25.7%
Revenue Total	**83,512,010**	**78,877,527**	**83,078,681**	**5.3%**
Per Capita	**1,916.38**	**1,811.94**	**1,835.06**	**1.3%**

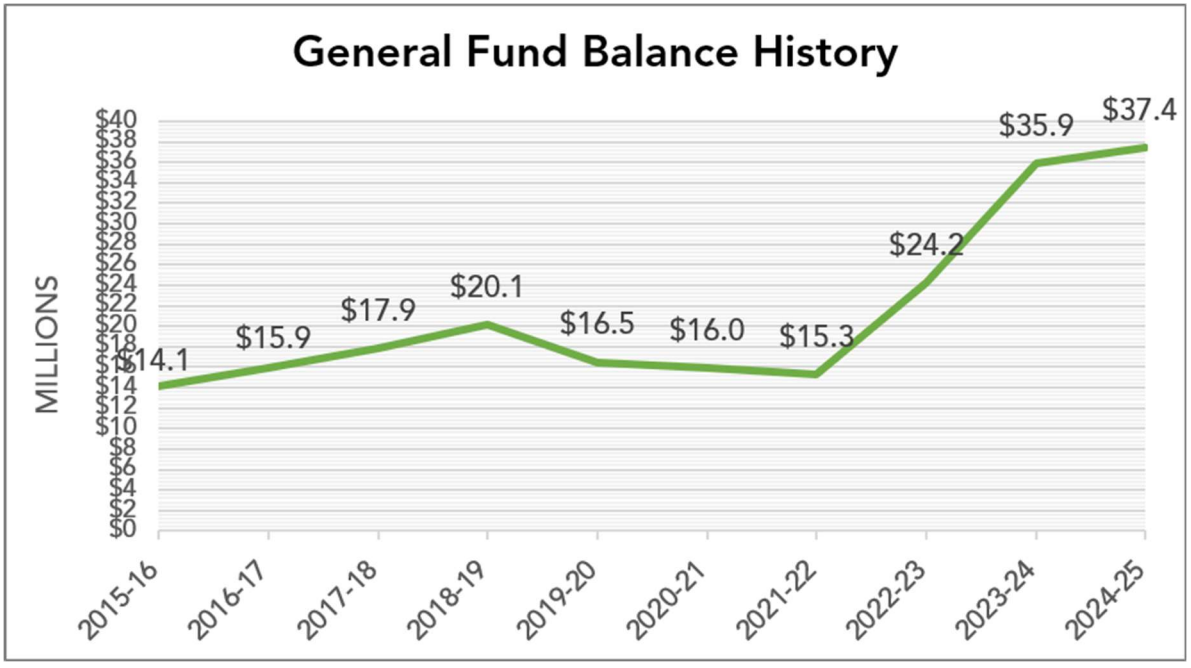
Expenditure by Category	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	43,180,351	47,106,303	48,017,022	1.9%
Operations	17,669,480	18,721,659	21,645,869	15.6%
Capital	6,425,941	4,693,414	5,292,105	12.8%
Contingency	1,350,000	1,350,000	1,350,000	0.0%
Board / Agency Funding	1,088,893	2,083,666	1,975,983	-5.2%
Debt Service	6,638,363	5,634,049	5,540,863	-1.7%
Interfund Transfers	5,038,940	3,194,233	3,195,130	0.0%
Pro Rata Reimbursement	(3,829,065)	(3,905,797)	(3,938,291)	0.8%
Expenditure Total	**77,562,903**	**78,877,527**	**83,078,681**	**5.3%**
Per Capita	**1,779.86**	**1,811.94**	**1,835.06**	**1.3%**

General Fund Balance

The unassigned General Fund Balance totaled $37,392,582 on June 30, 2025. Going into FY 2026-2027, the unassigned General Fund Balance is expected to be $30,445,288.

Unassigned Fund Balance	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
General Fund	24,225,924	35,921,236	37,392,582	30,445,288
Dollar Change	(695,880)	11,695,312	1,471,346	(6,947,294)
Percent Change	-3.3%	48.3%	4.1%	-18.6%





Hickory City Council

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

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Opened Hickory Trail segment (Aviation Walk) and began construction on the final segment (OLLE Art Walk)
- Expansion of Corning at the Trivium Corporate Center with a minimum investment of $170 million and at least 132 new jobs.
- Expansion of American Fuji Seal at the Trivium Corporate Center with an additional investment of up to $35 million and 20 new jobs.

2026/2027 Goals and Objectives

- ***Goal:*** Grow current and new economic development opportunities for the City.
  - ***Objectives:*** Market and promote product development and economic growth, and repurpose redevelopment with various programs and incentives.
- ***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	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of Public Hearings	156	152	158	150
# of City Council Meetings	23	23	23	24
Efficiency				
Unassigned Fund Balance as % of General Fund Budget	45%	50%	30%	25%
Effectiveness				
# of years with no increase in property tax	2	3	1	2

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.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	623,362	713,167	672,141	-5.8%
Operations	233,119	249,528	546,834	119.1%
Capital	-	-	-	0.0%
Pro Rata Reimbursement	(220,850)	(225,416)	(299,827)	33.0%
Expenditure Total	$ 635,631	$ 737,279	$ 919,148	24.7%
Per Capita	$ 14.59	$ 16.35	$ 20.39	24.7%

Revenues by Type	2024-2025 Budgeted	2025-2026 Budgeted	2025-2026 Actual	Percent Change
General Fund	635,631	737,279	919,148	24.7%
Revenue Total	$ 635,631	$ 737,279	$ 919,148	24.7%

Authorized Personnel	2024-2025 Budgeted	2025-2026 Budgeted	2025-2026 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 Warren Wood, City Manager, at 828.323.7412 or wwood@hickorync.gov

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Managed the implementation of the City Council's Priorities and Action Plan.
- Hickory Aviation Museum construction was completed, which is a regional partnership to attract tourism and increase workforce opportunities.
- Continued pursuit of mutually beneficial projects with the Hickory Metro local governments.

2026/2027 Goals and Objectives

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

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of Executive-level presentations in a fiscal year.	N/A	N/A	15	12
# of inquiries/concerns to the City Manager's Office per year	N/A	N/A	300	300
Efficiency				
Average response time to City Manager's Office inquiries	N/A	N/A	3 days	3 days
Effectiveness				
# of Grant Applications in a fiscal year.	N/A	N/A	17	15

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,559,016	1,328,882	1,702,331	28.1%
Operations	444,463	351,291	387,882	10.4%
Capital	3,049	10,000	10,000	0.0%
Pro Rata Reimbursement	(233,617)	(238,290)	(240,273)	0.8%
Expenditure Total	$ 1,772,911	$ 1,451,883	$ 1,859,940	28.1%
Per Capita	$ 40.68	$ 33.35	$ 41.26	23.7%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	1,772,911	1,451,883	1,859,940	28.1%
Revenue Total	$ 1,772,911	$ 1,451,883	$ 1,859,940	28.1%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	6	6	8	33.3%
Part Time	1	2	2	0.0%
Seasonal	1	3	2	-33.3%
Total	8	11	12	9.1%

Office of Communications

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

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Created, distributed, and marketed a new Crafting Hickory Magazine with bond project and partner information, as well as economic development updates.
- Continued public information to citizens about bond project updates, City development, and City services via increasing social media reach, event notifications, HickoryNC.gov website, and visually appealing videos and photos about Hickory.
- Marketed the HKYTrail.com site to promote the Hickory Trail system, provided updates on the projects, hosted an interactive trail map, and showcased the markers and things to do along the Trail.

2026/2027 Goals and Objectives

- ***Goal:*** Continue to bring awareness to the City of Hickory as a viable option for living, working, and visiting through MyHKY.com website and tour.
  - ***Objective:*** Increase the overall impressions to the site with marketing campaigns to external audiences who want to relocate for work or personally.
- ***Goal:*** Drive traffic to the City's social media channels and www.hickorync.gov to engage citizens and bring awareness to City projects and events.
  - ***Objective:*** Promote the City's social channels and website via creative content.
- ***Goal:*** Continue to support brand partnerships and events, like Sails Original Music Series, to bring awareness to Hickory and its quality of life for people interested in relocating and visiting.
  - ***Objective:*** Showcase Hickory's branding messages, partnerships, and hosted events on City websites and social channels.

Office of Communications

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work load				
# of Facebook "Followers" (annually)	23,755	27,869	33,079	38,040
# of HickoryNC.gov unique visitors (annually)	340,000	468,525	481,277	500,000
Efficiency				
% increase of "Facebook Followers" (annually)	16.5%	17.3%	18.7%	15%
# of pages viewed per user on HickoryNC.gov (annually)	3.30	5.26	5.30	5.50
Effectiveness				
# of people viewing the MyHKY.com	16,951	26,196	26,342	28,500

The Office of Communications 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 Office of Communications also heads the Brand initiative for the City of Hickory. In addition to coordinating the Neighborhood College, this office conducts special projects, assists all City departments and boards and commissions with their communication needs, and maintains the City's websites.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	394,846	388,587	413,529	6.4%
Operations	55,545	65,997	66,067	0.1%
Capital	-	6,000	8,000	33.3%
Pro Rata Reimbursement	(54,252)	(55,337)	(55,797)	0.8%
Expenditure Total	$ 396,139	$ 405,247	$ 431,799	6.6%
Per Capita	$ 9.09	$ 9.31	$ 9.58	2.9%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	396,139	405,247	431,799	6.6%
Revenue Total	$ 396,139	$ 405,247	$ 431,799	6.6%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	4	4	4	0.0%
Part Time/Seasonal	1	1	1	0.0%
Total	5	5	5	0.0%

Risk Management

Additional information about the Risk Management Division may be obtained by calling Mitch Friar at 828.323.7421 or Kim Deal at 828.323.7442 or kdeal@hickorync.gov

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Enhanced FAA Compliance initiatives resulting in a favorable review
- Continued enhancement and enforcement of Driving Policy resulting in fewer at fault accidents
- On target to implement revised audit process for various statement of values

2026/2027 Goals and Objectives

- ***Goal:*** Enhance effectiveness of Liability Insurance Processes
  - ***Objective:*** Complete audit of Inland Marine and Vehicle Statement of Values by the end of FY27
- ***Goal:*** Increase efficiency of Risk Division
  - ***Objective:*** Develop plan for implementation of an Enterprise Risk Model for the City of Hickory by end of FY27

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of recordable workers comp. claims	35	37	30	30
Efficiency				
# of safety trainings offered to City departments by Risk Division	57	71	75	75
Effectiveness				
Cost of workers comp. claims	$898,236.25	$801,793.48	$680,005	$680,000
# of worksite inspections and % of worksite inspections in full safety compliance	33/85%	45/87%	50/95%	50/97%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	143,146	164,403	186,261	13.3%
Operations	21,213	33,901	135,013	298.3%
Capital	-	-	50,000	100.0%
Pro Rata Reimbursement	(54,254)	(55,337)	(55,799)	0.8%
Expenditure Total	$ 110,105	$ 142,967	$ 315,475	120.7%
Per Capita	$ 2.53	$ 3.28	$ 7.00	113.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Miscellaneous	127,161	125,000	125,000	0.0%
General Fund	(17,056)	17,967	190,475	960.1%
Revenue Total	$ 110,105	$ 142,967	$ 315,475	120.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	2	2	2	0.0%
Part Time	1	1	1	0.0%
Seasonal	-	-	-	0.0%
Total	3	3	3	0.0%

Budget Office

Additional information about the Budget Office may be obtained by calling Matthew Dellinger MPA, Budget Analyst, at 828.261.2200 or pdellinger@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.

2025/2026 Accomplishments

- Earned the Government Finance Officers Association Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2025.
- Earned the Government Finance Officers Association Triple Crown Award for the fiscal year beginning July 1, 2025.
- Managed and submitted benchmarking data to the UNC School of Government's benchmarking program.
- Attended multiple engagement events to speak about the City of Hickory's budget processes and local government in general.

2026/2027 Goals and Objectives

- ***Goal:*** Earn the Government Finance Officers Association Distinguished Budget Award.
  - ***Objective:*** Create a budget book that meets all GFOA requirements and highlights the City of Hickory's financial policies, strategic objectives, and operations.
- ***Goal:*** Continued participation in the UNC Benchmarking project 2.0
  - ***Objective:*** Continue to support departmental data submission and drive performance measurement and management-based decision making.
- ***Goal:*** Assist the Finance Office in earning the Government Finance Officers Association's Triple Crown Award.
  - ***Objective:*** Help develop the Annual Comprehensive Financial Report and Popular Annual Financial Report to meet the standards of the GFOA's award criteria.
- ***Goal:*** Continue to engage in speaking and presentation opportunities.
  - ***Objective:*** Continue to educate students and young professionals on the budget process and highlight the City of Hickory's approach on budgeting.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of budget amendments batches processed	20	23	23	25
Efficiency				
% of Financial Reports issued within 7 working days of the end of the month	83%	87%	87%	90%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	3.8	3.8	4	4.5

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	63,323	78,239	84,463	8.0%
Operations	63,857	76,587	56,514	-26.2%
Capital	2,075	2,500	2,500	0.0%
Pro Rata Reimbursement	(80,697)	(82,312)	(82,996)	0.8%
Expenditure Total	$ 48,558	$ 75,014	$ 60,481	-19.4%
Per Capita	$ 1.11	$ 1.72	$ 1.34	-22.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	48,558	75,014	60,481	-19.4%
Revenue Total	$ 48,558	$ 75,014	$ 60,481	-19.4%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Seasonal	1	1	-	-100.0%
Total	2	2	1	-50.0%

Human Resources Department

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

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- On target to expand pharmacy services by the end of FY26
- On target to implement soft launch of Neogov new hire process and online onboarding process with small group of departments by end of FY26

2026/2027 Goals and Objectives

- ***Goal:*** Continue to Expand Clinic Services
  - ***Objective:*** Enhance clinic operations by end of FY27 to increase revenues
- Goal: Citywide Neogov Utilization
  - ***Objective***: Fully launch Neogov Onboarding and New Hire processes to all City Departments
- ***Goal:*** Implement Supervisor Training
  - ***Objective:*** Utilize WCI to provide Supervisor Training to current and potential supervisors

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Number of Applications Received	3288	3799	2379	2500
Efficiency				
Percent of wellness program participants who improved one of their high-risk factors	5%	9%	10%	10%
Turnover rate (by fiscal year)	18.5%	15.3%	5.9%	5%
Effectiveness				
New Hire Retention Rate	80%	88%	95%	95%

Human Resources Department

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	2024-2025 Actual	2025-2026 Budgeted	2025-2026 Budgeted	Percent Change
Personnel	532,624	575,739	579,372	0.6%
Operations	125,195	140,281	157,986	12.6%
Capital	970	6,000	4,000	-33.3%
Pro Rata Reimbursement	(179,229)	(182,814)	(184,335)	0.8%
Expenditure Total	$ 479,560	$ 539,206	$ 557,023	3.3%
Per Capita	$ 11.00	$ 12.39	$ 12.36	-0.2%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2025-2026 Budgeted	Percent Change
General Fund	479,560	539,206	557,023	3.3%
Revenue Total	$ 479,560	$ 539,206	$ 557,023	3.3%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2025-2026 Budgeted	Percent Change
Full Time	7	6	6	0.0%
Seasonal	1	1	-	-100.0%
Total	8	7	6	-14.3%

Finance Department

Additional information about the Finance Department may be obtained by calling Kari Dunlap, Finance Director, at 828.323.7545 or kdunlap@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.

2025/2026 Accomplishments

- Received the City's third Government Finance Officers Association (GFOA) Triple Crown Award which recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award in the same fiscal year.
- Submitted the 2025 Annual Comprehensive Financial Report (ACFR) to the Government Finance Officers Association (GFOA) Certificate of Achievement Award for Excellence in Financial Reporting program for the 30th consecutive year.
- Submitted the 4th edition 2025 Popular Annual Financial Report (PAFR) to the Government Finance Officers Association (GFOA) Popular Annual Financial Reporting Award program.
- Completed CentralSquare Naviline software upgrade for Utility Billing in preparation for Hickory H2O's Advanced Metering Infrastructure Mass Meter Exchange implementation.

2026/2027 Goals and Objectives

- ***Goal:*** Provide accurate financial information to the citizens of Hickory.
  - ***Objective:*** Prepare the 2026 Annual Comprehensive Financial Report (ACFR), 2026 Popular Annual Financial Report (PAFR), and submit both documents to GFOA for the Certificate of Achievement Awards.
- ***Goal:*** Provide EFT payment options to vendors.
  - ***Objective:*** Work with the bank and vendors to provide EFT payment options in place of paper checks.
- ***Goal:*** Provide information to customers during Hickory H2O implementation.
  - ***Objective:*** Work with customers to understand the changes to their account during implementation and in preparation for the Customer Portal once it becomes available.

Finance Department

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
% of Water/Sewer accounts collected	97.1%	98.6%	98.0%	97.0%
# of days required to process a new vendor application	1	1	1	1
Utility bills processed per Billing employee	10,057	10,432	10,500	10,000
Efficiency				
Financial Reports issued within 5 working days of the end of the month.	66.7%	75%	90%	90%
Effectiveness				
Audit Finding Resolution Rate	100%	100%	95%	95%
Grant Compliance Rate	100%	100%	95%	95%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,415,695	1,349,220	1,419,634	5.2%
Operations	399,253	649,565	652,934	0.5%
Capital	18,000	12,000	8,579	-28.5%
Pro Rata Reimbursement	(1,617,362)	(1,649,710)	(1,663,434)	-0.8%
Expenditure Total	$ 215,586	$ 361,075	$ 417,713	15.7%
Per Capita	$ 4.95	$ 8.29	$ 9.27	11.7%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Investment Earnings	1,965,226	750,000	750,000	0.0%
General Fund	(1,749,640)	(388,925)	(332,287)	14.6%
Revenue Total	$ 215,586	$ 361,075	$ 417,713	15.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	18	18	18	0.0%
Part Time	1	1	1	0.0%
Seasonal	2	2	2	0.0%
Total	21	21	21	0.0%

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.

2025/2026 Accomplishments

- Maintained scanning, filing, and archiving all contracts, minutes, ordinances, and resolutions
- Maintained membership roster for thirteen boards and commissions
- Completed continuing education courses to maintain certification for North Carolina Certified Municipal Clerk and North Carolina Certified Paralegal

2026/2027 Goals and Objectives

- ***Goal:*** Maintain, scan, and file all documents into Laserfiche
  - ***Objective:*** To allow access to documents for public records requests made by citizens, or staff, and to archive documents in accordance with the records retention schedule
- ***Goal:*** Continuing Education for Clerk and Paralegal Roles
  - ***Objective:*** To maintain North Carolina State Bar Certified Paralegal and North Carolina Certified Municipal Clerk Certifications
- ***Goal:*** Average Customer Service Response Rate of 5
  - ***Objective:*** To continue to provide a high level of customer service

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Employee hours required to prepare City Council Agenda for regular meetings	3.26	3.27	3.75	4.0
Average # of days following a City Council meeting to obtain official signatures and return documents to the initiating department(s)	1.0	1.04	1.0	1.0
Efficiency				
% of Council minutes that are transcribed within 3 days of meeting without error	100%	100%	100%	100%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	5.00	5.0	5.0	5.0

City Clerk's Office

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	147,506	144,921	155,213	7.1%
Operations	16,656	31,682	31,789	0.3%
Capital	1,970	-	-	0.0%
Pro Rata Reimbursement	(69,332)	(70,719)	(71,308)	0.8%
Expenditure Total	$ 96,800	$ 105,884	$ 115,694	9.3%
Per Capita	$ 2.22	$ 2.43	$ 2.57	5.5%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	96,800	105,884	115,694	9.3%
Revenue Total	$ 96,800	$ 105,884	$ 115,694	9.3%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	1	0.0%
Total	2	2	2	0.0%

Information Technology Department

Additional information about the Information Technology Department may be obtained by calling Darin Kiracofe, Information Technology Director, at 828.323.7680 or dkiracofe@hickorync.gov

Functional Area: General Government

Mission Statement

The mission of the Information Technology Department is to provide secure, high-performing IT services that empower City employees through reliable technology and responsive support, enabling them to fulfill the City's mission and uphold its core values. Our vision is to facilitate technology, continuity, progression, integrity, and productivity.

2025/2026 Accomplishments

- Implemented IT Project Management process.
- Completed phase two of SharePoint Migration.
- Completed deployment and integration of 170 laptops and cradle points at HPD.
- Migrated City cell phones from Verizon to ATT FirstNet.

2026/2027 Goals and Objectives

- ***Goal:*** Consolidate infrastructure initiatives for increased security posture and enhanced efficiency
  - ***Objective:*** Implement phase one for improved support and organizational consistency
- ***Goal:*** Deploy Satellite technology
  - ***Objective:*** Increase redundancy and resiliency for infrastructure connectivity
- ***Goal:*** Implement technology for streamlined interdepartmental and citizen engagement
  - ***Objective:*** Increase departmental communication and citizen engagement with consolidated technological platforms

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Workstations/Servers supported	725	730	730	730
Monthly average service requests, all departments included	315	650	550	550
Efficiency				
% of help desk requests with a contact from assigned technician within one business day	99%	99%	99%	99%
% of service requests resolved within SLA	97%	98%	98%	99%
Effectiveness				
Average Response Rate - Annual Survey (Scale: 1-5)	4.9	4.9	4.9	4.9

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,202,275	1,122,207	1,258,559	12.2%
Operations	1,003,396	1,680,198	2,333,129	38.9%
Capital	78,432	1,920,200	375,000	-80.5%
Pro Rata Reimbursement	145,152	(148,056)	(149,288)	0.8%
Expenditure Total	$ 2,429,255	$ 4,574,549	$ 3,817,400	-16.6%
Per Capita	$ 58.67	$ 105.08	$ 84.68	-19.4%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	155,446	170,000	170,000	0.0%
General Fund	2,273,809	4,404,549	3,647,400	-17.2%
Revenue Total	$ 2,429,255	$ 4,574,549	$ 3,817,400	-16.6%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	9	11	12	9.1%
Part Time	-	1	1	0.0%
Total	9	12	13	8.3%

Engineering Division

Additional information about the Engineering Division may be obtained by calling Caroline Kone, P.E., Assistant Public Services Director, at 828.323.7500 or ckone@hickorync.gov

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Processed 80 encroachment agreements for utility work performed within the City ROW
- Completed Shuford House Ramp Construction, Kiwanis Park Shelter Construction, Neill Clark site renovations, Cliff Teague Sidewalks Construction, Downtown Streetscape Design, Ridgeview Splashpad Design, and Optimist Dog Park Design.
- Providing technical assistance for the Civitan sewer evaluation and future splash pad placement, parking evaluations around city hall and downtown, and Henry Fork Mini Shelter permitting.

2026/2027 Goals and Objectives

- ***Goal:*** Continue to work toward full compliance with stormwater regulations.
  - ***Objective:*** Implement stormwater management program, good housekeeping, and illicit discharge protocols.
- ***Goal:*** Continue to provide Engineering assistance to other City departments.
  - ***Objective:*** Current projects include: Downtown Streetscapes construction, Ridgeview Splashpad Construction, Optimist Dog Park Construction, Henry Fork Restroom Construction, Miracle of Hickory Site Improvements, and Sandy Pines Park.
- ***Goal:*** Provide surveying services to other city departments.
  - ***Objective:*** As needed, provide ROW acquisition maps, review annexation petitions, preliminary topo's and surveys for design and grant projects, and review of easement maps for stormwater and ROW.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of plans reviewed	145	340	406	150
# of projects completed	46	34	44	45
Annual $ spent on Stormwater	$250,000	$250,000	$250,000	$250,000
Efficiency				
% of site plans w/o Stormwater reviewed w/in five days	10%	10%	10%	10%
% of site plans w/ Stormwater reviewed w/in ten days	99%	99%	99%	100%
Effectiveness				
% of billable hours to total work hours	60%	60%	60%	65%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	419,896	541,408	500,598	-7.5%
Operations	332,689	58,370	56,719	-2.8%
Capital	18,561	85,000	54,000	-36.5%
Pro Rata Reimbursement	(145,432)	(148,340)	(149,574)	0.8%
Expenditure Total	$ 625,714	$ 536,438	$ 461,743	-13.9%
Per Capita	$ 14.36	$ 12.32	$ 10.24	-16.9%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	625,714	536,438	461,743	-13.9%
Revenue Total	$ 625,714	$ 536,438	$ 461,743	-13.9%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	6	6	5	-16.7%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
Total	7	7	6	-14.3%

Office of Business Development

Additional information about the Office of Business Development may be obtained by calling 828.323.7414. (David Leonetti, Business Development Director, dleonetti@hickorync.gov)

Functional Area: Economic and Community Development

Mission Statement

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

2025/2026 Accomplishments

- Completion of Economic Development Strategic Plan
- Continued implementation of Creating Outdoor Recreation Economies Strategic Plan.
- Announcement of 221,000 square foot speculative building in Fairgrove Business Park
- Construction begins on grant funded streetscape improvements to downtown

2026/2027Goals and Objectives

- ***Goal:*** Increase business activity and promote economic development.
  - ***Objective:*** Leverage information from Placer and other sources to support existing business and recruit new business.
  - ***Objective:*** Continue promoting city, state, and federal programs to local businesses.
- ***Goal:*** Leverage city investments for economic development
  - ***Objective:*** Seek and implement funding to develop business parks and promote economic development.
  - ***Objective:*** Promote downtown, the Hickory Trail, and the Innovation District for economic development.
- ***Goal:*** Continue operating according to best practices for municipal economic development.
  - ***Objective:*** Implement recently completed Economic Development Strategic Plan.
  - ***Objective:*** Continue implementation of Creating Outdoor Recreation Economies Strategic Plan.

Office of Business Development

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Start/Own Business Forms Submitted	53	67	65	65
Business Visits and Meetings	37	100	125	125
Efficiency				
Business Newsletter Recipients (New)	N/A	1,056	1,160	1,200
Small business and revitalization loans/grants awarded	2	1	1	4
Effectiveness				
Downtown Visits (Placer.ai)	3.8m (+5.4% YOY)	3.9m (+3.9% YOY)	3.95m	3.95m
Overnight Visits from at least 50 miles away (Placer.ai)	461,600	464,900	465,000	466,000

Office of Business Development

The Office of Business Development is located on the second floor of the Julian G. Whitener Municipal Building; this Office includes the functions of Community Development, and Transportation. Both the Permit Assistance Center and Community Development Office are housed in the Office of Business Development. Marketing the City of Hickory to interested developers outside the area is also a key economic development function of this department. This department is 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.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	10,260	337,926	367,349	8.7%
Operations	59,939	48,200	49,504	2.7%
Capital	-	-	-	0.0%
Pro Rata Reimbursement	-	-	-	0.0%
Expenditure Total	$ 70,199	$ 386,126	$ 416,853	8.0%
Per Capita	$ 1.61	$ 8.87	$ 9.25	4.2%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	70,199	386,126	416,853	8.0%
Revenue Total	$ 70,199	$ 386,126	$ 416,853	8.0%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	4	4	4	0.0%
Part Time	1	1	1	0.0%
Seasonal	-	-	-	0.0%
Total	5	5	5	0.0%

Planning Department

Additional information about the Planning Department may be obtained by calling Brian Frazier, Planning Director, at 828.261.2230 or bfrazier@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

To foster well planned and orderly growth in development, foster job creation and enhance the quality of life through current and comprehensive planning.

2025/2026 Accomplishments

- Continued to expedite plan review/development projects at an unprecedented scale
- Further revised forms and applications to facilitate development .
- Held over thirty pre-application meetings for development projects that created hundreds of jobs and millions of dollars in tax base.

2026/2027 Goals and Objectives

- ***Goal:*** Enhance the quality of life for all city residents
  - ***Objective:*** Provide support to boards, commissions, and neighborhood associations.
- ***Goal:*** Enhance both current and comprehensive planning strategies.
  - ***Objective:*** Reformulate the HBC Plan, Future Land Use Map, Zoning Map, and LDC.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Removed illegal signs and banners	2,292	2791	2900	3500
Efficiency				
Conduct field inspections within 24 hours	90%	95%	90%	100%
Effectiveness				
% of zoning compliance achieved withing 30 days of written notice	90%	95%	95%	75%

Planning Department

Planning staff are responsible for enforcing zoning, subdivision regulations, property uses, assisting with thoroughfare plans and annexations and maintaining watershed regulations.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,013,611	669,849	699,491	4.4%
Operations	55,814	61,218	61,672	0.7%
Capital	7,267	43,500	7,500	-82.8%
Pro Rata Reimbursement	(35,572)	(36,284)	(36,585)	0.8%
Expenditure Total	$ 1,041,120	$ 738,283	$ 732,078	-0.8%
Per Capita	$ 23.89	$ 16.96	$ 16.24	-4.2%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Miscellaneous	113,339	100,000	100,000	0.0%
Sales and Services	41,360	35,000	45,000	28.6%
General Fund	886,421	603,283	587,078	-2.7%
Revenue Total	$ 1,041,120	$ 738,283	$ 732,078	-0.8%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	7	7	7	0.0%
Part Time	1	-	-	0.0%
Seasonal	-	1	1	0.0%
Total	8	8	8	0.0%

Police Department

Additional information about the Police Department may be obtained by calling Bryan Adams, Chief of Police, at 828.324.2060 or badams@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.

2025/2026 Accomplishments

- HPD has fully transitioned our radio system to the NC Viper Radio System. This switch has improved interoperability with federal, state, and local agencies, better customer support, as well as more advanced features and management tools.
- HPD was awarded our North Carolina Law Enforcement Accreditation (NCLEA) certificate by the North Carolina Criminal Justice Education and Training Standards Commission in June of 2023. HPD was the 11th agency to be accredited with the NCLEA and the fastest agency to complete their accreditation process. From the date HPD committed to accreditation, HPD completed the process in about 8 months.
- HPD Recruitment staff presented at career fairs, colleges and universities, discussing career opportunities within the department. These universities and colleges include Western Carolina University, Appalachian State University, Lenoir-Rhyne University, Catawba Valley Community College, Caldwell Community College and Technical Institute, Wilkes Community College, and McDowell Technical Community College. These recruitment efforts led to over 30 applications resulting in four new police officers hired.

2026/2027 Goals and Objectives

- ***Goal:*** HPD Communications Center State Accreditation with NCLEA.
  - ***Objective:*** HPD Communications Center will begin the process of accreditation through NCLEA in 2026. Through accreditation, HPD will ensure our agency is following best practices, policies, and procedures in police telecommunications.
- ***Goal:*** Real-time Crime Center.
  - ***Objective:*** HPD will develop a Real-Time Crime/Information Center to focus on enhancing public and officer safety. The center will utilize Drones as First Responders (DFR) to improve public safety by enabling unmanned aircraft to arrive at scenes within seconds to minutes, providing real-time, high-definition situational awareness to dispatchers and field personnel, allowing for faster, more informed decision-making, and improved outcomes. Collectively the capabilities of a Real-time Crime/Information Center will increase efficiency by providing immediate data for rapid decision-making, aiming for proactive prevention, better incident response, fewer errors, faster backup, and broader public safety.

- ***Goal:*** Work in coordination with Appalachian State University and Catawba Valley Community College (CVCC) to establish a HPD Community Response Police Cadet program.
  - ***Objective:*** HPD will work in partnership with Appalachian State University and Catawba Valley Community College (CVCC) to establish Police Cadet program for students pursuing a degree at Appalachian State University interested in a career in law enforcement with the Hickory Police Department.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of calls received	104,299	123,017	119,652	121,000
# of calls dispatched	43,893	42,892	42,878	44,000
# dispatched calls per Patrol Officer	595	572	571	590
Efficiency				
# of cases assigned to Criminal Investigations Division	626	629	596	610
Effectiveness				
Average call time from receipt to generated	1:05	00:57	00:59	00:59

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	13,712,685	14,755,113	14,214,397	-3.7%
Operations	2,444,144	2,959,189	2,962,885	0.1%
Capital	2,368,063	1,079,964	1,094,653	1.4%
Pro Rata Reimbursement	(3,056)	(3,117)	(3,143)	0.8%
Expenditure Total	$ 18,521,836	$ 18,791,149	$ 18,268,792	-2.8%
Per Capita	$ 425.03	$ 431.66	$ 405.24	-6.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Unrestricted Intergovernmental	131,127	135,061	139,113	3.0%
Restricted Intergovernmental	26,602	-	-	0.0%
Licenses and Permits	5,210	4,600	4,600	0.0%
Miscellaneous	5,848	-	-	0.0%
Sales and Services	290,637	157,500	170,000	7.9%
General Fund	18,062,412	18,493,988	17,955,079	-2.9%
Revenue Total	$ 18,521,836	$ 18,791,149	$ 18,268,792	-2.8%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	158	155	156	0.6%
Part Time	22	26	26	0.0%
Seasonal	4	8	8	0.0%
Total	184	189	190	0.5%

Fire Department

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

Functional Area: Public Safety

Mission Statement

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

2025/2026 Accomplishments

- Began implementation of 2025-2030 Fire Department Strategic Plan.
- Completed Active Shooter Hostile Event Response (ASHER) training for all personnel in conjunction with the Hickory Police Department.
- Utilized the Public Safety Training Center to enhance training programs to educate and certify personnel on multi-hazard service delivery.
- The implementation of a new online personnel tracking system began for enhanced performance evaluations.
- Completed 2nd Accreditation Compliance Report for maintaining accredited status through the Centers for Public Safety Excellence (CPSE).

2026/2027 Goals and Objectives

- ***Goal:*** Maintain International Accreditation through the Centers for Public Safety Excellence (CPSE) through the Annual Compliance Report.
    - ***Objective***: Continue implementation of the 2025-2030 Strategic Plan's goals and objectives.
    - ***Objective***: Complete a refresh of the fire department's community risk assessment and standards of cover document.
- ***Goal:*** Continue to evaluate the feasibility of building or renovating all fire stations to ensure bunker gear and workout equipment are separated from the apparatus bays to avoid carcinogens
    - ***Objective***: Research the prevalence of cancer throughout the fire service and develop policies and practices that reduce the risk of exposure to carcinogens to firefighters.
- ***Goal:*** Continue to explore options for improved hazardous materials capabilities in accordance with industry standards and proven practices.
    - ***Objective***: Establish a formal partnership with the county technician-level hazmat team and evaluate training opportunities using county hazmat resources.
- ***Goal:*** Utilize new technology to enhance station alerting and minimize overall call processing time.
    - ***Objective:*** Review various vendors and prepare a budget for installing a modern station alerting system in the fire department's seven stations.

Fire Department

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of unit Responses	11,600	12,162	13,000	10,000
Community Risk Reduction Attendance	45,146	45,146	35,000	35,000
# of Fire Inspector Activities	4,000	3,400	4,000	3,500
Department Training Hours	34,666	39,868	45,000	30,000
Efficiency				
% of fires with a cause and origin determination	97%	94%	97%	100%
Property Value Saved	$16,680,858	$96,350,000	$100,000,000	$100,000,000
Effectiveness				
90th Percentile Travel Time for the First Arriving Unit	5:30	5:30	5:36	4:00
90th Percentile Travel Time for the First Alarm	7:40	8:29	7:13	8:00
# Preventable Structure Fires in Inspectable Properties	4	15	12	0
% of total fires confined to the room of origin	75%	75%	80%	100%

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 first floor of the Julian G. Whitener Municipal Building. The City of Hickory Fire Department operates out of six community-based locations along with one aircraft fire rescue station located at the Hickory Regional Airport. All fire stations are staffed with full time personnel working a twenty-four hour shift schedule. The Fire Prevention Division 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, and special events.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	11,190,726	12,208,519	12,304,803	0.8%
Operations	1,657,445	1,986,706	2,004,294	0.9%
Capital	1,309,396	263,000	1,885,152	616.8%
Pro Rata Reimbursement	(69,691)	(71,084)	(71,675)	0.8%
Expenditure Total	$ 14,087,876	$ 14,387,141	$ 16,122,574	12.1%
Per Capita	$ 323.28	$ 330.50	$ 357.64	8.2%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Restricted Intergovernmental	856,803	915,000	945,595	3.3%
Sales and Services	263,148	200,000	225,000	12.5%
General Fund	12,967,925	13,272,141	14,951,979	12.7%
Revenue Total	$ 14,087,876	$ 14,387,141	$ 16,122,574	12.1%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	139	140	141	0.7%
Part Time	1	2	2	0.0%
Total	140	142	143	0.7%

Additional information about the Building Services Division may be obtained by calling Josh Rice, Parks & Public Properties Manager, at 828.323.7500 or jrice@hickorync.gov

Functional Area: General Government

Mission Statement

To implement a structured approach to public service coordination, ensuring responsible resource management and a consistently pleasant environment.

2025/2026 Accomplishments

- T-Mobile Grant for new roof and HVAC at WHSCC.
- Riverwalk Bridge FEMA Repairs – Electrical/Lighting
- Taft Broome Tennis Court Lighting – New LED lighting for Tennis/Pickleball courts.
- PWPU Roof - Roof Replacement Phase 2 completed at the Public Services facility.
- Westmont Senior – Upgrades to main area, and kitchen area (cabinets, flooring, painting).
- New Gates – Aviation Restroom, Museum, and Riverwalk Bridge Entrance
- HVAC Upgrades – HPD HVAC Upgrades, PWPU (4 new units), City Hall Drive Thru mini-split, WHSCC (2 new units) and HVAC Upgrades to HCT (3 new units)

2026/2027 Goals and Objectives

- ***Goal:*** Enhance preventative maintenance protocols for City HVAC systems, emphasizing regular inspections, timely repairs, and proactive component replacements.
  - ***Objective:*** Invest in additional dedicated preventative maintenance staff to improve HVAC system efficiency and reduce long-term operational costs throughout city facilities.
- ***Goal:*** Continue to establish a proactive roofing maintenance program, including scheduled inspections and timely replacements, for all city buildings.
  - ***Objective:*** Work closely with selected contractors to perform roof assessments, create preventative maintenance schedules, and develop long-term replacement budgets.
- ***Goal:*** Maximize the effectiveness of Tyler Asset Maintenance by ensuring all facility equipment data and work orders are accurately and completely entered, enabling efficient asset management.
  - ***Objective:*** Strengthen city asset tracking and maintenance capabilities by collaborating with staff to maintain precise data records.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of service requests received, scheduled & serviced by the Building Services Division.	1393	1822	2000	2100
Efficiency				
% of Building Division's service requests completed in 48 hours.	98.1%	98.8%	+97%	+98%
Effectiveness				
Average labor cost per service request.	$44.76	$46.99	$49.22	$51.45

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	759,077	808,675	861,529	6.5%
Operations	88,989	94,209	96,729	2.7%
Capital	49,010	5,000	49,300	886.0%
Pro Rata Reimbursement	(359,491)	(366,681)	(369,732)	0.8%
Expenditure Total	$ 537,585	$ 541,203	$ 637,826	17.9%
Per Capita	$ 12.34	$ 12.43	$ 14.15	13.8%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	16,259	6,000	6,000	0.0%
General Fund	521,326	535,203	631,826	18.1%
Revenue Total	$ 537,585	$ 541,203	$ 637,826	17.9%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	10	11	12	9.1%
Total	10	11	12	9.1%

Public Services: Central Services Division

Additional information about the Central Services Division may be obtained by calling Caroline M. Kone, PE, Assistant Public Services Director, at 828.323.7500 or ckone@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.

2025/2026 Accomplishments

- Implemented all of Public Services Divisions for payroll entry into Munis.
- Using Munis with multiple applications throughout Public Services
- Maintained data entry of work orders on a daily basis. We are still waiting for a resolution to enter materials.
- Provide data and administrative help for all divisions to help them meet goals and objectives .

2026/2027 Goals and Objectives

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

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of work orders entered (annual)	16,203	8,000	8,000	17,000
Efficiency				
Average Response Rate-VC3 Service Request Days	4	4	4	4
Effectiveness				
% of time accounted for on work orders vs. actual time turned in for Public Services	95%	25%	95%	95%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	817,174	798,845	626,707	-21.5%
Operations	173,697	225,090	232,468	3.3%
Capital	106,841	70,000	179,000	155.7%
Pro Rata Reimbursement	(304,619)	(310,711)	(313,296)	0.8%
Expenditure Total	$ 793,093	$ 783,224	$ 724,879	-7.4%
Per Capita	$ 18.20	$ 17.99	$ 16.08	-10.6%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	793,093	783,224	724,879	-7.4%
Revenue Total	$ 793,093	$ 783,224	$ 724,879	-7.4%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	8	8	7	-12.5%
Total	8	8	7	-12.5%

Public Services: Traffic Division

Additional information about the Public Services Traffic Division may be obtained by calling Caroline M. Kone, PE, Assistant Public Services Director, 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.

2025/2026 Accomplishments

- Replaced and repaired approximately 430 signs
- Refreshed approximately 85,000 ft of yellow centerline paint
- Refreshed approximately 740 parking spaces
- Replaced approximately 60 LED signal head lenses
- Repaired approximately 50 pedestrian crossing signals

2026/2027 Goals and Objectives

- ***Goal:*** Reduce travel time delays for drivers
  - ***Objective:*** Evaluate and maintain signals to ensure efficient operations
- ***Goal:*** Provide an effective transportation system
  - ***Objective:*** Evaluate and maintain retro reflectivity of longitudinal markings
- ***Goal:*** Enhance the safety of roadways
  - ***Objective:*** Implement Leading Pedestrian Intervals at City-owned signals

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of intersection markings refreshed	136	51*	78	150
Efficiency				
Reduce travel time delay at signalized intersections (vehicle hours of delay per week)	30% 253	21% 1048	20% 1000	20% 1000
Effectiveness				
Average response time (VC3) to citizens New system → Tyler 311	12 hrs 43 min	1 day 14 hrs 7 min**	22 hrs 37 min	24 hrs

* Thermoplastic pavement markings on backorder

** New computer system causing delays in response time between VC3 & Tyler 311

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	953,145	958,611	998,450	4.2%
Operations	1,621,968	1,310,715	1,629,190	24.3%
Capital	206,874	202,250	474,600	134.7%
Pro Rata Reimbursement	(16,909)	(17,246)	(17,390)	0.8%
Expenditure Total	$ 2,765,078	$ 2,454,330	$ 3,084,850	25.7%
Per Capita	$ 63.45	$ 56.38	$ 68.43	21.4%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Unrestricted Intergovernmental	355,668	400,000	400,000	0.0%
Sales and Services	47,448	45,000	50,000	11.1%
General Fund	2,361,962	2,009,330	2,634,850	31.1%
Revenue Total	$ 2,765,078	$ 2,454,330	$ 3,084,850	25.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Part Time	-	-	-	0.0%
Seasonal	4	4	4	0.0%
Total	15	15	15	0.0%

Public Services: Street Division

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

Functional Area: Transportation

Mission Statement

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

2025/2026 Accomplishments

- Installed over 2,900 linear feet of curb & gutter
- Installed over 650 linear feet of storm drainage pipe
- Resurfaced 7.35 lane miles using 6,250 tons asphalt

2026/2027 Goals and Objectives

- ***Goal:*** Provide safe walkways for pedestrians
  - ***Objective:*** Construct all budgeted sidewalk projects by July, 2027
- ***Goal:*** Provide safe streets for the travelling public
  - ***Objective:*** Resurface approximately 6 lane-miles of asphalt roadway and provide necessary maintenance within budget
- ***Goal:*** Provide safe and reliable storm drain system
  - ***Objective:*** Make necessary repairs and upgrades to storm drain system

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Linear feet of new sidewalk construction	6,231	3,787	7,121	5,000
NCDOT right of way miles maintained	4,700	4,700	4,700	4,700
Efficiency				
Tons of asphalt in place per lane mile maintained (annually)	580	580	580	580
Cost per ton of asphalt placed – contractor	$144.72	$179.07	$165.00	$175.00
Effectiveness				
% of potholes repaired within 24 hours	95%	96%	96%	95%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,886,811	2,607,369	2,756,295	5.7%
Operations	1,395,218	1,934,939	2,881,929	48.9%
Capital	594,870	270,000	253,000	-6.3%
Pro Rata Reimbursement	(67,979)	(66,339)	(69,916)	5.4%
Expenditure Total	$ 3,808,920	$ 4,745,969	$ 5,821,308	22.7%
Per Capita	$ 87.40	$ 109.02	$ 129.13	18.4%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Other Taxes	203,720	200,000	200,000	0.0%
Restricted Intergovernmental	1,769,122	1,820,000	1,800,000	-1.1%
Sales and Services	35,249	25,000	30,000	20.0%
General Fund	1,800,829	2,700,969	3,791,308	40.4%
Revenue Total	$ 3,808,920	$ 4,745,969	$ 5,821,308	22.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	37	37	37	0.0%
Part Time	5	5	5	0.0%
Seasonal	6	6	6	0.0%
Total	48	48	48	0.0%

Additional information about the Public Services Landscape Services Division may be obtained by calling Joshua Rice, Parks & Public Properties Manager, at 828.302.3752 or jrice@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.

2025/2026 Accomplishments

- Installation of a new play system at Winkler Park.
- Installation of 2 new batting cages at Kiwanis Park and Jaycee Park.
- Creation of an ADA route for the play system at Cliff Teague Park.
- Full interior renovation of the Henry Fork River Park restrooms.
- Numerous landscape modifications at HPD that ensure a cleaner appearance and less property maintenance demands.

2026/2027 Goals and Objectives

- ***Goal:*** Installation of new restroom facilities at Henry Fork River Park.
  - ***Objective:*** To provide restroom availability for fields 9 and 10.
- ***Goal:*** Completion of Sandy Pines Park.
  - ***Objective:*** To provide additional public park options for the City of Hickory.
- ***Goal:*** Completion of the Ridgeview Recreation Splash Pad.
  - ***Objective:*** To provide additional aquatic recreation options for the City of Hickory.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of trees/shrubs planted annually	45/428	89/200	55/275	75/200
# of trees/shrubs maintained	920/9,628	1,009/9,828	1,064/10,103	1,139/10,303
Efficiency				
Annual cost to maintain Oakwood Cemetery	$59,109	$66,900	$60,000	$60,000
Annual cost to maintain Ridgeview Cemetery	$7,144	$7,300	$7,000	$7,000
Annual cost to maintain Fairview Cemetery	$9,850	$10,750	$10,000	$10,000
Effectiveness				
% of Cemetery plots/graves repaired due to settling	1%	1%	1%	1%

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	2,620,419	2,815,477	3,023,666	7.4%
Operations	1,525,341	1,586,640	1,646,442	3.8%
Capital	2,072,325	447,000	344,900	-22.8%
Pro Rata Reimbursement	(143,731)	(146,606)	(147,826)	0.8%
Expenditure Total	$ 6,074,354	$ 4,702,511	$ 4,867,182	3.5%
Per Capita	$ 139.39	$ 108.02	$ 107.97	-0.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	50,033	45,000	45,000	0.0%
General Fund	6,024,321	4,657,511	4,822,182	3.5%
Revenue Total	$ 6,074,354	$ 4,702,511	$ 4,867,182	3.5%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	43	43	44	2.3%
Part Time	1	1	1	0.0%
Seasonal	15	16	16	0.0%
Total	59	60	61	1.7%

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

Functional Area: Culture and Recreation

Mission Statement

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

2025/2026 Accomplishments

- Coordinated five 5k races that made up the Hickory 5K series with over 700 total participants.
- Coordinated City Christmas Parade with 104 organizations participating and approximately 11k spectators.
- Hosted Tar Heel Baseball State Tournament

2026/2027 Goals and Objectives

- ***Goal:*** Continue to increase sports tourism through tournaments and events.
  - ***Objective:*** To generate revenue for the City of Hickory.
- ***Goal:*** Continue to provide recreational programs that contribute to citizens' mental and physical well-being.
  - ***Objective:*** To encourage citizens to live healthy lives through recreation.
- ***Goal:*** Continue to develop more diverse and non-traditional athletic and recreational programs.
  - ***Objective:*** To offer programs that may appeal to citizens of all ages and backgrounds.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
% of residents/non-residents in athletic programs	80%, 20%	80%/20%	80%/20%	80%/20%
Annual # of participants in athletic programs	1,522	1,695	1,700	1,750
# of drop-in users of recreation centers/month (Avg.)	8,481	9,108	9,200	9,300
Efficiency				
$ profit/loss concessions	48,552	47,536	47,560	48,000
Effectiveness				
% increase in number of adult athletic programs	95%	95%	95%	95%
% recreation center programs planned that are actually held	100%	100%	100%	100%

Parks, Recreation, & Sports Tourism Department

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,569,922	1,543,858	1,642,406	6.4%
Operations	537,693	466,044	473,438	1.6%
Capital	261,797	246,000	339,500	38.0%
Pro Rata Reimbursement	50,334	51,341	51,768	0.8%
Expenditure Total	$ 2,419,746	$ 2,307,243	$ 2,507,112	8.7%
Per Capita	$ 55.53	$ 53.00	$ 55.61	4.9%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	393,468	325,000	300,000	-7.7%
Miscellaneous	20,719	15,000	125,000	733.3%
General Fund	2,005,559	1,967,243	2,082,112	5.8%
Revenue Total	$ 2,419,746	$ 2,307,243	$ 2,507,112	8.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	19	19	19	0.0%
Part Time	18	18	18	0.0%
Seasonal	13	26	26	0.0%
Total	50	63	63	0.0%

Public Services Dept: L.P. Frans Stadium

Additional information about the L.P. Frans Stadium Division may be obtained by calling Joshua Rice, Parks & Public Properties Manager, at 828.323-7500 or jrice@hickorync.gov

Functional Area: Culture and Recreation

Mission Statement

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

2025/2026 Accomplishments

- Ticket Booth roof replacement.
- Dugout slip protection installation for points remediation.
- Field light replacements for points remediation.
- Invasive tree removals to promote native species.

2026/2027 Goals and Objectives

- ***Goal:*** Replace dysfunctional windows in scoring booth.
  - ***Objective:*** Greater safety and easier maintenance.
- ***Goal:*** Perform needed upgrades of field lighting.
  - ***Objective:*** Points remediation.
- ***Goal:*** Drinking fountain replacements.
  - ***Objective:*** Decrease in maintenance costs.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Average attendance at baseball games	1,700	1,700	1,700	1,800
Efficiency				
% of work order requests from Hickory Baseball completed within 72 hours	100%	100%	100%	100%
Effectiveness				
Cost to maintain stadium structure (Annual)	$187,237	$185,301	$185,000	$185,000

Public Services Dept: L.P. Frans Stadium

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Operations	234,754	190,491	192,496	1.1%
Capital	224,504	-	-	0.0%
Expenditure Total	$ 459,258	$ 190,491	$ 192,496	1.1%
Per Capita	$ 10.54	$ 4.38	$ 4.27	-2.4%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	19,339	33,250	33,250	0.0%
General Fund	439,919	157,241	159,246	1.3%
Revenue Total	$ 459,258	$ 190,491	$ 192,496	1.1%

Library Department

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

Functional Area: Culture and Recreation

Mission Statement

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

2025/2026 Accomplishments

- Improved early literacy services through Early Literacy Enhanced, Empowered & Engaged LSTA grant funding
- Began Poet Laureate program to promote literature and literacy
- Hosted 2nd Annual Hickory Literary Festival

2026/2027 Goals and Objectives

- ***Goal:*** Eliminate barriers to library use.
  - ***Objective***: Provide credit card payment options for library fees.
- ***Goal:*** Provide library services how, when and where people need them.
  - ***Objective:*** Install off-site pickup locker.
- ***Goal:*** Maintain safe and welcoming library spaces.
  - ***Objective:*** Update library furnishings

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Collection Use (All Formats)	330,808	330,866	331,000	332,000
Items checked out through Library To-Go	14,169	13,391	13,500	14,000
Efficiency				
% of items checked out using digital resources	27%	27%	27%	28%
Effectiveness				
Program Attendance	16,134	15,003	16,000	17,000

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,693,289	1,735,859	1,870,352	7.7%
Operations	694,556	721,486	768,269	6.5%
Capital	242,054	25,000	143,000	472.0%
Pro Rata Reimbursement	2,005	2,045	2,062	0.8%
Expenditure Total	$ 2,631,904	$ 2,484,390	$ 2,783,683	12.0%
Per Capita	$ 60.40	$ 57.07	$ 61.75	8.2%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Restricted Intergovernmental	39,657	38,784	38,784	0.0%
Sales and Services	21,324	13,000	13,000	0.0%
General Fund	2,570,923	2,432,606	2,731,899	12.3%
Revenue Total	$ 2,631,904	$ 2,484,390	$ 2,783,683	12.0%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	20	22	23	4.5%
Part Time	16	15	14	-6.7%
Seasonal	1	1	1	0.0%
Total	37	38	38	0.0%

City Hall/Public Buildings

Additional information about the City Hall/Public Buildings Division may be obtained by calling
Josh Rice, Parks and Public Properties Manager, at 828.323.7500 or jrice@hickorync.gov

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Installation of new mini-split unit on Drive-Thru.
- Installation of a new roof and HVAC at West Hickory Senior Center.
- Increased preventative maintenance measures applied to HVAC equipment.
- Additional Exterior Renovations of the Shuford House with new ADA ramp.

2026/2027 Goals and Objectives

- ***Goal:*** Further implementation of the Tyler Tech Asset Maintenance Software.
  - ***Objective***: Increased efficiency in preventative maintenance and expense forecasting.
- ***Goal:*** Improve appearance/function of sidewalks and parking areas of City Hall.
  - ***Objective:*** Increased aesthetics and safety.
- ***Goal:*** Expand Christmas decorations footprint in the downtown area.
  - ***Objective:*** Improve seasonal aesthetics and increase holiday business activity.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of service requests received scheduled & serviced for City Hall & Union Square	271	275	290	295
Efficiency				
% of preventive maintenance program completed via internally or under contract	100%	100%	100%	100%
Effectiveness				
# of false security alarms requiring response in maintaining facility security	0	0	0	0

City Hall/Public Buildings

City Hall 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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	27,760	32,295	32,300	0.0%
Operations	418,190	364,787	551,657	51.2%
Capital	1,130,690	-	-	0.0%
Pro Rata Reimbursement	(9,652)	(9,845)	(9,927)	0.8%
Expenditure Total	$ 1,566,988	$ 387,237	$ 574,030	48.2%
Per Capita	$ 35.96	$ 8.90	$ 12.73	43.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Fund	1,566,988	387,237	574,030	48.2%
Revenue Total	$ 1,566,988	$ 387,237	$ 574,030	48.2%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Part Time	2	2	2	0.0%
Total	2	2	2	0.0%

Board and Agency Funding

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

Special Appropriations by Functional Area	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
General Government					
Community Appearance Commission	1,991	1,610	2,800	13,900	396%
Public Art Commission	28,000	8,077	20,000	20,000	0%
Subtotal	29,991	9,687	22,800	33,900	49%
Economic and Community Development					
Catawba County EDC	140,496	151,200	156,169	165,808	6%
Downtown Development Association	65,000	65,000	65,000	65,000	0%
Economic Dev. - Miscellaneous	172,271	12,471	150,000	150,000	0%
Economic Dev. Incentives	558,189	379,225	1,219,105	1,000,000	-18%
Façade/Landscape Grant	26,250	3,846	40,000	40,000	0%
Hickory Community Relations Council	13,208	19,009	19,800	19,800	0%
Hickory Convention/Visitors Bureau	20,000	20,000	0	0	0%
Historic Preservation	45	1,252	9,000	6,000	-33%
International Council	11,700	11,700	11,700	11,700	0%
University City Commission	13,132	8,044	12,000	12,000	0%
Vacant Building Revitalization	28,975	68,574	100,000	100,000	0%
Western Piedmont Council of Governments	59,464	64,820	65,592	66,375	1%
Youth Council	2,627	2,719	4,000	4,000	0%
Subtotal	1,111,357	807,860	1,852,366	1,640,683	-11%
Culture and Recreation					
SALT Block Facility Improvement	100,000	100,000	100,000	100,000	0%
United Arts Council of Catawba County	43,959	44,649	45,000	48,195	7%
Subtotal	143,959	144,649	145,000	148,195	2%
Transportation					
Western Piedmont Regional Transit Autho	180,317	191,066	198,500	287,205	45%
Subtotal	180,317	191,066	198,500	287,205	45%
Total	1,465,624	1,153,262	2,218,666	2,109,983	-5%

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	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Bonded Debt					
2018 G.O. Bond Series - Interest	466,875	429,375	391,876	354,375	-10%
2018 G.O. Bond Series - Principal	750,000	750,000	750,000	750,000	0%
2019 G.O. Bond Series - Interest	489,750	452,250	414,750	377,250	-9%
2019 G.O. Bond Series - Principal	750,000	750,000	750,000	750,000	0%
2021 G.O. Bond Series - Interest	332,500	307,500	282,500	257,500	-9%
2021 G.O. Bond Series - Principal	500,000	500,000	500,000	500,000	0%
Subtotal	3,289,125	3,189,125	3,089,126	2,989,125	-3%
Installment Purchase					
Communications System	57,500	0	0	0	0%
General Government	700,000	1,100,000	1,460,000	1,460,000	0%
Interest	696,554	654,420	626,693	585,173	-7%
Fire	0	0	0	0	0%
Police	0	1,694,819	379,471	506,565	33%
Subtotal	1,454,054	3,449,239	2,466,164	2,551,738	3%
Grand Total	4,743,179	6,638,364	5,555,290	5,540,863	0%

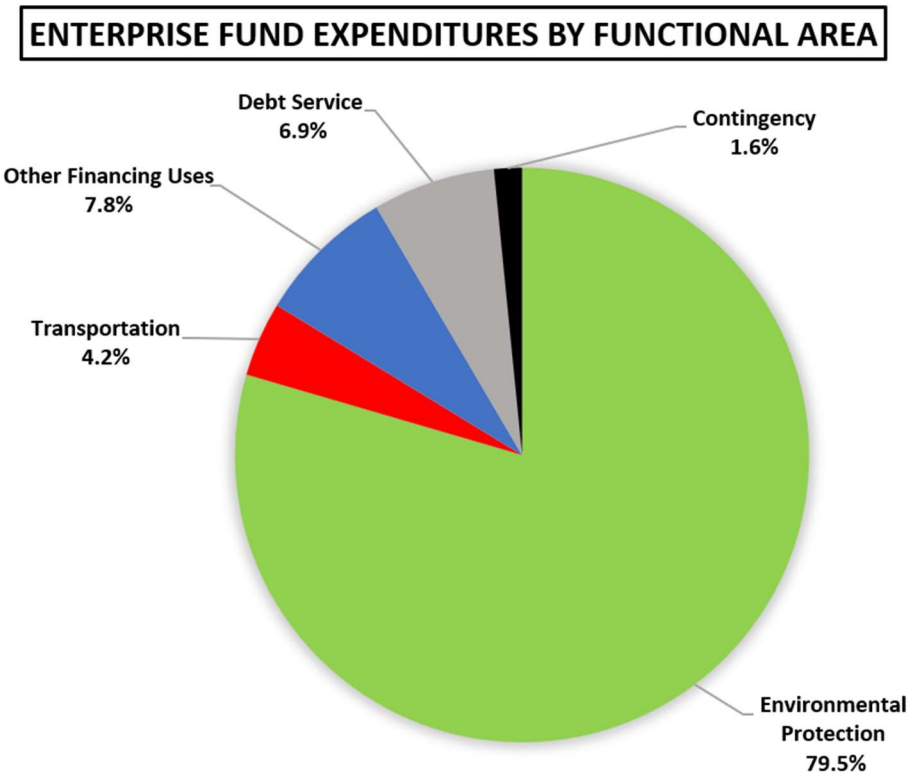
Transfers/Other Financing Uses

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

Transfers from General Fund	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Capital Projects	3,966,434	2,329,996	0	0	0%
Capital Reserve Fund	2,200,000	2,300,000	2,725,000	2,725,000	0%
Internal Service Fund	0	0	0	0	0%
Multi-Year Grant Program Fund	17,020	17,020	0	0	0%
Solid Waste Fund	1,185,000	0	0	0	0%
Stormwater Fund	173,227	141,924	144,233	145,130	1%
Airport Fund	250,000	250,000	325,000	325,000	0%
Total	**7,791,681**	**5,038,940**	**3,194,233**	**3,195,130**	**0%**

Enterprise Funds

The Enterprise Funds are comprised of the Water and Sewer, Stormwater, Biosolids, Airport, and Solid Waste funds. The Water and Sewer and Solid Waste funds are financed through user charges. Hickory and Conover finance the Biosolids 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 Funds

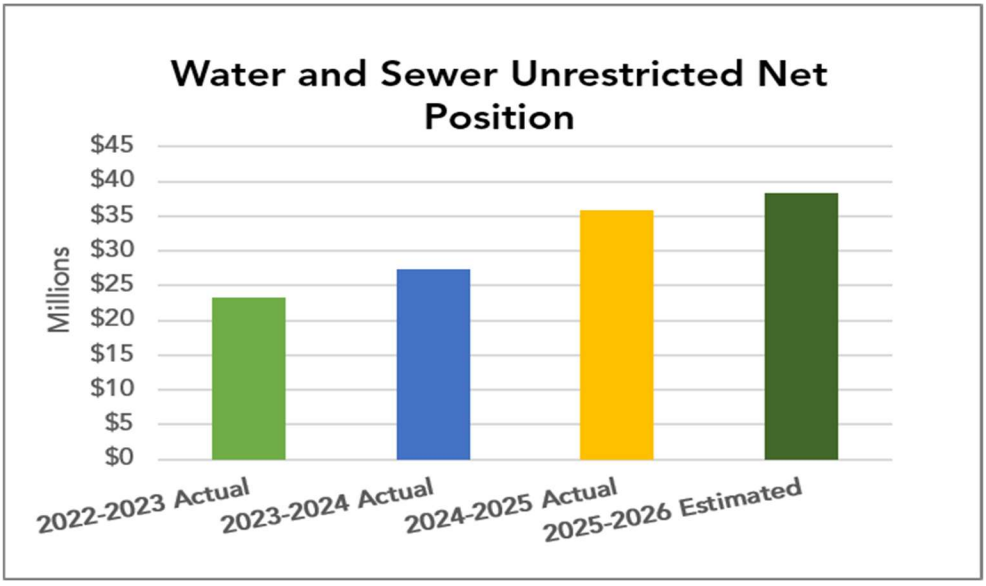
Enterprise Fund Revenue by Category	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Other Taxes	34,962	30,000	30,000	0.0%
Restricted Intergovernmental	6,923,096	3,650,423	3,880,017	6.3%
Sales and Services	45,067,791	41,113,207	44,435,058	8.1%
Investment Earnings	1,549,312	115,000	155,000	34.8%
Miscellaneous	4,723,910	1,622,000	3,422,000	111.0%
Other Financing Sources	3,313,073	8,227,845	5,416,337	-34.2%
Revenue Total	61,612,144	54,758,475	57,338,412	4.7%
Per Capita	1,487.96	1,256.56	1,317.16	4.8%

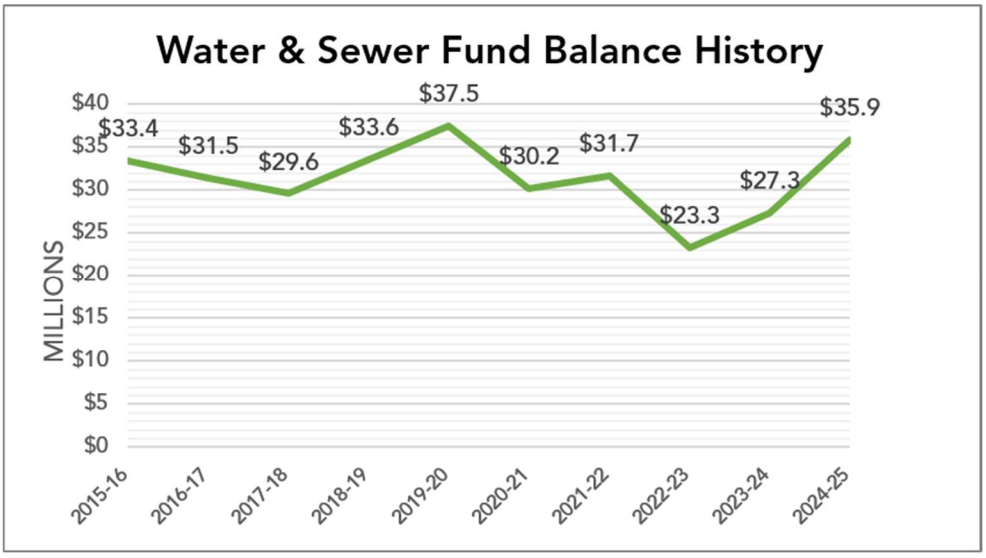
Enterprise Fund Expenditure by Category	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	12,322,218	14,099,491	15,101,058	7.1%
Operations	18,057,664	18,837,696	19,849,731	5.4%
Capital	8,147,590	6,644,962	7,436,113	11.9%
Contingency	869,959	869,595	898,061	3.3%
Special Appropriations	101,934	125,957	172,619	37.0%
Debt Service	298,932	3,931,340	3,951,247	0.5%
Interfund Transfers	3,745,533	4,814,144	4,485,130	-6.8%
Pro Rata Reimbursement	5,125,354	5,435,290	5,444,453	0.2%
Expenditure Total	48,669,184	54,758,475	57,338,412	4.7%
Per Capita	1,175.39	1,256.56	1,317.16	4.8%

Unrestricted Net Position Projection

The unrestricted net position in the Water and Sewer Fund was $35,861,916 on June 30, 2025. Going into FY2026-2027, the unrestricted net position of the Water and Sewer Fund is expected to be $38,301,634

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Water and Sewer Fund	23,275,544	27,346,535	35,861,916	38,301,634
Dollar Change	1,527,368	4,070,991	8,515,381	2,439,718
Percent Change	-20%	17%	31%	7%





Public Utilities Administration

Additional Information about the Public Utilities Administration Division may be obtained by calling Will Hamblin, PE, Public Utilities Director, at 828.323.7427 or whamblin@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.

2025/2026 Accomplishments

- Partnered with Catawba County on design of additional capacity in Hickory-Catawba WWTF.
- Worked with Consultant to initiate Advanced Metering Infrastructure project to modernize utility operations and increase efficiencies.
- Collaborated with consultants to identify and prioritize water system resiliency measures.
- Completed construction of new Biosolids Facility.

2026/2027 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 while implementing system improvements.
- ***Goal:*** Implement system resiliency measures
  - ***Objective:*** Engage stakeholders and implement design and permitting to maximize system resiliency.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of publications produced per year	13	13	16	15
Efficiency				
% of meters read per month	99.5%	98.0%	99.5%	95.0%
Effectiveness				
% of construction plans reviewed within 10 days	99.0%	98.0%	99.0%	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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,329,483	1,756,236	1,924,346	9.6%
Operations	5,071,091	5,315,745	5,544,360	4.3%
Capital	153,023	179,000	108,476	-39.4%
Pro Rata Reimbursement	4,384,204	4,679,314	4,673,140	-0.1%
Expenditure Total	$ 10,937,801	$ 11,930,295	$ 12,250,322	2.7%
Per Capita	$ 264.15	$ 273.77	$ 281.41	2.8%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	5,129,774	10,270,295	8,750,322	-14.8%
Investment Earnings	1,246,226	60,000	100,000	66.7%
Miscellaneous	4,561,801	1,600,000	3,400,000	112.5%
Revenue Total	$ 10,937,801	$ 11,930,295	$ 12,250,322	2.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	14	17	18	5.9%
Seasonal	1	1	1	0.0%
Total	15	18	19	5.6%

Utilities Collections Division

Additional Information about the Collection System Division may be obtained by calling Shaun Thompson, Maintenance Operations Coordinator, at 828.323.7427 or sthompson@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.

2025/2026 Accomplishments

- Worked with contractor on replacing the creek crossings damaged during Hurricane Helene.
- Scheduled and performed site visits with Engineer for assessments of pump stations and booster stations throughout system.
- Scheduled contractor to treat over 27,000 ft of sewerlines and numerous manholes in system for root control.

2026/2027 Goals and Objectives

- ***Goal:*** Ensure the required sewerline amount is cleaned annually.
  - ***Objective:*** To achieve minimum 10% of line cleaning.
- ***Goal:*** Clear right-of-way to make accessible for cleaning and inspecting of sewerlines.
  - ***Objective:*** Achieve 10% clearing of right-of-way and keep what has been cleared mowed, maintaining around 45% of right-of-way.
- ***Goal:*** Develop a CCTV program for the sewerlines.
  - ***Objective:*** Inspect sewerlines to understand where to perform repairs and root control.

Performance Measures	*2023-2024 Actual*	*2024-2025 Actual*	*2025-2026 Estimated*	*2026-2027 Goal*
Work Load				
Total linear feet of sewer line cleaned	280,000	272,739	280,000	300,000
Total # of sewer service requests	241	450	525	300
Efficiency				
Average cost per request for sewer maintenance	$501.36	$467.50	$476.63	$500.00
Effectiveness				
% of Right-of-Way maintained	35%	35%	35%	15%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	1,353,161	1,401,761	1,862,371	32.9%
Operations	977,224	1,172,092	1,237,559	5.6%
Capital	1,536,423	3,675,000	3,316,100	-9.8%
Expenditure Total	$ 3,866,808	$ 6,248,853	$ 6,416,030	2.7%
Per Capita	$ 93.39	$ 143.39	$ 147.39	2.8%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Water and Sewer Fund	3,866,808	6,248,853	6,416,030	2.7%
Revenue Total	$ 3,866,808	$ 6,248,853	$ 6,416,030	2.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	16	16	23	43.8%
Seasonal	1	1	2	100.0%
Total	17	17	25	47.1%

Henry Fork Plant Division

Additional Information about the Henry Fork Division may be obtained by calling Bruce Reese, WWT-4, WWTF Superintendent, at 828.294.0861 or breese@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.

2025/2026 Accomplishments

- Maintained chemical cost below $0.10 per 1,000 gallons of wastewater treated.
- Completed maintenance on one side of Henry Fork's aeration basins.
- Maintained a safe work environment.
- Met new stormwater monitoring requirements.

2026/2027 Goals and Objectives

- ***Goal:*** Meet stormwater monitoring requirements.
  - ***Objective:*** Monitor the quantitative and analytical samples quarterly.
- ***Goal:*** Maintain NPDES permit requirements.
  - ***Objective:*** Meet 100% of sample requirements and permit limits.
- ***Goal:*** Continue maintenance of Henry Fork's aeration basins.
  - ***Objective:*** To create better redundancy to ensure optimal efficiency of the plant.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Tons of influent solids treated	1,236	2,121	2,700	2,500
Efficiency				
Chemical cost per thousand gallons wastewater treated	$0.10	$0.08	$0.09	$0.10
Effectiveness				
% of solids removal through the facility	97%	98%	99%	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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	734,920	814,840	718,475	-11.83%
Operations	756,794	777,737	812,102	4.42%
Capital	187,215	127,000	386,000	203.94%
Expenditure Total	$ 1,678,929	$ 1,719,577	$ 1,916,577	11.5%
Per Capita	$ 40.55	$ 39.46	$ 44.03	11.6%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Restricted Intergovernmental	150,000	150,000	150,000	0.00%
Water and Sewer Fund	1,528,929	1,569,577	1,766,577	12.55%
Revenue Total	$ 1,678,929	$ 1,719,577	$ 1,916,577	11.5%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	10	10	9	-10.00%
Seasonal	1	1	1	0.00%
Total	11	11	10	-9.1%

Northeast Plant Division

Additional Information about the Northeast Plant Division may be obtained by calling Robert Pelzel, WWT-4, WWTF Superintendent, at 828.322.5075 or Rpelzel@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.

2025/2026 Accomplishments

- Maintained chemical cost below $0.07 per 1,000 gallons of wastewater treated.
- Achieved a solids and BOD removal efficiency above 97%.
- Met all sample requirements and permit limits.
- Met new stormwater monitoring requirements.

2026/2027 Goals and Objectives

- ***Goal:*** Meet stormwater monitoring requirements.
  - ***Objective:*** Monitor the quantitative and analytical samples quarterly.
- ***Goal:*** Maintain NPDES permit requirements.
  - ***Objective:*** Meet 100% of sample requirements and permit limits.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Tons of influent solids treated	1,040	1,496	1,511	1,600
Efficiency				
Chemical cost per thousand gallons wastewater treated	$0.05	$0.05	$0.05	$0.07
Effectiveness				
% of solids removal through the facility	97%	97%	97%	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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	837,090	850,076	848,889	-0.1%
Operations	532,308	603,439	621,553	3.0%
Capital	66,074	207,000	125,000	-39.6%
Expenditure Total	$ 1,435,472	$ 1,660,515	$ 1,595,442	-3.9%
Per Capita	$ 34.67	$ 38.10	$ 36.65	-3.8%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Water and Sewer Fund	1,435,472	1,660,515	1,595,442	-3.9%
Revenue Total	$ 1,435,472	$ 1,660,515	$ 1,595,442	-3.9%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Seasonal	-	-	-	0.0%
Total	11	11	11	0.0%

Water Plant Division

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

Functional Area: Environmental Protection

Mission Statement

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

2025/2026 Accomplishments

- Met all State and Federal drinking water standards to maintain compliance with no exceedances or violations.
- Continued the Water Treatment Facility's efforts to engage and educate the community through hosting tour groups, community groups, schools, and universities.
- Implemented additional protection measures to the raw water intake to ensure uninterrupted water supply.

2026/2027 Goals and Objectives

- ***Goal:*** Position Water Treatment Facility to continue being a utility provider prepared for the future.
  - ***Objective:*** Through continued commitment to Facility Master Plan, provide for the appropriate replacement or renovation of equipment and facilities to improve the level of service to the communities we serve.
- ***Goal:*** Continue to position the City of Hickory for compliance with Lead and Copper Rule (LCR).
  - ***Objective:*** Identify and begin to replace any remaining legacy lead waterlines.
- ***Goal:*** Develop and train the facility staff to elevate employee performance while providing advancement opportunities.
  - ***Objective:*** Encourage and provide support for educational opportunities, training events, and continued professional development to all staff members.

Water Plant Division

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Average million gallons treated per day	13.4	13.6	14.0	16.5
Million Gallons of Billed Water per all staff FTE	70.64	71.8	72.4	68.48
Efficiency				
Peak capacity daily demand as a percent of treatment	60%	61%	65%	65%
Billed water as % of finished water	91.16%	96.5%	97.0%	85%
Effectiveness				
Customer complaints about water quality per 1,000 meters	0.68	0.54	0.50	0.50

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	907,292	972,372	1,014,446	4.3%
Operations	2,550,066	2,761,530	2,995,378	8.5%
Capital	445,236	422,000	1,132,500	168.4%
Expenditure Total	$ 3,902,594	$ 4,155,902	$ 5,142,324	23.7%
Per Capita	$ 94.25	$ 95.37	$ 118.13	23.9%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Water and Sewer Fund	3,902,594	4,155,902	5,142,324	23.7%
Revenue Total	$ 3,902,594	$ 4,155,902	$ 5,142,324	23.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	12	13	13	0.0%
Part Time	1	1	1	0.0%
Seasonal	1	1	1	0.0%
Total	14	15	15	0.0%

Pretreatment/Lab Division

Additional Information about the Pretreatment/Lab Division may be obtained by calling Morgan Bowers, Pretreatment Coordinator, at 828.322.4821 or mbowers@hickorync.gov

Functional Area: Environmental Protection

Mission Statement

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

2025/2026 Accomplishments

- Judged compliance for 13 SIU's based on City of Hickory monitoring results & industry self-monitoring results, issued notices of compliance/non-compliance accordingly, and submitted appropriate surcharges to be billed.
- Assisted the City of Claremont with continued support of monitoring & reporting for their NPDES permit.
- Administered Oil & Grease policy in accordance with the City of Hickory's SUO.
- Submitted 2025 Pretreatment Annual Report

2026/2027 Goals and Objectives

- ***Goal:*** Maintain the City of Hickory's Pretreatment Program
  - ***Objective:*** Monitor the City of Hickory's 12 SIU's & maintain the major elements of our active pretreatment programs
- ***Goal:*** Administer Oil & Grease policy in accordance with the City of Hickory's SUO
  - ***Objective:*** Monitor the City of Hickory's approximately 235 oil & grease contributors
- ***Goal:*** Maintain the City of Hickory's laboratory certification
  - ***Objective:*** Conduct laboratory testing for 4 NPDES permits and 12 SIU's. Pass proficiency testing for each parameter on the City of Hickory's laboratory certified parameter list.

Pretreatment/Lab Division

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of industrial contacts for assistance of permits annually	1,369	1,210	1,200	525
Efficiency				
% of oil and grease contributors re-inspected	10%	13%	12%	≤15%
Effectiveness				
% of industrial permit non-compliant	2.1%	2.0%	2.0%	≤4%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	580,685	516,391	539,658	4.5%
Operations	170,557	214,333	216,928	1.2%
Capital	57,316	22,400	34,100	52.2%
Expenditure Total	$ 808,558	$ 753,124	$ 790,686	5.0%
Per Capita	$ 19.53	$ 17.28	$ 18.16	5.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Water and Sewer Fund	808,558	753,124	790,686	5.0%
Revenue Total	$ 808,558	$ 753,124	$ 790,686	5.0%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	8	7	7	0.0%
Part Time	-	-	-	0.0%
Seasonal	1	1	1	0.0%
Total	9	8	8	0.0%

Distribution Division

Additional Information about the Utilities Distribution Division may be obtained by calling Travis Hall, Construction Operations Coordinator, at 828.323.7427 or thall@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.

2025/2026 Accomplishments

- Replaced 2,509 linear feet of 12" water line with 16" waterline in conjunction with the R-5967 road widening project near the Hickory Regional Airport.
- Added 31,032 LF of waterline in Hickory, 52,635 LF in Southeastern Catawba County, and 15,583 LF in Alexander County.
- Replaced approximately 551 water meters and added 1,150 new water meters.

2026/2027 Goals and Objectives

- ***Goal:*** Meet the requirements of the Safe Drinking Water Act.
  - ***Objective:*** Maintain adequate chlorine residuals throughout the Distribution System.
- ***Goal:*** Increase meter reading efficiency and minimize water loss.
  - ***Objective:*** Implementation of AMI Project.
- ***Goal: Improve*** Utilities Distribution record keeping.
  - ***Objective:*** Continue to work towards full implementation of Tyler Technologies best practices for asset and work order management.

Distribution Division

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Thousands of gallons of billed water per meter	124.83	116.55	112.52	140.5
Millions of gallons of billed water per water services FTE's	86.67	84.41	83.64	63.4
Miles of main line pipe per square mile of service area	2.98	3.00	3.05	3.00
Breaks and leaks per mile of main pipe line	0.33	0.12	0.13	0.275
Efficiency				
Percent of existing pipeline replaced or rehabbed	0%	0.01%	0.11%	0.75%
Effectiveness				
Percent of water bills not collected	2.9%	1.4%	2.0%	3.0%

Distribution Division

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	2,567,153	3,097,410	3,390,484	9.5%
Operations	986,708	1,408,437	1,533,194	8.9%
Capital	960,913	3,487,000	2,286,300	-34.4%
Expenditure Total	$ 4,514,774	$ 7,992,847	$ 7,209,978	-9.8%
Per Capita	$ 109.03	$ 183.41	$ 165.62	-9.7%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Water and Sewer Fund	4,514,774	7,992,847	7,209,978	-9.8%
Revenue Total	$ 4,514,774	$ 7,992,847	$ 7,209,978	-9.8%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	33	40	42	5.0%
Part Time	-	-	-	0.0%
Seasonal	4	4	4	0.0%
Total	37	44	46	4.5%

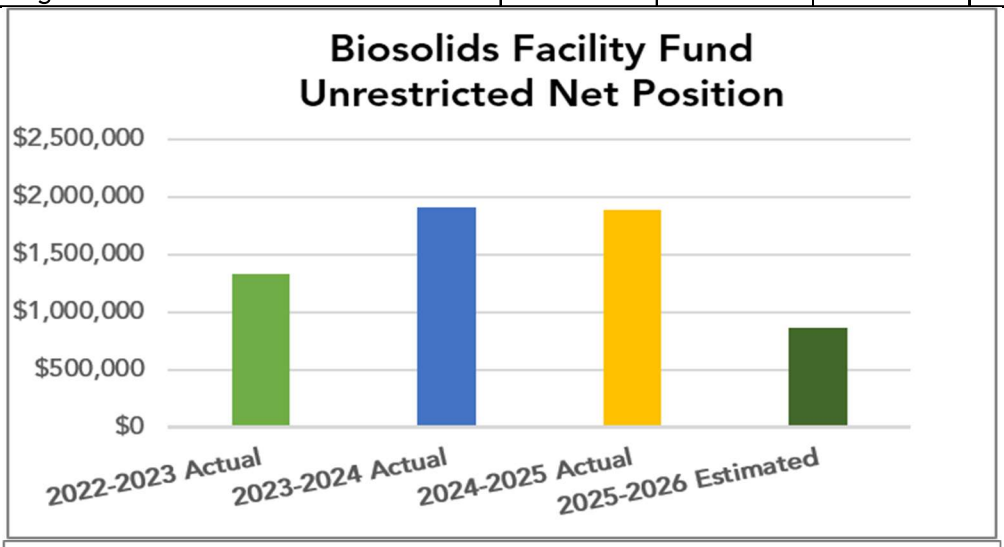
Biosolids Fund

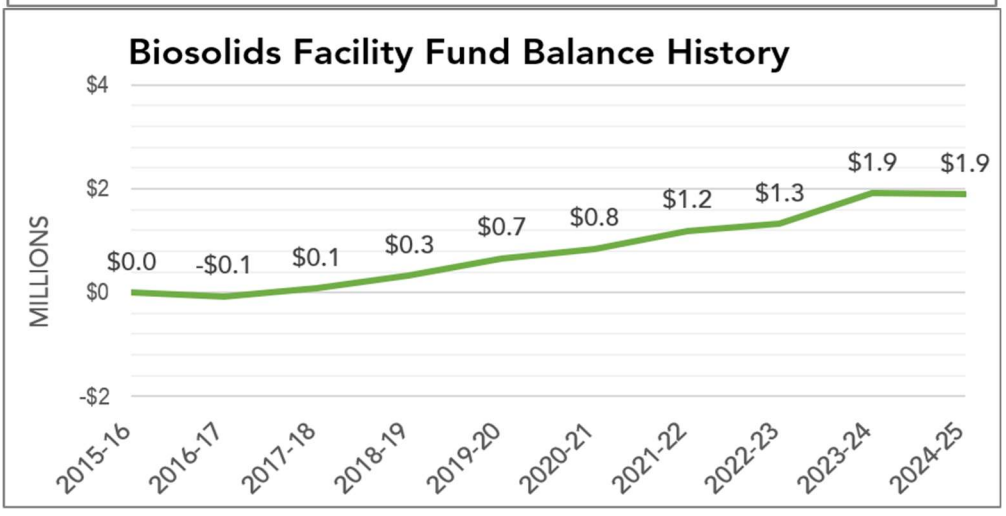
The Biosolids Fund consists of only one department, the Biosolid Facility of the Public Services Department. The fund exists because of the shared ownership of the facility between the cities of Hickory and Conover. Hickory serves as the lead agent. The original facility was built in the late 1980's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

Unrestricted Net Position Projection

The biosolid 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 Biosolid Fund retained earnings balance is presented below:

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Biosolids Facility Fund	1,333,006	1,909,236	1,889,496	871,187
Dollar Change	345,641	576,230	(19,740)	(1,018,309)
Percent Change	-100%	43%	-1%	-54%





Biosolids Facility Division

Additional information about the Biosolids Facility Division may be obtained by calling David Cox, Assistant PU Director, at 828-323-7427 or dcox@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.

2025/2026 Accomplishments

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

2026/2027 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:*** Implement capital improvement plan to ensure facility sustainability.
- ***Goal:*** Be a good neighbor to the surrounding community.
  - ***Objective:*** Operate the facility with no odor complaints.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Average million gallons of sludge treated (annually)	17,907,500	17,579,000	19,435,705	20,000,000
Average dry tons treated (daily)	11.90	7.67	9.0	10.0
Tons of biosolids product dispensed *Amended material	*20,194 cu yd	22,429 Cu yd *6,636 Tons	2,700 Tons	3,650 Tons
Efficiency				
Avg. cost per dry ton produced	$681	$613	$1,656.00	$1,500.00
Effectiveness				
Percentage of weeks compliant with Residuals Permit	100%	100%	100%	100%

Biosolids Facility Division

This facility is responsible for accepting biosolids from consortium participants and producing Class "A" residual compost.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Operations	1,986,196	1,314,851	1,313,014	-0.1%
Personnel	117,988	310,372	454,891	46.6%
Capital	169,812	105,000	155,000	47.6%
Contingency	-	112,306	150,000	33.6%
Pro Rata Reimbursement	139,300	142,086	144,900	2.0%
Expenditure Total	$ 2,413,296	$ 1,984,615	$ 2,217,805	11.7%
Per Capita	$ 58.28	$ 45.54	$ 50.95	11.9%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Restricted Intergovernmental	2,347,357	1,984,615	2,217,805	11.7%
Investment Earnings	-	-	-	0.0%
Other Financing Sources	-	-	-	0.0%
Miscellaneous	3,200	-	-	0.0%
Revenue Total	$ 2,350,557	$ 1,984,615	$ 2,217,805	11.7%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	-	6	6	0.0%
Part Time	-	-	-	0.0%
Total	-	6	6	0.0%

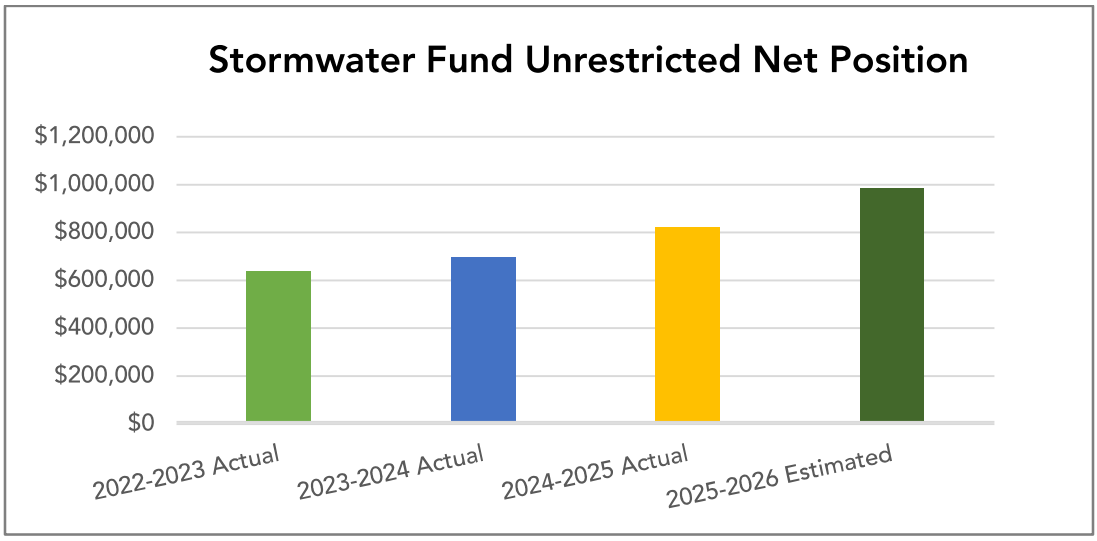
Stormwater Fund

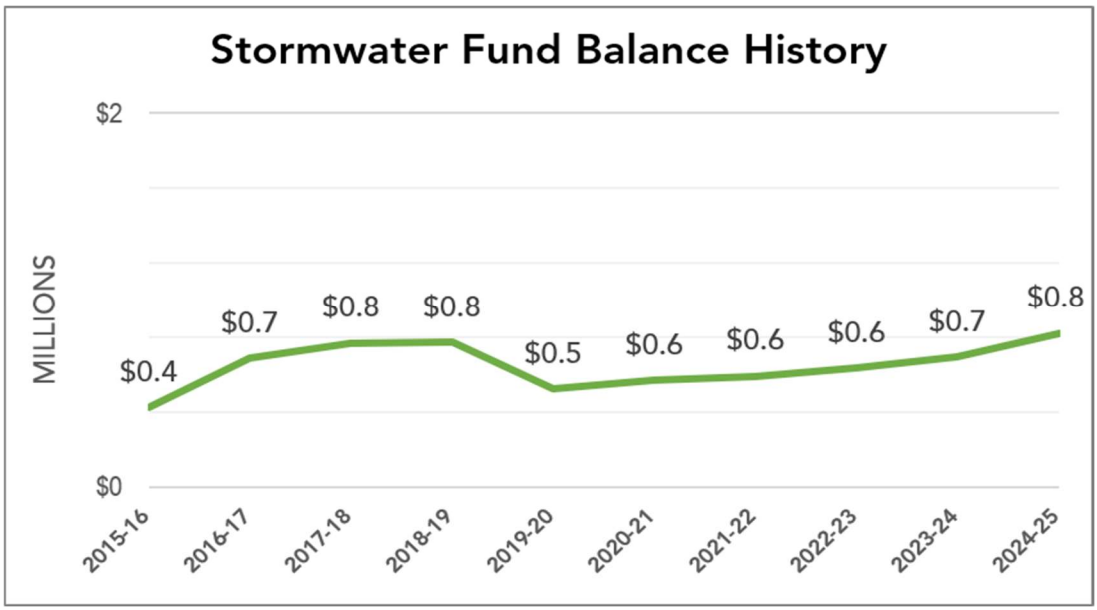
The Stormwater Fund consists of only one department.

Unrestricted Net Position Projection

The Stormwater Fund's unrestricted net position was $823,103 on June 30, 2025. The unrestricted net position of the Stormwater Fund is expected to be $985,339 going into FY2026-2027.

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Stormwater Fund	635,934	697,031	823,103	985,339
Dollar Change	21,414	61,097	126,072	162,236
Percent Change	9%	10%	18%	20%





Stormwater Division

The Stormwater Fund was presented for the first time in the FY 2007-2008 budget document. The City continues their efforts in the process of developing recommendations related to the implementation of new federal stormwater mandates. However, in order to gain a greater understanding of the amount of money the City is spending related to stormwater activities, we began tracking expenses in this area in FY 2007-2008. The Stormwater Division is located on the second floor of the municipal building. The Stormwater Engineer works with the Engineering Division staff to provide engineering services related to the City's storm drainage system, and serves as the primary contact for compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II regulations.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	117,260	120,250	123,494	2.7%
Operations	65,073	168,216	166,766	-0.9%
Capital	-	-	-	0.0%
Expenditure Total	$ 182,333	$ 288,466	$ 290,260	0.6%
Per Capita	$ 4.40	$ 6.62	$ 6.67	0.7%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Investment Earnings	-	-	-	0.0%
Other Financing Sources	182,333	288,466	290,260	0.6%
Revenue Total	$ 182,333	$ 288,466	$ 290,260	0.6%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	1	1	1	0.0%
Part Time	1	1	1	0.0%
Total	2	2	2	0.0%

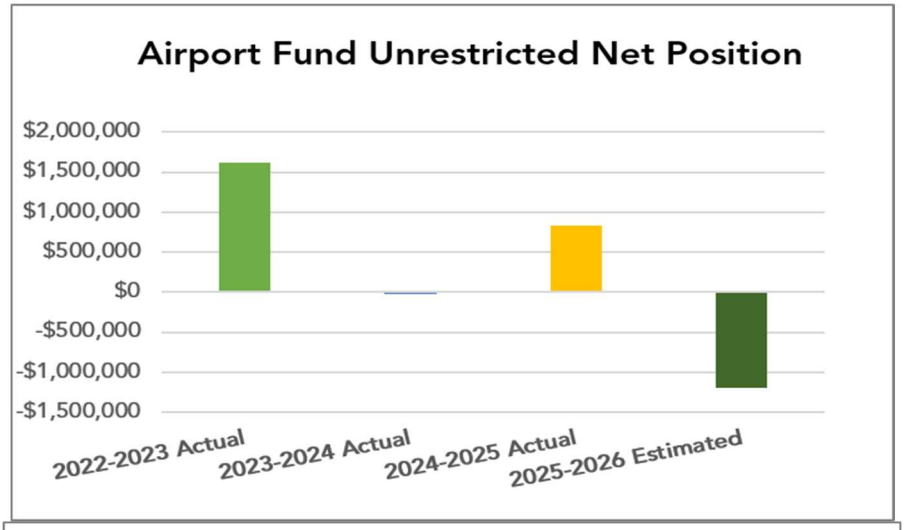
Airport Fund

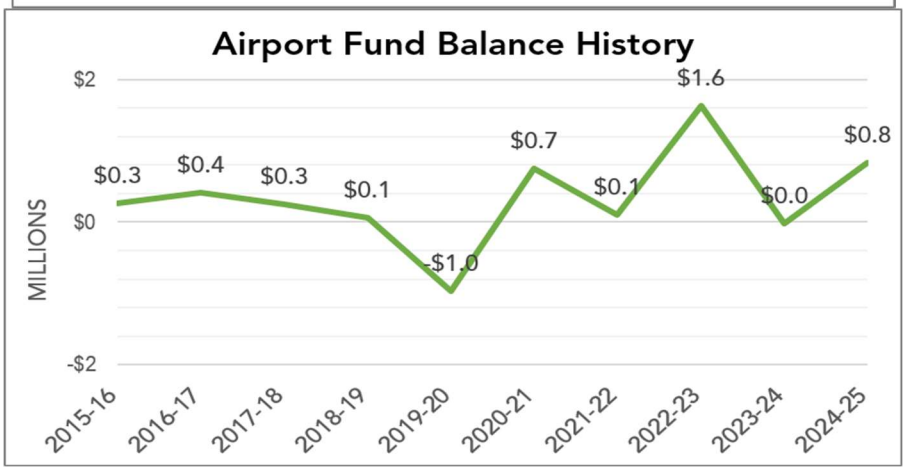
With the growth of Hickory Metro Area, no issue is more prominent than the very conduit that feeds that growth, the transportation system. The Airport Fund incudes the Hickory Regional Airport (including tower operations) and the FBO (Fixed Based Operations). The Airport Fund was established to differentiate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

Unrestricted Net Position Projection

The Airport Fund's unrestricted net position was $834,888 on June 30, 2025. Going into FY2026-2027 the unrestricted net position of the Airport Fund is expected to be -$1,187,507. Trend information for the Airport Fund is presented below:

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Airport Fund	1,623,666	(23,180)	834,888	(1,187,507)
Dollar Change	(642,915)	(1,646,846)	858,068	(2,022,395)
Percent Change	177%	-101%	3702%	-242%





Airport Division

Additional Information about the Airport may be obtained by calling
Chad Hunsucker, Airport Director, at 828.358.8473 or chunsucker@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 ensure the airport meets the current and future needs of the aviation public.

2025/2026 Accomplishments

- Successful annual Part 139 inspection.
- Completed T-Hangar Construction for hangar's # 13-24 on North Ramp.
- Completed Corporate Hangar Construction for hangar W6 on the West Ramp.
- Completed numerous upgrades to the FBO building.
- Successful transition to new Hickory Aviation Museum.
- Acquired multiple equipment assets to enhance airport maintenance operations.

2026/2027 Goals and Objectives

- ***Goal:*** Engineered Material Arresting System (EMAS) Installation
  - ***Objective:*** To reduce the severity of the consequences of runway excursion
- ***Goal:*** Air Traffic Control Tower Renovation
  - ***Objective:*** Increase aviation safety and enhance infrastructure
- ***Goal:*** Update Runway Lighting
  - ***Objective:*** Reduce energy consumption and provide greater reliability
- ***Goal:*** Continue to pursue hangar development projects
  - ***Objective:*** Continue to increase airport's economic impact on the community by adding to personal property tax base
  -

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of airfield Inspections	730	312	312	312
Efficiency				
# of operations per year	38,209	32,515	30,304	35,000
Effectiveness				
# of airfield incursions	0	0	1	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 general aviation services, hangar rentals, free parking, a café, a conference room for meetings, and a shuttle service to Charlotte-Douglas and Boone.

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	387,170	418,608	476,578	13.8%
Operations	296,471	303,103	447,246	47.6%
Capital	402,446	265,600	270,575	1.9%
Pro Rata Reimbursement	140,276	143,081	145,899	2.0%
Expenditure Total	$ 1,226,363	$ 1,130,392	$ 1,340,298	18.6%
Per Capita	$ 29.62	$ 25.94	$ 30.79	18.7%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Restricted Intergovernmental Revenue	-	-	-	0.0%
Sales and Services	147,051	97,368	165,368	69.8%
Investment Earnings	112,672	25,000	25,000	0.0%
Miscellaneous Revenues	91,843	20,000	20,000	0.0%
Airport Fund	874,797	988,024	1,129,930	14.4%
Revenue Total	$ 1,226,363	$ 1,130,392	$ 1,340,298	18.6%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	3	3	6	100.0%
Part Time	1	8	-	-100.0%
Seasonal	-	-	-	0.0%
Total	4	11	6	-45.5%

Fixed Base Operations Division

Additional Information about the Fixed Based Operations Division may be obtained by calling Chad Hunsucker, Airport Director, at 828.358.8473 or chunsucker@hickorync.gov

Functional Area: Transportation

Mission Statement

The Hickory Regional Airport fixed based operations provide the best aircraft service and storage possible to the aviation community while providing a safe workplace and maintaining 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 all other facets of aircraft servicing. We are dedicated to expanding our operations while maintaining the same high level of services throughout.

2025/2026 Accomplishments

- Negotiated and entered into an aviation fuel provider contract that resulted in the replacement of aging mobile fueling equipment and other incentives for the airport.
- Transitioned to new FBO software that streamlined processes with billing, invoices and fuel management.
- Upgraded aircraft services equipment that increased efficiency, safety and technological capabilities.
- Completed several aviation fuel farm upgrades to increase safety and resiliency.

2026/2027 Goals and Objectives

- ***Goal:*** Increase the number of based customers
  - ***Objective:*** To increase revenues, i.e. fuel sales, hangar rent and property tax revenues
- ***Goal:*** Continue to provide professional and well-trained Line Crew Technicians and outstanding Customer Service
  - ***Objective:*** To be recognized as an exemplary FBO in the aviation industry
- ***Goal:*** Aggressively market the airport to ensure maximum visibility.
  - ***Objective:*** For Hickory Regional Airport to become the regional leader for both corporation aviation departments and general aviation customers

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Gallons of aviation fuel sold at Airport	624,099	625,950	647,263	700,000
# of based aircraft	95	97	101	105
Efficiency				
# of aircraft fueled	6475	6500	6600	7000
Effectiveness				
Value of based aircraft (annual)	$137,297,500	117,587,950	143,954,000	153,954,000

Fixed Base Operations Division

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	522,934	544,205	563,935	3.6%
Operations	388,852	333,948	330,574	-1.0%
Capital	3,014,921	92,462	175,500	89.8%
Expenditure Total	$ 3,926,707	$ 970,615	$ 1,070,009	10.2%
Per Capita	$ 94.83	$ 22.27	$ 24.58	10.4%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	1,881,323	1,878,000	1,938,000	3.2%
Airport Fund	2,045,384	(907,385)	(867,991)	-4.3%
Revenue Total	$ 3,926,707	$ 970,615	$ 1,070,009	10.2%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	10	10	8	-20.0%
Part Time	1	1	5	400.0%
Total	11	11	13	18.2%

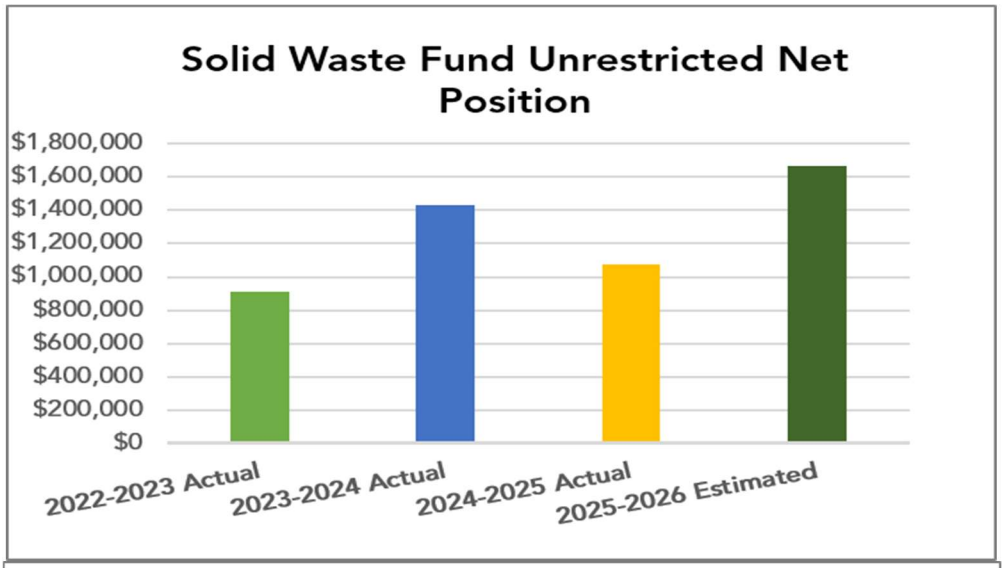
Solid Waste Fund

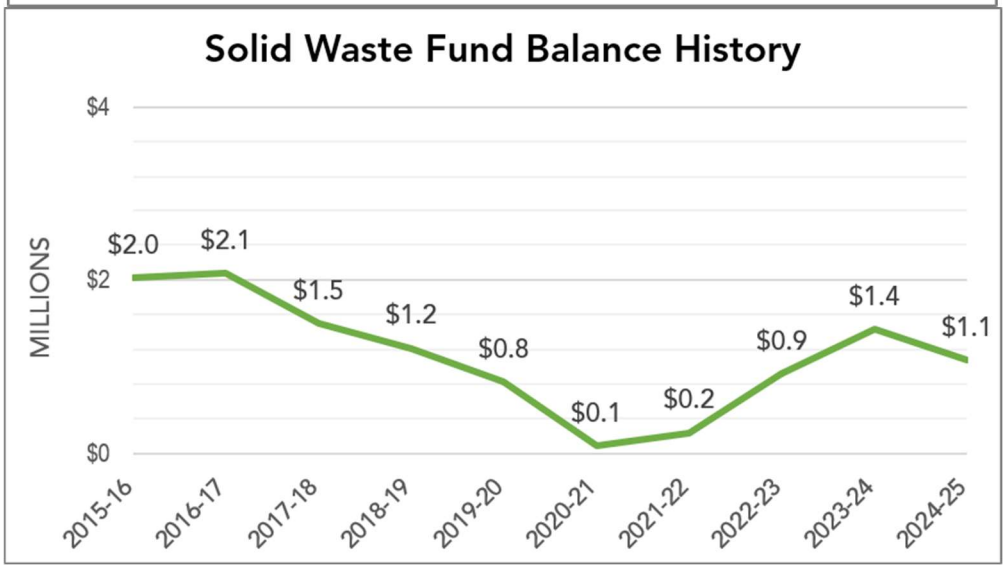
The Solid Waste Fund accounts for the City's recycling operations, as well as commercial and residential sanitation services. This fund is considered an Enterprise Fund because it generates revenues through sales and services to support operations.

Unrestricted Net Position Projection

The unrestricted net position of the Solid Waste Fund was $1,072,280 on June 30, 2025. Going into FY2026-2027, the unrestricted net position of the Solid Waste Fund is expected to be $1,664,401. The fund's income is derived primarily from user fees for commercial bulk services, residential service, and recycling fees.

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Solid Waste Fund	914,685	1,430,408	1,072,280	1,664,401
Dollar Change	155,877	515,723	(358,128)	592,121
Percent Change	-90%	56%	-25%	55%





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.

2025/2026 Accomplishments

- 338,000 recycling rollouts were emptied in our Residential Single Stream Program.
- Yard Waste picked up over 14 million pounds.
- Our Grapple Truck picked up over 6 million pounds of yard waste.
- Our Leaf Crews picked up over 7 million pounds of leaves.

2026/2027 Goals and Objectives

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

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Tons of curbside recyclables collected	2,187.74	2081	2036	2081
# of curbside collection points	13,000	13,000	13,000	14,550
Efficiency				
Direct cost per ton of curbside recyclables collected (annual)	202.29	264.6	275	276
Direct cost per curbside collection point (annual contract amount)	34.04	35	35.5	40
Effectiveness				
% of residential solid waste diverted by curbside program	17%	14%	13%	13%
% of eligible curbside pick-up points participating	74.6%	75%	75%	5%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	971,092	1,010,805	1,049,103	3.8%
Operations	2,436,662	2,458,204	2,452,975	-0.2%
Capital	496,969	635,000	682,000	7.4%
Pro Rata Reimbursement	560,245	571,450	582,879	2.0%
Expenditure Total	$ 4,464,968	$ 4,675,459	$ 4,766,957	2.0%
Per Capita	$ 107.83	$ 107.29	$ 109.50	2.1%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Other Taxes	16,331	16,827	15,608	-7.2%
Sales and Services	4,334,809	4,431,709	4,694,015	5.9%
Investment Earnings	40,502	16,827	15,608	-7.2%
Miscellaneous	32,823	1,122	5,162	360.1%
Other Financing Sources	-	208,974	20,955	-90.0%
Revenue Total	$ 4,464,968	$ 4,675,459	$ 4,766,957	2.0%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	13	13	13	0.0%
Part Time	1	1	1	0.0%
Total	14	14	14	0.0%

Sanitation Division

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

Functional Area: Environmental Protection

Mission Statement

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

2025/2026 Accomplishments

- The Residential Division handled over 675,000 rollouts resulting in nearly 21 million pounds of residential waste being collected.
- The Rear Packer Trucks loaded over 6 million pounds of garbage/junk by hand.

2026/2027 Goals and Objectives

Goal: Reduce vehicle maintenance and repair expenses by 5%.

- ***Objective:*** Reduce vehicle maintenance and repair expenses by continuing to drive the importance of maintenance programs to ensure vehicles are properly maintained through training and inspection.

Goal: Operational Efficiency of the Sanitation Division

- ***Objective:*** Track expenses quarterly through spreadsheet analysis and adjusting operations real-time.

Goal: Continue to educate the public regarding proper disposal methods for solid waste.

- ***Objective:*** Continue to utilize personal contact, various media platforms, Snippets, Door hangers and other informational opportunities to increase and educate our customer base.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Tons collected per 1,000 population	286.41	339	346	356
Tons per 1,000 collection points	991.43	1,094	1,115	1,105
Efficiency				
Direct cost per ton collected (annual)	27.86	26.80	27.47	25.30
Direct cost per collection point (annual)	27.63	29.29	30.75	28.54
Effectiveness				
Repeated collection points per 1,000 population	.01%	.01%	.01%	.01%

Sanitation Division

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	805,391	987,075	883,763	-10.5%
Operations	474,523	456,507	488,832	7.1%
Capital	857,820	388,500	372,000	-4.2%
Expenditure Total	$ 2,137,734	$ 1,832,082	$ 1,744,595	-4.8%
Per Capita	$ 51.63	$ 42.04	$ 40.08	-4.7%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Other Taxes	9,679	6,594	6,372	-3.4%
Sales and Services	2,084,600	1,736,568	1,723,375	-0.8%
Investment Earnings	24,003	6,594	6,372	-3.4%
Miscellaneous	19,452	439	424	-3.4%
Other Financing Sources	-	81,887	8,052	-90.2%
Revenue Total	$ 2,137,734	$ 1,832,082	$ 1,744,595	-4.8%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	12	14	14	0.0%
Part Time	-	1	1	0.0%
Total	12	15	15	0.0%

Commercial Bulk Services Division

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

Functional Area: Environmental Protection

Mission Statement

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

2025/2026 Accomplishments

- We have approximately 1,260 dumpster boxes in use by our customers.
- We collected over 14,500.00 tons of commercial waste.
- We have continued to gain market share within the city limits of Hickory.

2026/2027 Goals and Objectives

Goal: Increase customer base

- ***Objective:*** Increase our customer base through advertising and promoting the services available through the City of Hickory through various means from media platforms, internal departments and personal contact.

Goal: Operational efficiency of the Commercial Bulk Division

- ***Objective:*** To continue to investigate our operation to maximize efficiency and minimize cost through the use of technology.

Goal: Continue to educate the private sector businesses regarding proper disposal methods for solid waste.

- ***Objective:*** Continue to utilize personal contact, educational videos, media, Snippets, Door Hangers, individual audits and other informational opportunities to increase and educate our customer base.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
# of boxes serviced per route	98	97	96	98
Efficiency				
Direct cost per ton collected	$24.95	$45.35	$36	$31
Effectiveness				
# of new permanent accounts	31	-12	-12	30

Commercial Bulk Services Division

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

Expenditures by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	590,840	753,964	851,471	12.9%
Operations	797,478	681,858	689,262	1.1%
Capital	550,793	418,000	100,000	-76.1%
Pro Rata Reimbursement	(98,672)	(100,641)	(102,365)	1.7%
Expenditure Total	$ 1,840,439	$ 1,753,181	$ 1,538,368	-12.3%
Per Capita	$ 44.45	$ 40.23	$ 35.34	-12.2%

Revenues by Type	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Other Taxes	8,953	6,310	5,992	-5.0%
Sales and Services	1,674,511	1,661,781	1,518,411	-8.6%
Investment Earnings	86,708	6,309	5,991	-5.0%
Miscellaneous	70,267	421	400	-5.0%
Other Financing Sources		78,360	7,574	-90.3%
Revenue Total	$ 1,840,439	$ 1,753,181	$ 1,538,368	-12.3%

Authorized Personnel	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	11	11	11	0.0%
Total	11	11	11	0.0%

Board & Agency Funding

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

Special Appropriations by Functional Area	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Environmental Protection					
Catawba County EDC	46,832	50,400	52,056	55,270	6.2%
Habitat for Humanity	28,403	31,704	31,704	11,402	-64.0%
Western Piedmont Council of Governments	7,577	51,533	42,197	105,947	151.1%
Total	**82,812**	**133,637**	**125,957**	**172,619**	**37.0%**

Enterprise Fund Debt Service

Water and Sewer Fund Debt	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
NC Revolving Loan					
Cripple Creek	40,058	40,058	40,058	40,058	0.0%
Interest	352,327	237,490	237,490	214,474	-9.7%
Geitner Basin	163,617	149,018	149,018	149,018	0.0%
Central Business District Sewer	68,205	68,205	68,205	68,205	0.0%
Northeast Plant	910,000	895,000	895,000	890,000	-0.6%
Murray Basin	259,135	259,135	259,135	259,135	0.0%
Biosolids Facility	0	1,500,000	1,500,000	1,500,000	0.0%
Subtotal	**1,793,342**	**3,148,906**	**3,148,906**	**3,120,890**	**-0.9%**
Installment Purchases					
Henry Fork Sewer	475,000	0	0	0	0.0%
Hickory-Catawba Wastewater Treatment Plant	702,894	735,353	735,353	752,140	2.3%
Interest	88,495	47,081	47,081	30,293	-35.7%
Subtotal	**1,266,389**	**782,434**	**782,434**	**782,433**	**0.0%**
Total	3,059,731	3,931,340	3,931,340	3,903,323	-0.7%

Solid Waste Fund Debt	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Installment Purchases					
Replacement of four (4) Solid Waste vehicles	169,755	113,170	0	0	0.0%
Solid Waste Fund Total	169,755	113,170	0	0	0.0%

Special Appropriations by Functional Area	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Environmental Protection					
Catawba County EDC	46,832	50,400	52,056	55,270	6.2%
Habitat for Humanity	28,403	31,704	31,704	11,402	-64.0%
Western Piedmont Council of Governments	7,577	51,533	42,197	105,947	151.1%
Total	**82,812**	**133,637**	**125,957**	**172,619**	**37.0%**

Transfers/Other Financing Uses

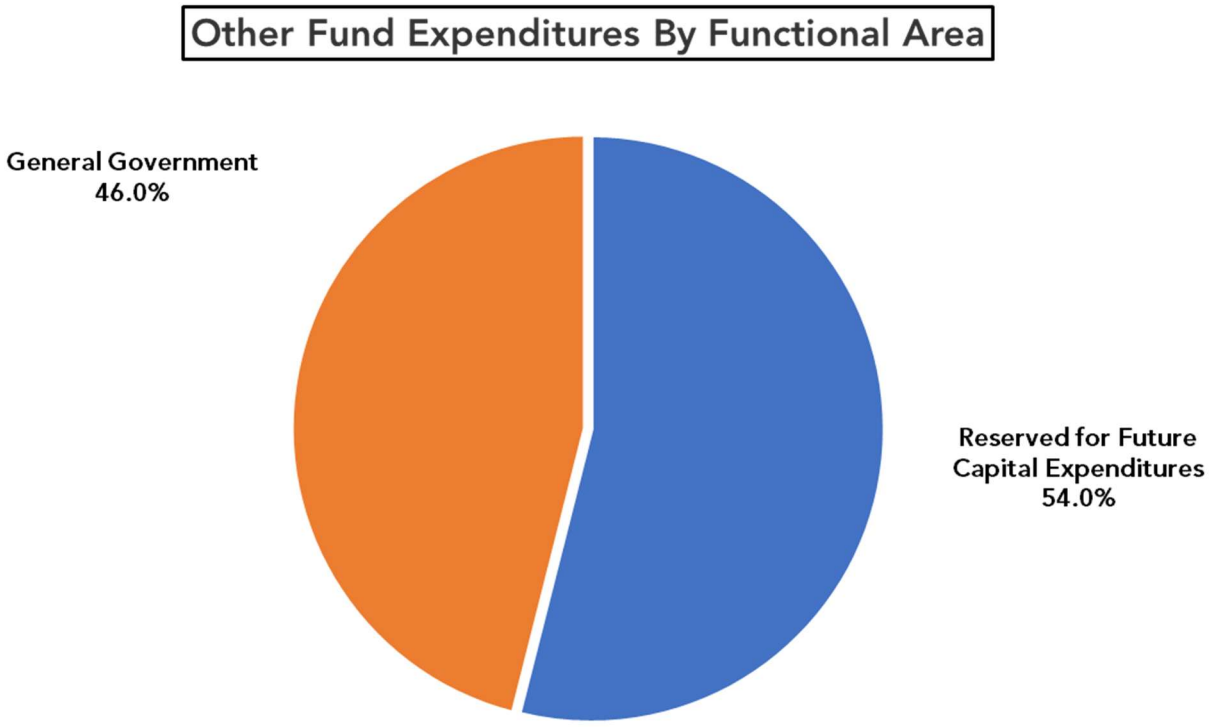
Transfers from Water and Sewer Fund	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Capital Reserve Fund	1,340,000	1,340,000	1,340,000	1,340,000	0.0%
General Capital Project	2,652,120	0	0	0	0.0%
General Fund	550,000	0	0	0	0.0%
Insurance Fund	0	0	0	0	0.0%
Biosolids Fund	122,500	173,281	0	0	0.0%
Stormwater Fund	173,227	141,924	144,233	145,130	0.6%
Water and Sewer Capital Projects Fund	3,394,959	455,792	0	0	0.0%
Water and Sewer Capital Reserve Fund	1,145,817	1,634,536	3,329,911	3,000,000	-9.9%
Total	**9,378,623**	**3,745,533**	**4,814,144**	**4,485,130**	**-6.8%**

Transfer from Airport Fund	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Enterprise Capital Project	0	0	0	0	0.0%
Total	**0**	**0**	**0**	**0**	**0%**

Transfers from Solid Waste Fund	2023-2024 Actual	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Insurance Fund	0	0	0	0	0%
Total	**0**	**0**	**0**	**0**	**0%**

Other Funds

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

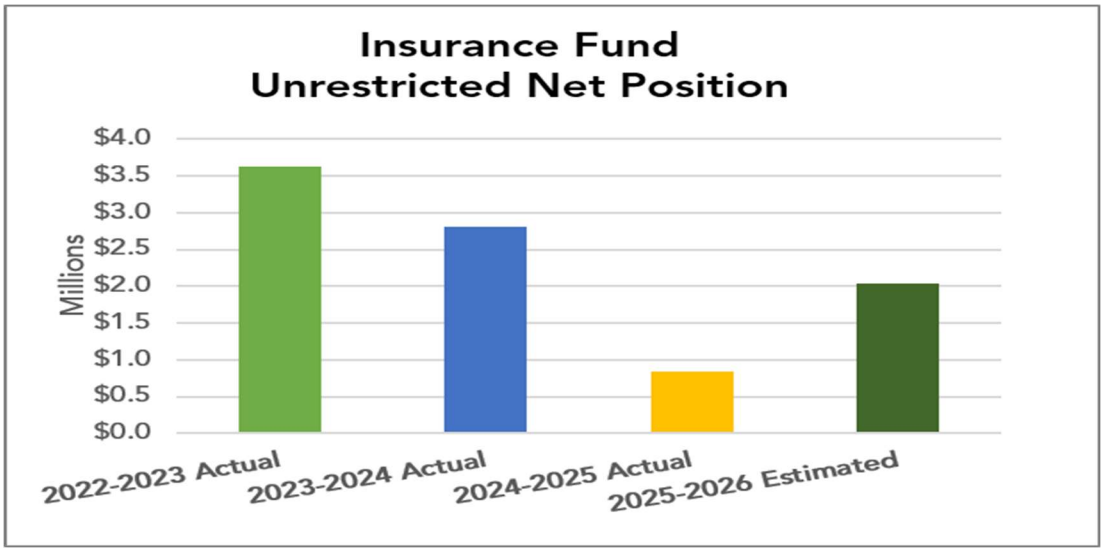


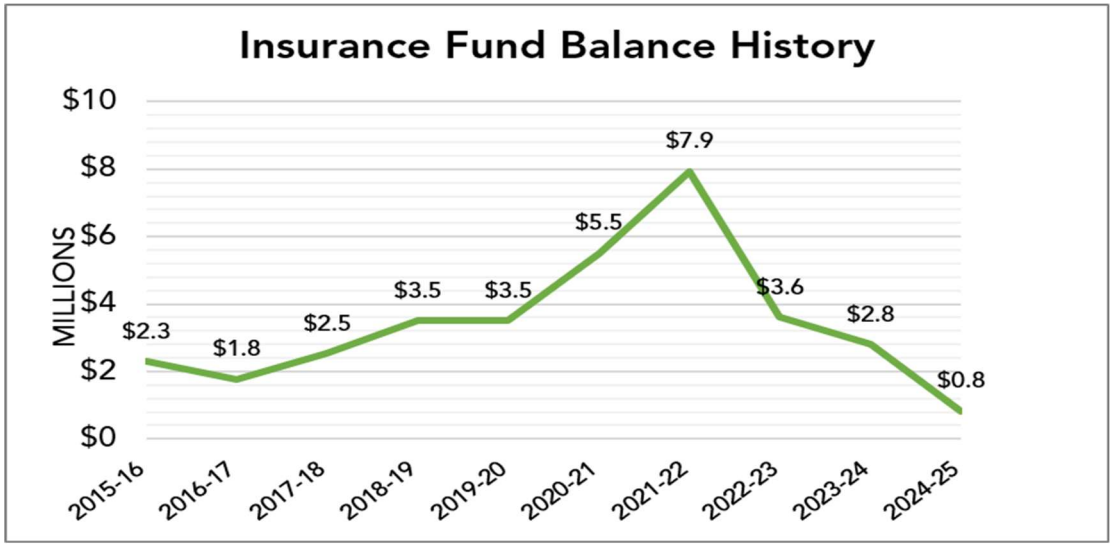
Insurance Fund

Insurance Fund Unrestricted Net Position Projection

The Insurance Fund was added to the budget in FY1999-2000 and accounts for all the insurance and risk management activities of the City. As of June 30, 2025, the unrestricted net position of this fund was $834,888. Going into FY2026-27, the unrestricted net position of this fund is estimated to be $2,033,594. The fiscal health of this fund is primarily determined by the City's experience with health insurance, property liability, and workers' compensation costs during the year. For greater context given the importance of this issue in contemporary times, a 10-year history is also included below.

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Insurance Fund	3,623,464	2,815,244	834,888	2,033,594
Dollar Change	2,424,748	(808,220)	(1,980,356)	1,198,706
Percent Change	9%	-22%	-70%	144%



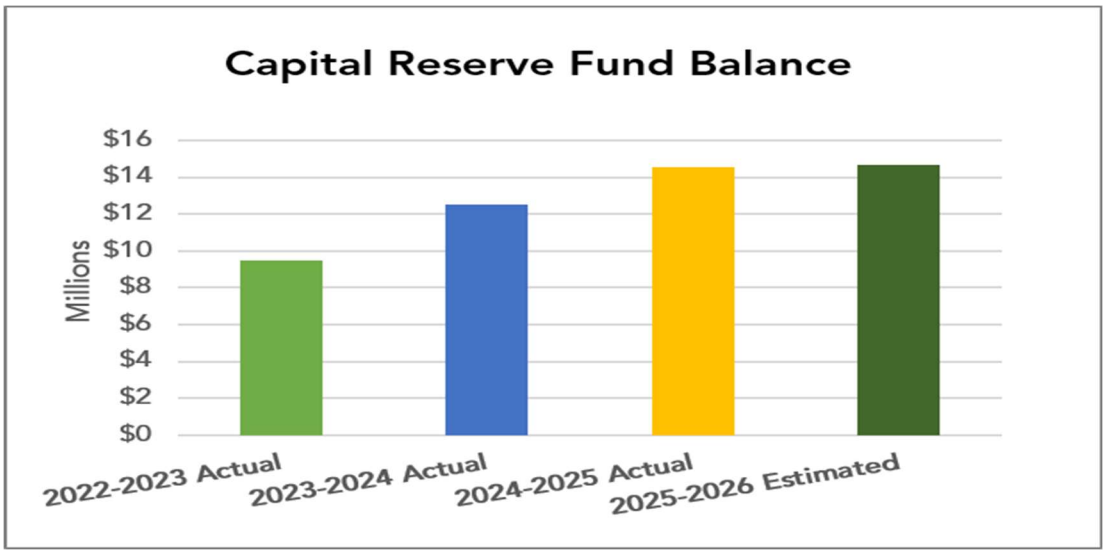


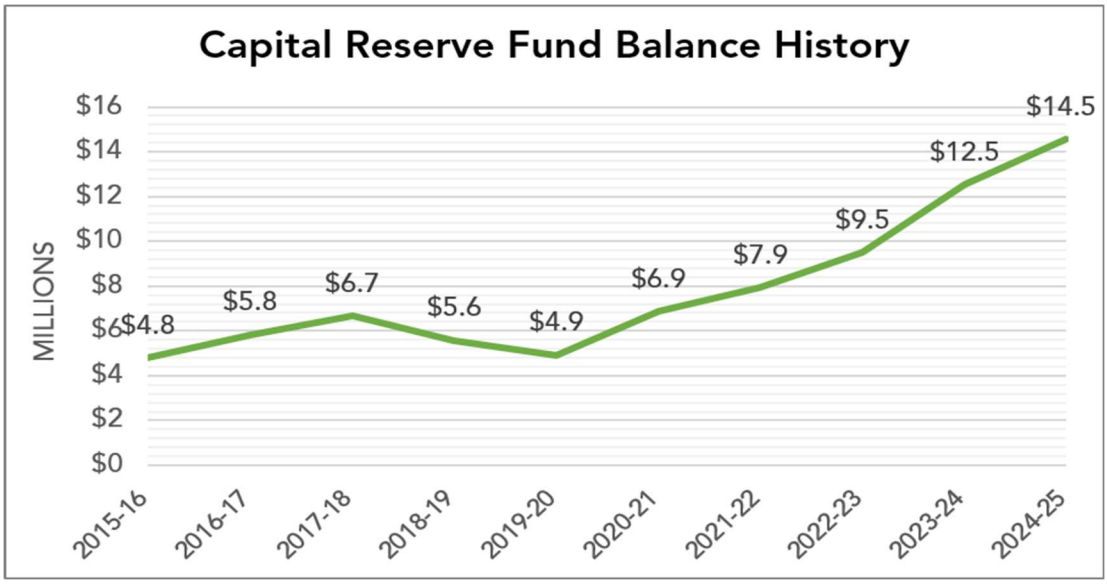
Capital Reserve Fund

Capital Reserve Fund Balance

The Capital Reserve Fund includes funds set aside for future capital projects and equipment purchases. This fund's dollars are set aside into specific categories including Right-of-Way Acquisition, Future Parking, General Capital Reserve, General Water and Sewer Reserve, and Water Plant Reserve. The fund balance of the Capital Reserve Fund totaled $14,538,610 at June 30, 2025. Going into FY2026-2027, the Capital Reserve Fund Balance is expected to be $14,698,726.

Capital Reserve Fund Balance	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Capital Reserve	9,492,329	12,526,424	14,538,610	14,698,726
Dollar Change	1,046,723	3,034,095	2,012,186	160,116
Percent Change	40%	32%	16%	1%



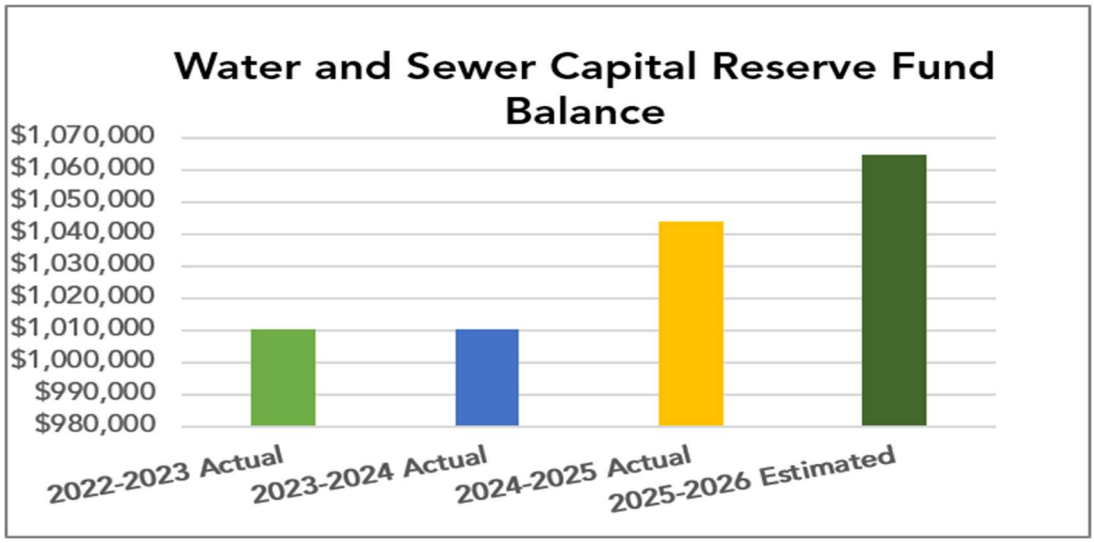


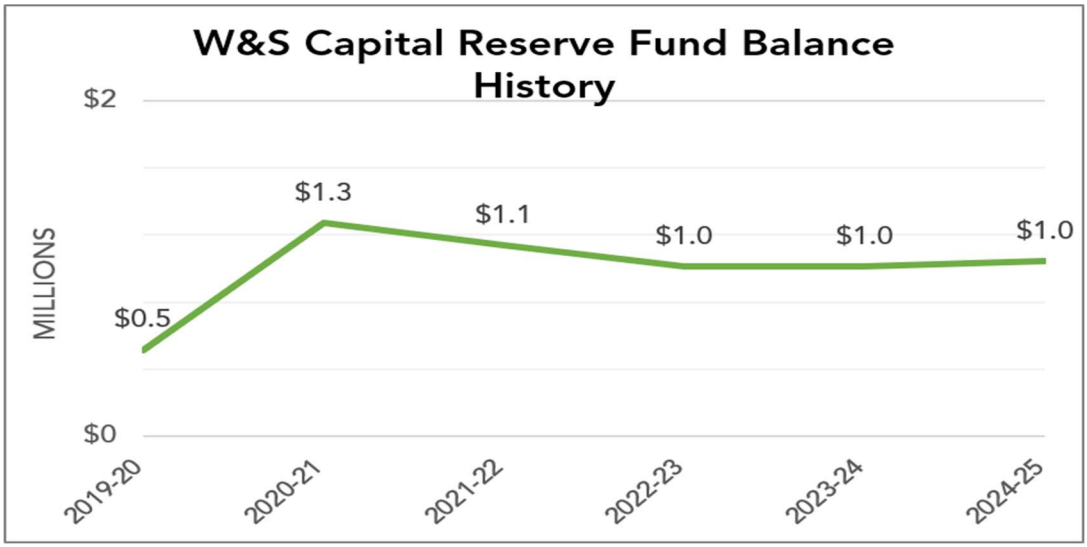
Water & Sewer Capital Reserve Fund

Water and Sewer Capital Reserve Fund Balance

The Water and Sewer Capital Reserve Fund includes funds set aside for future Water and Sewer capital projects. These funds are specifically designated for capacity related improvements according to state statutes. The fund balance of the Water and Sewer Capital Reserve Fund totaled $1,043,891 at June 30, 2025. Going into FY2026-2027, the Capital Reserve Fund Balance is expected to be $1,064,694.

Water and Sewer Capital Reserve Fund Balance	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Capital Reserve	1,010,365	1,010,365	1,043,891	1,064,694
Dollar Change	(134,897)	-	33,526	20,803
Percent Change	40%	0%	3%	2%



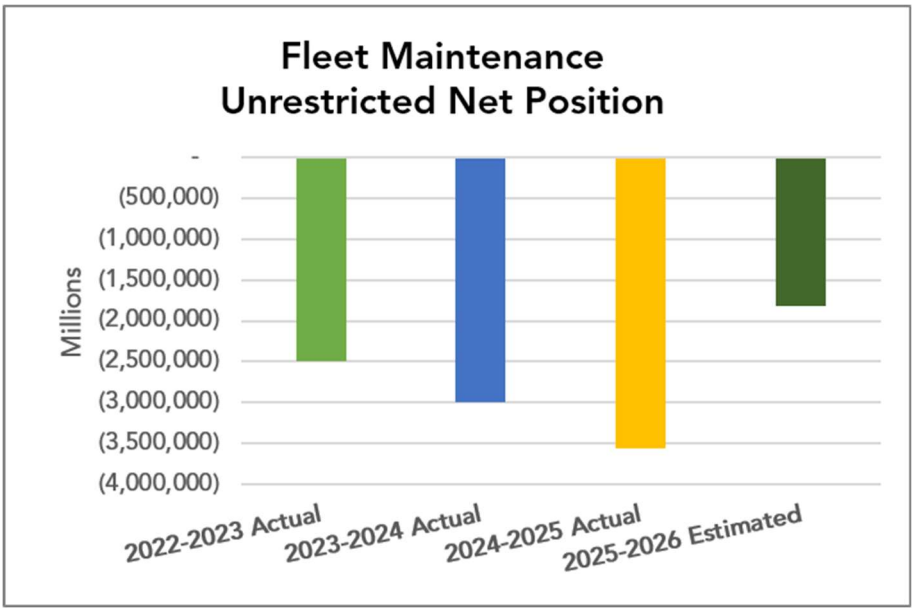


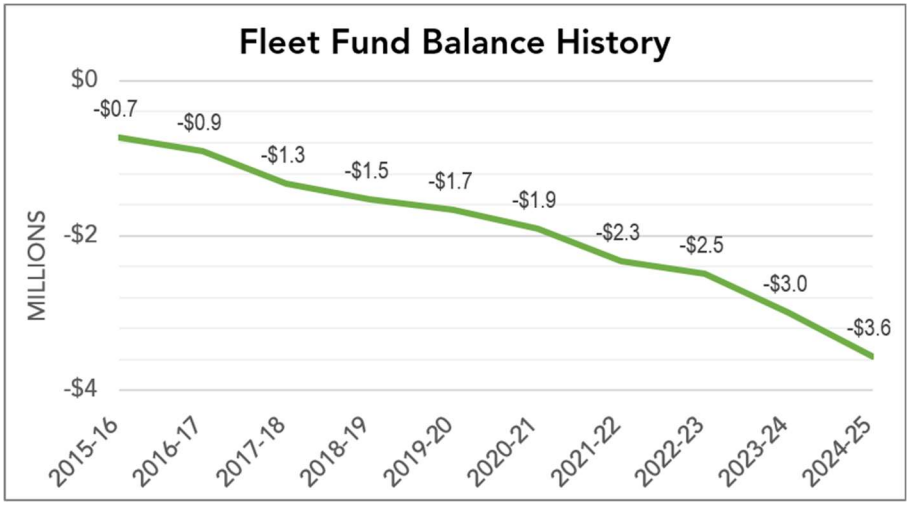
Fleet Maintenance Fund

Fleet Maintenance Fund Unrestricted Net Position Projection

The Fleet Maintenance Fund was added to the budget in FY1998-1999. This fund provides vehicle and equipment maintenance services to all City departments and divisions and charges them for those services. As of June 30, 2025, the unrestricted net position of the Fleet Maintenance Fund was ($3,559,640). Entering FY2026-20027, the unrestricted net position of the Fleet Maintenance Fund is projected to be ($1,812,695).

Unrestricted Net Position	2022-2023 Actual	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated
Fleet Maintenance Fund	(2,493,544)	(2,995,523)	(3,559,640)	(1,812,695)
Dollar Change	(415,946)	(501,979)	(564,117)	1,746,945
Percent Change	52%	-20%	-19%	49%





Fleet Maintenance Division

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

Functional Area: General Government

Mission Statement

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

2025/2026 Accomplishments

- Purchased 8 Hybrid Vehicles to save the cost on fuel.
- Mechanic Training on New-Way Truck bodies.
- Training on Mobile Column Lifts so mechanics can use lifts to work on vehicles and equipment.
- Re-Evaluated department procurement plans and saved the City money on vehicle maintenance.

2026/2027 Goals and Objectives

- ***Goal:*** Purchase New MACK Truck Software
- ***Objective:*** The software will give us the ability to diagnose problems better and faster.
- ***Goal:*** Install a new Fluid Management System
- ***Objective:*** To replace a 25-year-old system. To improve inventory record keeping.
- ***Goal:*** Continue Education or Training for Staff
- ***Objective:*** To improve knowledge, skills, and efficiency to obtain individual development.

Performance Measures	2023-2024 Actual	2024-2025 Actual	2025-2026 Estimated	2026-2027 Goal
Work Load				
Total job orders completed	4335	4500	5000	4,500
Efficiency				
Job orders per mechanic	655	680	785	650
Effectiveness				
Unscheduled repairs per mechanic FTE	597	605	600	300
% of repairs that are unscheduled	91%	85%	84%	50%

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	2024-2025 Actual	2025-2026 Budgeted	2026-2027 Budgeted	Percent Change
Personnel	836,032	865,721	985,023	13.8%
Operations	2,289,894	2,419,366	2,515,952	4.0%
Capital	47,929	160,300	89,999	-43.9%
Pro Rata Reimbursement	303,543	309,613	315,937	2.0%
Expenditure Total	3,477,398	3,755,000	3,906,911	4.0%
Per Capita	$ 87.96	$ 69.32	$ 82.01	18.3%

Revenues by Type	2024-2025 Actual	2024-2025 Budgeted	2026-2027 Budgeted	Percent Change
Sales and Services	3,477,398	3,755,000	3,906,911	4.0%
Miscellaneous Revenues	-	-	-	0.0%
Other Financing Sources	-	-	-	0.0%
Fleet Maintenance Fund	-	-	-	0.0%
Revenue Total	3,477,398	3,755,000	3,906,911	4.0%

Authorized Personnel	2024-2025 Actual	2024-2025 Budgeted	2026-2027 Budgeted	Percent Change
Full Time	12	12	12	0.0%
Total	12	12	12	0.0%

Community Development Block Grant Fund

Additional Information about Community Development Block Grant Funds may be obtained by calling Anna Beth Walker, Community Development Specialist, at 828.261.2292 or awalker@hickorync.gov.

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 2025 for the 2025 through 2029 program years.

The City of Hickory's Community Development Office, which is part of the Office of Business Development, 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 2026-2029 Consolidated Plan for Housing and Community Development contains nine 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 occupancy.
2. ***Public Infrastructure and Facility Improvements*** - Provide support for necessary improvements to public infrastructure in low to moderate income neighborhoods and provide support for necessary improvements to parks and neighborhood facilities in low to moderate income neighborhoods.
3. ***Support Homeownership*** – Support homeownership by providing assistance to housing counseling agencies.
4. ***Provide Services to Persons Living with HIV and AIDS*** - Provide funding to ensure persons living with HIV and AIDS are able to access case management services and housing services.

5. ***Homelessness Services and Prevention*** - Provide services to support the homelessness as well as services aimed at preventing households from becoming homeless.
6. ***Youth Services*** - Provide support for at risk youth to increase their chances of succeeding in academics and employment.
7. ***Increase Entrepreneurship Opportunities*** - Provide support to microenterprises to increase economic opportunities for low and moderate income individuals.
8. ***Increase Fair Housing Outreach and Awareness*** - Provide support to increase awareness of fair housing rights in the community and affirmatively advance fair housing initiatives.
9. ***Demolish Dilapidated Structures*** - Provide funding to demolish dilapidated structures to reduce blight.

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.

Capital Improvements/Grant Projects

The Capital Improvements/Grant Projects portion of the budget document contains information on the following areas:

5 Year CIP

The 5 Year Capital Improvement Plan (CIP) is the financial plan for the purchase or construction of capital assets. The CIP contains information on the upcoming budget year as well as five planning years beyond the upcoming year.

This section contains information on equipment purchases and construction projects that are listed in the City of Hickory's 5 Year CIP. This section is intended to provide a comprehensive look at all capital purchases and capital projects greater than $5,000 which are either taking place or scheduled to take place within the City.

As part of the CIP requests, departments are asked to include estimates of how each project may affect future operating budgets. Examples of this include any new personnel, equipment, maintenance, or operating expenses that a capital purchase or project might necessitate.

Some of the purchases or projects listed in this plan will not occur in the year listed, or may never occur. To omit them would not give the reader a full understanding of the capital needs of the City. Decisions on proceeding with the purchases or projects listed in the 5 Year CIP are ultimately made by City Council.

Capital Projects

Capital projects are those projects which either acquire or construct an asset of a long term character such as land, buildings, improvements, machinery or equipment. Capital projects may be accounted for in any fund.

Grant Projects

Grant projects are those projects which are funded either in full or in part by federal or state funds. These funds may be for either capital or operating purposes. Grant projects may be accounted for in any fund.

Disclosure

The purpose of this section is not to describe the different funds, ordinances or accounting requirements for each capital purchase or capital project as much as it is to describe the purchases and projects themselves. Therefore, you will find less continuity related to individual funds than you found earlier in this document. This is by design and is necessitated due to the broad transcending nature of the subject.

Capital Improvements/Grant Projects

CIP Items	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY 31-32
General Fund						
Administration						
Computer Replacements	$ 10,000	$ 8,000	$ 7,500	$ 12,500	$ 7,500	$ 7,500
Governing Body						
Communications						
Computer Replacements	$ 8,000	$ 4,500	$ 4,000	$ 4,500	$ 8,000	$ 4,000
Human Resources						
Computer Replacements	$ 4,000	$ 6,000	$ 6,000	$ 6,000	$ 6,000	$ 6,000
Budget						
Computer Replacements	$ 2,500	$ 2,500	$ -	$ -	$ 2,500	$ -
Risk Management						
Vehicles	$ 50,000	$ -	$ -	$ -	$ -	$ -
Finance						
Computer Replacements	$ 18,000	$ 15,000	$ 15,000	$ 15,000	$ 18,000	$ 15,000
Information Technology						
Computer Equipment	$ 135,000	$ 110,000	$ 45,000	$ 320,000	$ 105,000	$ 30,000
Computer Replacement	$ 60,000	$ -	$ -	$ -	$ -	$ -
Time Clocks	$ -	$ -	$ -	$ -	$ -	$ -
Phone System Refresh	$ -	$ -	$ 171,000	$ -	$ -	$ -
Offsite Backup Refresh	$ -	$ -	$ -	$ -	$ 209,000	$ -
Infrastructure Refresh	$ 150,000	$ 150,000	$ -	$ -	$ -	$ 400,000
Vehicles	$ -	$ 50,000	$ 50,000	$ -	$ -	$ -
Cybersecurity and Facility Security Upgrades	$ 30,000	$ 250,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000
City Clerk						
Computer Replacement	$ -	$ 2,136	$ -	$ -	$ 2,500	$ -
Scanner	$ -	$ -	$ -	$ 1,500	$ -	$ 1,500
Engineering						
Computer Replacement	$ 8,000	$ 8,000	$ 12,000	$ 3,500	$ 9,000	$ 14,000
Specialized Equipment		$ 150,000	$ 20,000	$ 50,000	$ 10,000	$ 52,500
Vehicles	$ 46,000	$ -	$ 65,000	$ 55,000	$ -	$ -
Office Furniture			$ 20,000			
Planning						
Computer Replacements	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Vehicles	$ -	$ -	$ -	$ -	$ -	$ -
Development						
Police Department						
Building Repairs & Improvements	$ 195,000	$ 415,500	$ -	$ 120,000	$ 165,000	$ 75,000
Furniture	$ 5,000	$ 5,000	$ 11,000	$ 5,000	$ 5,000	$ 5,000
Specialized Equipment	$ 8,153	$ -	$ -	$ -	$ -	$ 128,000
New Vehicles	$ 795,000	$ 1,260,000	$ 910,000	$ 910,000	$ 910,000	$ 930,000
Taxes on Vehicles	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Rifles & Handguns	$ 5,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000
Vehicle Equipment	$ 24,000	$ 74,200	$ 21,200	$ 21,200	$ 74,200	$ -
Breaching Kits	$ 21,000					
Batteries for UPS System			$ 15,000			$ 70,000
K9 Bite Suit						
Special Operation Team Vests	$ 16,500	$ 75,000				

Capital Improvements/Grant Projects

CIP Items	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY 31-32
Fire Department						
Building Repairs & Improvements	$ -	$ 80,000	$ -	$ -	$ -	$ -
Land Acquisition & Construction	$ -	$ 9,250,000	$ 9,500,000	$ -	$ -	$ -
Furniture & Fixtures	$ 29,000	$ 29,000	$ 229,000	$ 31,000	$ 31,000	$ 31,000
Fitness Equipment	$ 16,000	$ 17,000	$ 17,000	$ 18,000	$ 18,000	$ 18,000
Specialized Equipment	$ -	$ 225,000	$ 225,000	$ -	$ -	$ -
Computer Equipment	$ 100,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000
Vehicle Replacement	$ -	$ 1,965,152	$ 800,000	$ 1,938,117	$ 275,000	$ 275,000
Apparatus Replacement	$ -	$ 1,128,229	$ -	$ -	$ -	$ -
Personnel Equipment	$ -	$ 50,000	$ 50,000	$ 315,000	$ 300,000	$ 275,000
Radios	$ -	$ 35,000	$ 35,000	$ 50,000	$ 50,000	$ 25,000
Engine Equipment	$ -	$ -	$ 15,000	$ 130,000	$ -	$ -
Rural Fire District						
Vehicles	$ 1,740,152	$ -	$ -	$ -	$ -	$ -
Building Services						
Specialized Equipment	$ 47,000	$ -	$ 12,000	$ -	$ 10,000	$ -
Vehicle Replacement	$ -	$ 65,000	$ 65,000	$ 55,000	$ 65,000	$ 135,000
Computer Replacement	$ 2,300	$ 7,100	$ 2,300	$ 2,300	$ 7,300	$ 10,300
Central Services						
Vehicle Replacement	$ -	$ 50,000	$ 55,000	$ -	$ -	$ 80,000
Computer Equipment	$ 6,000	$ 3,000	$ 23,000	$ 3,000	$ 3,000	$ 5,000
Specialized Equipment	$ -	$ 10,000	$ 35,000	$ -	$ -	$ -
HVAC	$ -	$ -	$ -	$ -	$ -	
Maintenance/Repairs	$ 173,000	$ 85,000	$ 15,000	$ -	$ -	$ -
Traffic						
Specialized Equipment	$ -	$ 49,215	$ 40,000	$ -	$ 5,500	$ 24,000
Traffic Equipment	$ -	$ -	$ -	$ 8,599	$ -	$ 27,000
Vehicle Replacement	$ -	$ 115,000	$ 70,000	$ 205,000	$ 62,000	$ 76,000
Signal Corridor Retiming	$ 59,500	$ 61,500	$ 63,500	$ 65,500	$ 67,500	$ 70,000
Other Equipment	$ 390,000	$ 41,500	$ 43,000	$ 44,500	$ 546,000	$ 21,000
Computer Replacement	$ 20,100	$ -	$ 4,000	$ 3,000	$ 3,000	$ 32,000
Software					$ 3,250	
Technology Upgrade	$ -	$ 4,000	$ -	$ -	$ -	$ -
Traffic Counters	$ 5,000	$ 5,000	$ 9,500	$ 6,000	$ 6,000	$ 6,000
Office Furniture	$ -	$ -	$ -	$ 7,500	$ -	$ -
Street						
New Sidewalk Construction	$ 200,000	$ -	$ -	$ -	$ -	$ -
Specialized Equipment	$ 50,000	$ 380,000	$ 450,000	$ 20,000	$ 154,000	$ 376,610
Vehicle Replacement	$ -	$ -	$ 350,000	$ 208,000	$ 196,000	$ -
Computer Equipment	$ 3,000	$ 3,000	$ -	$ 3,000	$ 3,000	$ -
Small Tamp	$ -	$ -	$ -	$ -	$ -	$ -
Other Equipment	$ -	$ 152,500	$ 2,500	$ 223,000	$ 80,000	$ -
Landscape						
Specialized Equipment	$ 113,000	$ 438,500	$ 291,000	$ 408,000	$ 385,500	$ 286,500
Vehicle Replacement	$ -	$ 137,000	$ 149,000	$ 204,000	$ 102,000	$ 90,000
Facility Improvements	$ 229,400	$ 307,300	$ 295,800	$ 430,000	$ 305,000	$ 315,000
Computer Replacement	$ 2,500	$ 2,500	$ 5,000	$ 2,500	$ 2,500	$ -

Capital Improvements/Grant Projects

CIP Items	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY 31-32
Parks and Recreation						
Construction	$ -	$ -	$ -	$ -	$ -	$ -
Rec. Equipment Purchase/Replacement	$ 35,000	$ 35,000	$ 40,000	$ 40,000	$ 40,000	$ -
Vehicles	$ -	$ -	$ 60,000	$ -	$ -	$ -
Improvements	$ 125,000	$ -	$ -	$ 550,000	$ -	$ -
Securitty Camera Replacement	$ 37,500	$ 27,500	$ 27,500	$ 34,000	$ 34,000	$ 40,500
Facility Improvements	$ 142,000	$ 130,000	$ 3,280,000	$ 370,000	$ 2,816,000	$ 115,000
Library						
Building Improvements	$ 118,000	$ 275,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Vehicle Replacement	$ -	$ -	$ -	$ -	$ -	$ 25,000
Computer Replacement	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Public Buildings						
General Fund Total	**$ 5,292,105**	**$ 17,872,332**	**$ 17,809,300**	**$ 7,076,716**	**$ 7,276,500**	**$ 4,274,910**
Fleet Fund						
Garage						
Construction	$ -	$ 9,500	$ 110,000	$ 20,000	$ 19,120	$ -
Specialized Equipment	$ -	$ 25,000	$ 18,400	$ 36,600	$ 14,100	$ -
Vehicles	$ 89,999					
Vehicle Replacement	$ -	$ 154,000	$ 55,000	$ -	$ 6,000	$ -
Computers	$ -	$ -	$ 6,000	$ 6,000	$ -	$ -
Fleet Fund Total	**$ 89,999**	**$ 188,500**	**$ 189,400**	**$ 62,600**	**$ 39,220**	**$ -**
Water and Sewer Fund Equipment						
Administration						
Furniture	$ -	$ -	$ -	$ -	$ -	$ -
Specialized Equipment	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
Vehicle Replacement	$ -	$ 30,000	$ 100,000	$ 105,000	$ 60,000	$ 70,000
Computer Replacement	$ 8,476	$ 5,000	$ 6,000	$ 3,000	$ -	$ -
Collection System						
Improvements	$ -	$ -	$ -	$ -	$ -	$ -
Specialized Equipment	$ 70,100	$ 148,500	$ 330,000	$ 395,000	$ 315,000	$ 650,000
Other Equipment	$ 56,000	$ 121,000	$ 66,000	$ -	$ 45,000	$ -
Vehicle Replacement	$ -	$ 134,000	$ 85,000	$ 45,000	$ 235,000	$ 179,000
Sewer Lines	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000
Computer Replacement	$ -	$ 2,000	$ 2,000	$ 2,000	$ 2,500	$ 2,000
Henry Fork Plant						
Improvements	$ 230,000	$ -	$ -	$ -	$ -	$ -
Specialized Equipment	$ 150,000	$ 100,000	$ 62,000	$ 60,000	$ 80,000	$ -
Other Equipment	$ -	$ -	$ 12,000	$ 12,000	$ -	$ -
Vehicle Replacement	$ -	$ -	$ -	$ 85,000	$ -	$ -
Computer Replacement	$ 6,000	$ 2,000	$ -	$ -	$ -	$ -
Northeast Plant						
Upgrade Plant SCADA	$ -	$ 40,000	$ -	$ -	$ -	$ -
Specialized Equipment	$ 125,000	$ 430,000	$ 648,000	$ 480,000	$ 790,000	$ 60,000
Other Equipment	$ -	$ -	$ -	$ 22,000	$ 20,000	$ -
Vehicle Replacement	$ -	$ -	$ 30,000	$ 30,000	$ -	$ 30,000
Computer Replacement	$ -	$ -	$ -	$ 2,000	$ -	$ -

Capital Improvements/Grant Projects

CIP Items	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY31-32
Water Treatment Plant						
Facility Improvements	$ 740,000	$ 220,000	$ 40,000	$ -	$ 65,000	$ 75,000
Furniture	$ -	$ -	$ 25,000	$ -	$ -	$ -
Specialized Equipment	$ 390,000	$ 746,000	$ 390,000	$ 469,000	$ 645,000	$ 366,000
Other Equipment	$ -	$ 10,000	$ -	$ 16,000	$ -	$ -
Vehicle Replacement	$ -	$ -	$ 40,000	$ -	$ 30,000	$ -
Computer Replacement	$ 2,500	$ 2,000	$ 2,000	$ -	$ -	$ -
Pretreatment & Lab						
Specialized Equipment	$ 22,000	$ 13,000	$ 47,000	$ 13,000	$ -	$ 22,000
Vehicle Replacement	$ -	$ 40,000	$ -	$ 30,000	$ -	$ -
CO GLS Sampler	$ 9,600	$ 9,600	$ -	$ -	$ -	$ -
Computer Replacement	$ -	$ -	$ 2,000	$ 2,000	$ -	$ -
Sample Pump	$ -	$ 2,100	$ -	$ -	$ -	$ -
Dishwasher	$ -	$ 900	$ 900	$ 900	$ -	$ -
PH/ION Meter	$ 2,500	$ 2,500	$ -	$ -	$ -	$ -
Heated Water Bather	$ -	$ -	$ 3,000	$ 3,000	$ -	$ -
Conductivity Meter	$ -	$ -	$ 900	$ -	$ -	$ 900
Spectrophotometer	$ -	$ 8,500	$ -	$ -	$ -	$ -
PH/DO Meter	$ -	$ 1,100	$ 1,100	$ 1,100	$ 1,100	$ 1,000
Vacuum Pump	$ -	$ -	$ -	$ -	$ 800	$ -
Desiccator Cabinet	$ -	$ -	$ -	$ 3,000	$ -	$ -
Other Equipment	$ -	$ -	$ -	$ 5,000	$ 4,000	$ -
Hickory Catawba Wastewater Plant						
SCADA Upgrade	$ -	$ -	$ -	$ -	$ -	$ -
Specialized Equipment	$ 12,000	$ 20,000	$ 15,000	$ 12,000	$ 24,000	$ -
Other Equipment	$ -	$ -	$ -	$ 20,000	$ -	$ -
Vehicle Replacement	$ -	$ 30,000	$ 45,000	$ -	$ -	$ -
Effluent Flow Meter	$ -	$ -	$ 30,000	$ -	$ 16,000	$ -
Pump Station Upgrades	$ 70,562	$ -	$ -	$ -	$ -	$ -
Distribution						
Specialized Equipment	$ 26,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000
Water & Sewer Equipment	$ 265,000	$ 370,000	$ 180,000	$ 190,000	$ 160,000	$ 225,000
Other Equipment	$ 11,000	$ 25,000	$ 20,000	$ 15,000	$ -	$ -
Vehicle Replacement	$ 160,000	$ 87,000	$ 132,000	$ 135,000	$ 174,000	$ 351,000
Water Lines	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000	$ 15,000
Computer Replacement	$ 4,300	$ 4,800	$ 7,600	$ -	$ 1,500	$ 1,500
Tools	$ 15,000	$ 15,000	$ 15,000	$ 30,000	$ 1,500	$ 1,500
Water and Sewer Fund Equipment Total	**$ 2,506,038**	**$ 2,770,000**	**$ 2,487,500**	**$ 2,336,000**	**$ 2,820,400**	**$ 2,184,900**
Capital Improvement						
Water Lines	$ 1,790,000	$ 5,500,000	$ 1,900,000	$ 1,000,000	$ 1,450,000	$ -
Sewer Lines	$ 885,000	$ 4,285,000	$ 590,000	$ 590,000	$ 1,690,000	$ -
Specialized Equipment	$ 500,000	$ 155,000	$ -	$ -	$ -	$ -
Water Lines NE Quadrant	$ -	$ -	$ -	$ -	$ -	$ -
Water and Sewer Fund Construction Total	**$ 3,175,000**	**$ 9,940,000**	**$ 2,490,000**	**$ 1,590,000**	**$ 3,140,000**	**$ -**
Water and Sewer Fund Total	**$ 5,681,038**	**$ 12,710,000**	**$ 4,977,500**	**$ 3,926,000**	**$ 5,960,400**	**$ 2,184,900**
Biosolids Fund						
Specialized Equipment	$ 155,000	$ 230,000	$ 95,000	$ 95,000	$ 130,000	$ 110,000
Other Equipment	$ -	$ 110,000	$ -	$ -	$ -	$ -
Vehicle Replacements	$ -	$ -	$ -	$ -	$ -	$ -
Improvements	$ -	$ 70,000	$ -	$ -	$ -	$ -
Biosolids Fund Total	**$ 155,000**	**$ 410,000**	**$ 95,000**	**$ 95,000**	**$ 130,000**	**$ 110,000**

Capital Improvements/Grant Projects

CIP Items	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY31-32
Airport Fund						
Airport						
Building & Construction	$ 16,975					$ 15,000
Facility Improvements	$ 135,400	$ 180,000	$ 45,000	45000	$ 33,000	$ 25,000
Specialized Equipment	$ 105,200	$ 87,000	$ 52,000		$ 25,000	$ 80,000
Other Equipment			$ 50,000			
Computer Replacement	$ 8,000		$ 4,000		$ 4,000	
Vehicles		$ 1,225,000				$ 75,000
Non-Asset Inventory	$ 5,000		$ 5,000		$ 5,000	
Tower						
Facility Improvements	$ -	$ 15,000	$ -	$ -	$ -	$ -
Specialized Equipment	$ -	$ -	$ -	$ -	$ -	$ -
FBO						
Facility Improvements	$ 97,000	$ 75,000	$ 25,000	$ 25,000	$ 105,000	$ 75,000
Specialized Equipment	$ 70,000	$ 43,000		$ 43,000	$ 50,000	
Non-Asset Inventory	$ 8,500	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 8,000
Airport Fund Total	**$ 446,075**	**$ 1,628,000**	**$ 184,000**	**$ 116,000**	**$ 225,000**	**$ 278,000**
Solid Waste Fund						
Recycling						
Other Equipment						
Vehicle Replacement	$ 682,000	$ 395,000	$ 419,000	$ 1,319,000	$ 1,399,000	$ 919,000
Computer Replacement						$ 4,000
Specialized Equipment					$ 250,000	
Residential Sanitation						
Vehicle Replacement	$ 372,000	$ 424,000	$ 435,000	$ 555,000	$ 1,437,000	$ 536,000
Computer Replacement		$ 2,000			$ 2,000	$ 4,000
Commercial Bulk Services						
Facility Improvements	$ 100,000	$ 150,000				
Specialized Equipment		$ 99,000	$ 6,000			$ 6,000
Vehicle Replacement		$ 453,000	$ 474,000	$ 718,000	$ 523,000	$ 622,000
Computer Replacement						
Solid Waste Fund Total	**$ 1,154,000**	**$ 1,523,000**	**$ 1,334,000**	**$ 2,592,000**	**$ 3,611,000**	**$ 2,091,000**
Total Funds	**$ 12,818,217**	**$ 34,331,832**	**$ 24,589,200**	**$ 13,868,316**	**$ 17,242,120**	**$ 8,938,810**

Trivium Corporate Center

Project # B1B001
Total Project Cost: $30,953,927
Project Start Date: 2017
Project End Date: TBD



Description

Trivium Corporate Center is a joint business-park venture between Catawba County and the City of Hickory. The property consists of 378 acres located south of Catawba Valley Community College between Robinwood Road and Startown Road, placing it with excellent access to Interstate 40 and Highway 321. The Catawba County Economic Development Commission continues to market the property.

As of Spring 2026, the following tenants have already established or expanded here: Corning Incorporated; Cataler North America Corporation; Stonemont Financial Group (192,000 square-foot speculative building); American Fuji Seal; and Gusmer Enterprises.

Impact on Operating Budget

Enhanced opportunities for international and upper-end business development will benefit not only the local property tax base but will also enhance the availability of quality, higher technology jobs in the local community. All $40 million in Bonds have been issued, resulting in annual Debt Service of $2,989,125.



As of July 1, 2026	Budgeted
Design	491,257.00
Construction	15,654,668.00
Right-of-Way	-
Engineering	2,144,271.00
Miscellaneous	1,082,198.00
Land	8,498,452.00
Transfer to General Fund	3,083,081.00
Total	30,953,927.00

Aviation Walk

Project # B1N001
Total Project Cost: $28,963,665
Project Start Date: 2020
Project End Date: 2024



Description

On December 6, 2018, the City of Hickory was awarded a $17 million Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grant from the U.S. Department of Transportation (USDOT).

In addition to funding a 1.2-mile complete streetscape loop in downtown Hickory as part of the Hickory Trail, the BUILD grant funded a pedestrian bridge over U.S. 321 and an approximately 1.7-mile bicycle and pedestrian trail that travels by L.P. Frans Stadium, home of the Hickory Crawdads baseball team, and up to the Hickory Regional Airport. This multiuse path is called the Aviation Walk.

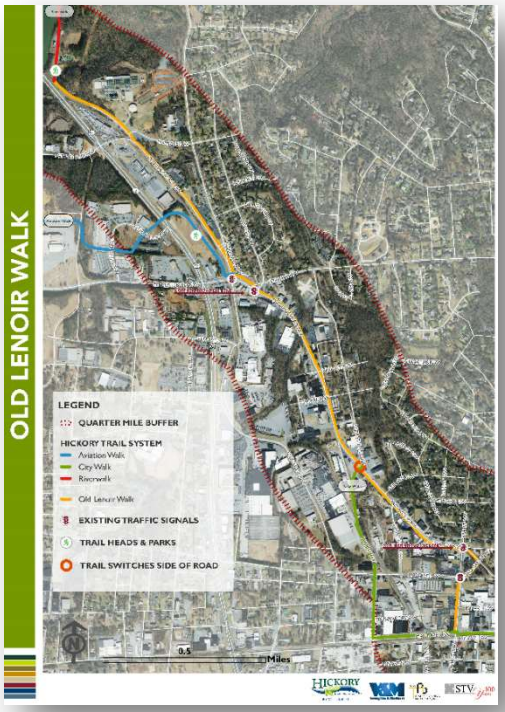
Impact on Operating Budget

Enhanced physical improvements and amenities for the traveling public will aid in encouraging increased development of the tax base to occur in the critical economic areas between downtown, the Riverwalk along Lake Hickory, Crawdads stadium, and Hickory Regional Airport. All $40 million in Bonds have been issued, resulting in annual Debt Service of $2,989,125. Additionally, two Maintenance Tech I positions have been requested to account for additional labor needs for this project.

As of July 1, 2026	Budgeted
Design	2,380,927.00
Construction	22,261,582.00
Right-of-Way	1,724,148.00
Engineering	1,808,919.00
Miscellaneous	788,089.00
Total	28,963,665.00

OLLE Art Walk

Project # B1O001
Total Project Cost: $28,153,253
Project Start Date: 2020
Project End Date: 2027



Description

Old Lenoir Road is receiving a makeover, thanks to an $8.48 million grant from the Greater Hickory Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation (NCDOT). At its May 7, 2019, meeting, Hickory City Council unanimously approved an agreement with NCDOT to receive the federal funds to construct a multiuse trail and make streetscape improvements along Old Lenoir Road, which will be known as the OLLE Art Walk. Hickory City Council is moving this project forward by matching the federal funding, which covers 80 percent of the cost. The 20 percent local match will be met with local bond funds from the Crafting Hickory initiative.

Impact on Operating Budget

All $40 million in Bonds have been issued, resulting in annual Debt Service of $2,989,125.

As of July 1, 2026	Budgeted
Design	1,530,828.00
Construction	23,332,993.00
Right-of-Way	1,413,000.00
Engineering	1,327,472.00
Miscellaneous	548,960.00
Total	28,153,253.00

Debt Service

Like most municipalities, the City of Hickory utilizes debt as a means to finance long-term capital projects. Hickory has traditionally maintained a conservative position regarding the use of debt while simultaneously benefiting from its use to fund projects such as water plants, libraries, and police stations. Because of its critical importance to the City's financial solvency, debt is regulated not only by Council policy, but also by North Carolina statutes. The *Debt Service* section examines the specifics of the City's debt ***and includes only that debt which the City has outstanding at the time of the printing of this document.***

Discussion

The City of Hickory's bond rating is AA+ from Standard & Poor's, and Aa1 from Moody's. These ratings were upgraded during October 2019, from a previous rating of Aa2 from Moody's. In the future, these bond ratings will continue to allow the City to borrow money at lower interest rates than what we have been able to achieve previously.

As we move into FY2026-2027 we continue to service the debt the 2018, 2019, and 2021 General Obligation Bond issues. The current payments on the 2018, 2019, and 2021 General Obligation Bonds comprise 28.6% of all debt service for the year.

Debt service payments on State Revolving Loan funds borrowed from the State of North Carolina for the Northeast Wastewater Treatment Plant, Geitner Basin, Central Business District, Murray Basin, Biosolids and Cripple Creek sewer projects will make up 29.9% of all debt service requirements. The Cripple Creek Interceptor replacement is a revolving loan funded by the American Recovery and Reinvestment Act (ARRA).

Debt service payments on Installment Purchase Agreements will make up 31.9% of all debt service requirements for the City of Hickory in FY2026-2027. Funds borrowed through this means of financing were for the Hickory Metro Convention Center, upgrades to the Hickory-Catawba Wastewater Treatment Plant and Motorola Solutions for the Hickory Police Department

Debt service payments on Lease Purchase Agreements will make up 9.6% of all the debt service requirements for the City of Hickory in FY2026-2027. Funds borrowed through this means of financing were for ePlus laptops for the Hickory Police Department, copiers across the City, CVCC Training Facilities, and HPS Athletic Fields.

Debt Service

DEBT SERVICE		FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
General Obligation Bonds						
Purpose	G.O. Bond Series 2018					
Interest Rate	3%-5% variable					
Issued	8/28/2018					
Due	Annually to 2038					
Outstanding	$11,902,500					
Principal	$9,750,000	750,000	750,000	750,000	750,000	750,000
Interest	$2,152,500	354,375	316,875	279,375	241,875	204,375
Purpose	G.O. Bond Series 2019					
Interest Rate	2.55%-5% variable					
Issued	11/19/2019					
Due	Annually to 2039					
Outstanding	$12,870,750					
Principal	$10,500,000	750,000	750,000	750,000	750,000	750,000
Interest	$2,370,750	377,250	339,750	302,250	264,750	227,250
Purpose	G.O. Bond Series 2021					
Interest Rate	2.55%-5% variable					
Issued	11/19/2021					
Due	Annually to 2039					
Outstanding	$9,685,000					
Principal	$8,000,000	500,000	500,000	500,000	500,000	500,000
Interest	$1,685,000	257,500	232,500	207,500	207,500	157,500
Subtotal		$ 2,989,125	$ 2,889,125	$ 2,789,125	$ 2,714,125	$ 2,589,125
State Revolving Loan						
Purpose	S-SRF-T-0900181 Northeast Plant					
Interest Rate	2.48%					
Issued	1/20/2013					
Due	Annually to 2033					
Outstanding	$6,507,800					
Principal	$6,085,000	890,000	880,000	875,000	870,000	865,000
Interest	$422,800	106,488	90,913	75,513	60,200	44,975
Purpose	Central Business District					
Interest Rate	1.66%					
Issued	11/4/2017					
Due	Semi-annually through 2038					
Outstanding	$906,772					
Principal	$818,460	68,205	68,205	68,205	68,205	68,205
Interest	$88,312	13,587	12,455	11,323	10,190	9,058
Purpose	Geitner Basin Sewer					
Interest Rate	1.66%					
Issued	12/24/2017					
Due	Semi-annually through 2038					
Outstanding	$1,981,160					
Principal	$1,788,212	149,018	149,018	149,018	149,018	149,018
Interest	$192,948	29,685	27,211	24,737	22,634	19,790
Purpose	Murray Basin					
Interest Rate	1.04%					
Issued	11/1/2023					
Due	Semi-annually through 2043					
Outstanding	$4,456,618					
Principal	$4,044,415	259,135	259,135	259,135	259,135	259,135
Interest	$412,203	45,816	43,121	40,426	37,731	35,036
Purpose	Cripple Creek ARRA Loan					
Interest Rate	0%					
Issued	09/14/2010					
Due	Annually to 2031					
Outstanding	$160,230					
Principal	$160,230	40,058	40,058	40,057	40,057	
Interest	-					
Purpose	Biosolids					
Interest Rate	0.07%					
Issued	5/31/2023					
Due	Semi-annually to 2044					
Outstanding	$25,679,550					
Principal	$25,500,000	1,500,000	1,500,000	1,500,000	1,500,000	
Interest	$179,550	18,900	17,850	16,800	15,750	
Subtotal		$3,120,892	$3,087,966	$3,060,214	$3,032,920	$1,450,216

Debt Service

Installment Purchase Agreements		FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Purpose	Hky Metro Conv. Center Parking Deck					
Interest Rate	2.94%					
Issued	10/22/2014					
Due	Semi-annually to 2030					
	1.98% Reduced Interest Rate 04/22/21					
Outstanding	$576,709					
Principal	$558,388	200,000	200,000	158,388		
Interest	$18,321	10,067	6,107	2,147		
Purpose	BB&T TDA Expansion					
Interest Rate	3.83%					
Issued	3/15/2023					
Due	Semi-annually to 2043					
Outstanding	$17,453,802					
Principal	$12,975,000	760,000	760,000	760,000	760,000	760,000
Interest	$4,478,802	496,943	467,835	438,727	409,619	380,511
Purpose	Hickory-Catawba WWTP Upgrade					
Interest Rate	2.27%					
Issued	2/1/2013					
Due	Semi-annually to 2028					
Outstanding	$1,564,866					
Principal	$1,521,450	752,140	769,310			
Interest	$43,416	30,293	13,123			
Purpose	Truist-Combined Debt					
Interest Rate	1.69%					
Issued	12/16/2020					
Due	Semi-annually to 2035					
Outstanding	$5,151,375					
Principal	$4,750,000	500,000	500,000	500,000	500,000	500,000
Interest	$401,375	78,153	69,713	61,263	52,813	44,363
Purpose	Motorola Solutions Console					
Interest Rate	4.59%					
Issued	4/10/2025					
Due	Bi-Annually through 2030					
Outstanding	$1,093,501					
Principal	$978,594	228,457	238,944	249,911	261,282	
Interest	$114,907	44,918	34,432	23,464	12,093	
Purpose	Motorola Solutions Radio					
Interest Rate	5.47%					
Issued	9/25/2023					
Due	Annually through 2026					
Outstanding	$175,275					
Principal	$165,760	165,760				
Interest	$9,515	9,515				
Purpose	Axon Fleet Cameras					
Interest Rate						
Issued	3/1/2026					
Due	Annually through 2027					
Outstanding	$115,829					
Principal	$115,829	57,915	57,914			
Interest	$0	-				
Subtotal		$ 3,334,161	$ 3,117,378	$ 2,193,900	$ 1,995,807	$ 1,684,873

Debt Service

Lease Purchase Agreements		FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Purpose	HPS Athletic Facilities					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$500,001					
Principal	$478,635	92,693	94,186	95,703	97,244	98,810
Interest	$21,366	7,308	5,815	4,298	2,757	1,190
Purpose	1255 Hwy 321 NW					
Interest Rate	N/A					
Issued	N/A					
Due	$112,500					
Outstanding	$112,500					
Principal	$110,986	110,986				
Interest	$1,514	1,514				
Purpose	Fire Training Facility with CVCC					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$22					
Principal	$14	0.43	0.44	0.46	0.48	0.50
Interest	$8	0.57	0.56	0.54	0.52	0.50
Purpose	ePlus Laptops					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$1,130,246					
Principal	$1,037,796	246,267	254,802	263,738	272,988	
Interest	$92,450	36,294	27,759	18,823	9,574	
Purpose	12 Gas Meters					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$26,376					
Principal	$25,283	12,463	12,820			
Interest	$1,093	726	367			
Purpose	City Hall 3rd Floor Mail Machine					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$3,237					
Principal	$3,077	915	943	971	248	
Interest	$160	81	53	25	1	
Purpose	Library Copiers					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$26,180					
Principal	$25,375	13,652	11,723			
Interest	$805	628	177			
Purpose	Library Postage Machine					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$3,418					
Principal	$3,258	996	1,026	1,057	179	
Interest	$160	83	54	22	1	

Debt Service

Lease Purchase Agreements		FY2026-27	FY2027-28	FY2028-29	FY2029-30	FY2030-31
Purpose	Ricoh Copier- IM C300F					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$4,322					
Principal	$4,311	4,311				
Interest	$11	11				
Purpose	Ricoh P C600 (2) M.N. 4737 & 4724					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$2,276					
Principal	$2,247	2,247				
Interest	$29	29				
Purpose	Ricoh Copier - IMC C4510					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$3,535					
Principal	$3,452	2,162	1,290			
Interest	$83	71	12			
Purpose	Ricoh Copier - IM C330F					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$2,516					
Principal	$2,416	1,136	1,179	101		
Interest	$100	71	28	1		
Purpose	Ricoh Copier IM C2510					
Interest Rate	N/A					
Issued	N/A					
Due	N/A					
Outstanding	$2,753					
Principal	$2,644	1,244	1,290	110		
Interest	$109	77	31	1		
Subtotal		$ 535,966	$ 413,556	$ 384,851	$ 382,992	$ 100,001
Grand Total		$ 9,980,144	$ 9,508,025	$ 8,428,090	$ 8,125,844	$ 5,824,215

*Debt retired

LEGAL DEBT MARGIN

What is the borrowing capacity of the City? This is a key question whenever local governments consider financing large projects and committing tax dollars towards the Debt Service over a period of years. From a legal standpoint, the City is subject to the Local Government Bond Act of North Carolina, which limits the amount of net bonded debt the City may have outstanding to 8% of the assessed value of property subject to taxation.

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

Schedule 12

CITY OF HICKORY, NORTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$ 363,175,123	$ 372,328,057	$ 382,118,070	$ 391,766,805	$ 409,658,607	$ 424,185,891	$ 431,460,490	$ 455,347,201	$ 688,241,088	$ 701,771,453
Total net debt applicable to limit	35,073,488	31,172,054	30,840,573	43,026,003	58,591,268	62,080,074	70,559,671	85,786,371	99,749,318	102,904,237
Legal debt margin	$ 328,101,635	$ 341,156,003	$ 351,277,497	$ 348,740,802	$ 351,067,339	$ 362,105,817	$ 360,900,819	$ 369,560,830	$ 588,491,770	$ 598,867,216
Total net debt applicable to the limit as a percentage of debt limit	10.42%	9.66%	8.37%	8.07%	10.98%	14.30%	14.64%	16.35%	14.08%	14.66%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value of taxable property	$ 8,772,143,163
Debt limit - 8 percent of assessed value	$ 701,771,453
Debt applicable to limit:	
Gross debt	102,904,237
Less - water bonds	-
Total net debt applicable to limit	102,904,237
Legal debt margin	$ 598,867,216

FIVE YEAR FINANCIAL FORECAST
2026-2027 THROUGH 2031-2032

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, Biosolids Fund, Airport Fund, Solid Waste Fund, Fleet Maintenance Fund, and Insurance Fund.

To complete this Five-Year Budget Forecast, we consider:

1. City Council's Priorities and Action Plan
2. Five Year CIP
3. Five Year Debt Schedule
4. Master Plans
5. Past budgetary trends
6. Current economic conditions
7. Projected economic conditions

In that we are projecting into the future based on what we know today and what we have experienced in the past, the last consideration of projected economic conditions can be extremely volatile, particularly as it relates to future revenue growth. We have a level of control over future expenditure growth, but economic conditions will ultimately dictate future revenue growth. You will see that our forecasted revenue growth has been estimated at what we believe to be achievable levels, but there are no guarantees.

You will also notice that projected expenditures may exceed projected revenues. Every Annual Budget adopted by City Council is statutorily required to be balanced, so these unbalanced projected numbers reflect the work which must be done every year to get expenditures in line with revenues. To present balanced budget projections would not provide an accurate accounting of the budgetary challenges faced every year. Improved economic conditions will translate into revenue growth that exceeds what is being forecast in this document. That generally translates into fewer cuts on the expenditure side or less pressure to increase revenue through new or increased taxes to provide the same level of service or new services.

The following projections present the budget framework around which planning for the City's next five fiscal years can begin.

General Fund Revenue

- ***Ad Valorem:*** Anticipated growth in the City's property tax base will produce 2% growth in property tax revenues annually.

- ***Other Taxes:*** This category of revenue is highly impacted by both local and state-wide economic conditions. On average, these revenues will increase by 2% annually. Sales Taxes and Utility Franchise Taxes are the largest sources of revenue in this category.
- ***Unrestricted Governmental Revenue:*** These are revenues received from other governmental jurisdictions for which there are no restrictions on use. There is 2% annual growth forecasted in this category of revenue. The Beer & Wine Tax is the single largest source of revenue in this category.
- ***Restricted Governmental Revenue:*** These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. We project 2% annual growth in this category of revenue due to most of these revenues coming from the State of North Carolina, an unstable financial partner with structural budgetary problems. The single largest source of revenue in this category is Powell Bill revenues, which are used solely for road maintenance.
- ***Licenses & Permits:*** These revenues are driven by local economic conditions and are derived from fees approved by City Council in the City's Fee Schedule. Fees are normally increased annually by the Consumer Price Index, but this gauge does not necessarily correspond to increases in revenue.
- ***Sales & Services:*** These revenues are also driven by local economic conditions, but to a lesser degree, and are derived from fees approved by City Council in the City's Fee Schedule. Many, but not all of the fees related to Sales and Services are increased annually by the Consumer Price Index. Examples of revenue in this category are TDA Convention Center Rental, Parking Rentals, and Recreational Program fees. TDA Convention Center Rental Revenue is tied to the debt service payments the City makes on this facility. Most sources of revenue in this category are expected to increase by 2% annually.
- ***Investment Earnings:*** These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years.
- ***Miscellaneous:*** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2%.
- ***Other Financing Sources:*** This category of revenue reflects the appropriation of fund balance for designated purposes and transfers from the Capital Reserve Fund for capital purchases. It is anticipated that this source of revenue will increase by 2% annually over the next five years.

General Fund Expenditures

- ***Personnel:*** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. 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.
- ***Operational***: Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase by an average of 1% annually.
- ***Capital:*** Capital is defined as a tangible purchase more than $5,000 in value with a life

expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most major construction projects are budgeted outside of the Annual Budget.

- ***Contingency:*** City Council's adopted policy calls for General Fund Contingency funding of up to 1.5% of recurring General Fund Revenues. Projected increases in Contingency funding mirror projected increases in budgeted revenue.
- ***Special Appropriations Funding:*** City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not provide. In that such organizations operate regular services to achieve these public objectives, growth in Special Appropriations funding is anticipated at 2% annually.
- ***Debt Service:*** Debt service appropriations account for the payment of principal and interest on proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will increase approximately 2% annually over the next five years.
- ***Interfund Transfers:*** Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. This category of expenditures is projected to grow by 2% annually.
- ***Pro-Rata Reimbursements:*** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Water and Sewer Fund reimbursing the General Fund for the cost to bill and collect utility accounts. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

Water and Sewer Fund Revenue

- ***Restricted Governmental Revenue***: These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. Among the largest sources of revenue in this category are from the Town of Longview and Burke County related to their past participation in the Henry Fork Wastewater Treatment Plant, the Town of Maiden's purchase of capacity in the City's Water Plant, and the Town of Claremont for operational services provided by the City of Hickory to their utility system. Growth is projected to increase 2% annually.
- ***Sales & Services:*** This category of revenue comprises the vast majority of revenue received by the Water and Sewer Fund. Revenue generated from water sales and sewer sales make up the majority of the revenue received in this category. Growth in this category of revenue is greatly impacted by the weather, economic activity and growth in the utility system. Growth overall is projected at 2% annually.
- ***Investment Earnings***: These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over the next five years
- ***Miscellaneous:*** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected to increase 2% annually over the next five years.
- ***Other Financing Sources:*** This category of revenue reflects the transfer of funds from the

Capital Reserve Fund for capital purchases. It is anticipated that this source of revenue will increase 2% annually over the next five years.

Water and Sewer Fund Expenditures

- ***Personnel:*** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing full health insurance coverage to employees. 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.
- ***Operational:*** Operational expenses include such things as maintenance & repair, departmental supplies, fuel, power, natural gas and risk insurance. This category of expenses is projected to increase, on average, by 1% per year.
- ***Capital:*** Capital is defined as a tangible purchase more than $5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.
- ***Contingency:*** Contingency is budgeted in the Water and Sewer Fund to provide funding for unanticipated, unbudgeted, nonrecurring expenses that may occur during the year. Projected increases in Contingency funding in the Water and Sewer Fund are based on the projected average annual Consumer Price Index.
- ***Special Appropriations Funding:*** City Council provides financial support to various organizations that contribute to the quality of life for all City residents, contribute to the revenue base of the City, or provide a necessary service that the City itself does not provide. In the Water and Sewer fund, the extent of this type of funding is to Habitat for Humanity for water and sewer taps related to new homes they construct each year, as well as water quality funding to the Western Piedmont Council of Government. 2% growth is projected annually in this category of expenditures.
- ***Debt Service:*** Debt service appropriations account for the payment of principal and interest on general obligation bonds and notes, and proceeds from debt instruments to finance major capital projects and capital purchases. Exclusive of any unanticipated issuance of new debt, this category of expenditure will generally be expected to increase 1% annually over the next five years.
- ***Interfund Transfers:*** Interfund transfers are transfers between the fund receiving financial resources and the fund through which the financial resources are to be expended. Two Interfund Transfers are made by the Water and Sewer Fund, one to the Capital Reserve Fund and another to the Stormwater Fund. These expenditures are expected to increase by 2% annually over the next five years.
- ***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.

Biosolids Fund Revenue

- ***Restricted Governmental Revenue:*** These revenues are from the City of Conover and City of Hickory at agreed upon percentages for the operation of this facility. Revenues are received at a level to support operations and are projected to increase by 2% annually.

Biosolids Fund Expenditures

- ***Personnel:*** These expenses are incurred as a result of full-time and part-time employees operating the facility. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing full health insurance coverage to employees. 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.
- ***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 Biosolids Facility over the next five years.
- ***Contingency:*** Contingency is budgeted to provide funding for unanticipated, unbudgeted, nonrecurring expenses that may occur during the year. Projected increases in Contingency funding are based on the projected average annual Consumer Price Index.
- ***Pro-Rata Reimbursements:*** Pro-Rata Reimbursements are projected to increase by the Consumer Price Index, or 2% annually.

Stormwater Fund Revenue

- ***Other Financing Sources:*** This category of revenue reflects the transfer of funds from both the General Fund and the Water and Sewer Fund which both support this fund financially.

Stormwater Fund Expenditures

- ***Personnel:*** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments, and the ever-increasing cost of providing health insurance coverage to employees. 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.
- ***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.

Airport Fund Revenues

- ***Sales & Services:*** This category of revenue comprises the vast majority of revenue received by the Airport. Growth in this category of revenue is greatly impacted by local economic activity and air travel, and is projected at 2% annually.

- ***Restricted Governmental Revenue:*** These revenues are received from other governmental jurisdictions and are restricted for specific purposes in their use. We project 2% annual growth in this category of revenue.
- ***Investment Earnings***: These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% annual growth is estimated over the next five years.
- ***Miscellaneous:*** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2% annually.
- ***Other Financing Sources***: Beginning FY2020-21, the General Fund transferred to the Airport Fund an amount equal to the property tax revenues received for aircraft stationed within the City's jurisdiction. Growth is projected at 2% per year for the next five (5) years.

Airport Fund Expenditures

- ***Personnel:*** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases.
- ***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
- ***Contingency:*** Contingency is budgeted to provide funding for unanticipated, unbudgeted, nonrecurring expenses that may occur during the year. Projected increases in Contingency funding are based on the projected average annual Consumer Price Index.
- ***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 Airport 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.

Solid Waste Fund Revenue

- ***Other Taxes:*** This is the Solid Waste Excise Tax the City receives from the State of North Carolina. It is related to Tipping Fees the City pays and is a partial rebate. Growth in this revenue source is projected at 2% annually.
- ***Sales & Services:*** This category of revenue comprises the vast majority of revenue received by the Solid Waste Fund. Revenue generated from the Solid Waste Fee, Dumpster Rentals and Tipping Fees make up the majority of the revenue received in this category. Growth in this category of revenue is greatly impacted by economic activity and growth of the customer base within the City and is projected at 2% annually.
- ***Investment Earnings***: These revenues are the earnings gained by the investment of the City's cash reserves in the financial markets. A conservative 2% growth is estimated over

the next five years.

- ***Miscellaneous:*** These are revenues that do not qualify for any other category of revenue. Revenue growth in this category is projected at 2% annually.
- ***Other Financing Sources:*** Although the General Fund is no longer subsidizing Solid Waste operations, the Solid Waste Fund does appropriate fund balance each year primarily for capital needs.

Solid Waste Fund Expenditures

- ***Personnel:*** These expenses are incurred as a result of full-time and part-time employees. Increases are generally driven by annual salary adjustments and the ever-increasing cost of providing health insurance coverage to employees. The addition of new employees for new or expanded services will increase this expenditure by more than the projected increases.
- ***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.
- ***Contingency:*** Contingency is budgeted to provide funding for unanticipated, unbudgeted, nonrecurring expenses that may occur during the year. Projected increases in Contingency funding are based on the projected average annual Consumer Price Index.
- ***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.

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:*** 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.
- ***Operational:*** Operational expenditures are projected to increase generally by the Consumer Price Index, or about 2% annually.
- ***Capital:*** Capital is defined as a tangible purchase more than $5,000 in value with a life expectancy of more than one year. The majority of purchases in this category are replacement equipment and replacement vehicle purchases. Most construction projects are budgeted outside of the Annual Budget.

- ***Pro-Rata Reimbursements:*** This category of expenditure includes the payment from one fund to another fund for services rendered. A good example of this is the Fleet Maintenance Fund reimbursing the General Fund for the cost of billing fleet charges to the various departmental users of Fleet services. The actual reimbursement is shown as a credit to the fund providing the service and a debit (cost) to the fund receiving the service. This category of expenditure is projected to increase by the annual Consumer Price Index.

Insurance Fund Revenue

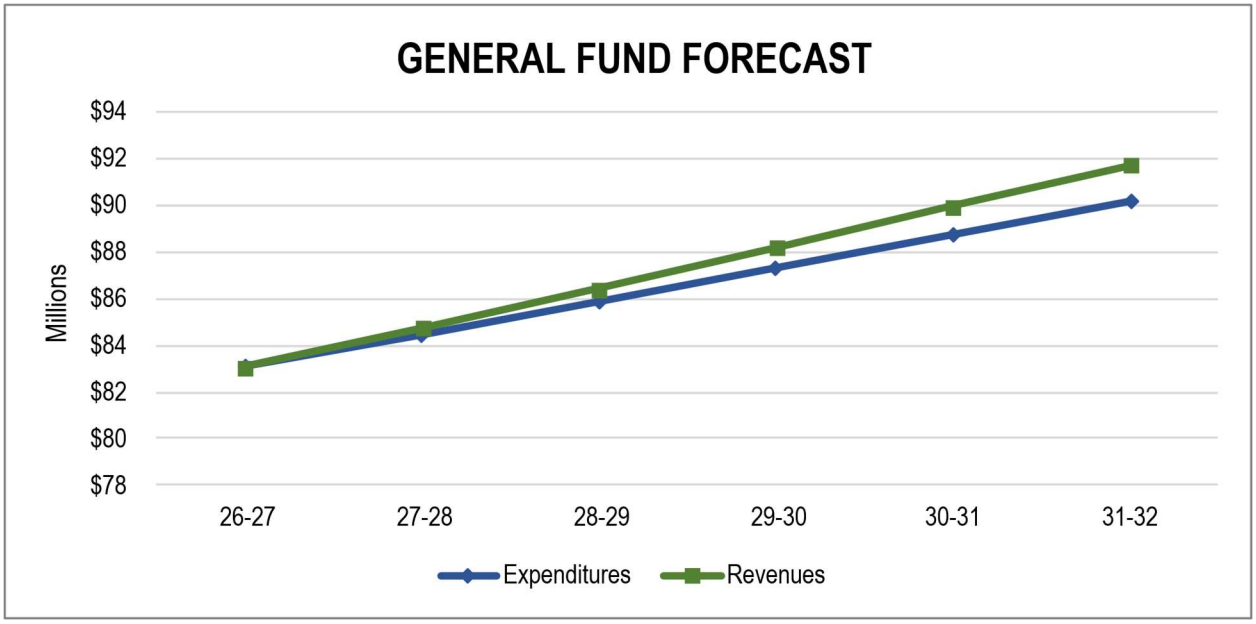
- ***Sales and Services:*** Sales and Services is the major source of revenue for this fund. As this fund is classified as an internal service fund, the fee structure for this fund is set to produce sufficient revenue to meet the vital expenditure needs of the service provided. Revenue is expected to increase an average of 2% annually.
- ***Investment Earnings:*** A conservative 2% annual growth is estimated over the next five years.

Insurance Fund Expenditures

- ***Operational***: While the insurance markets are defined by various fluctuations among the health and property/liability sectors, the City projects average annual increases in these expenditures of 1.5% overall.

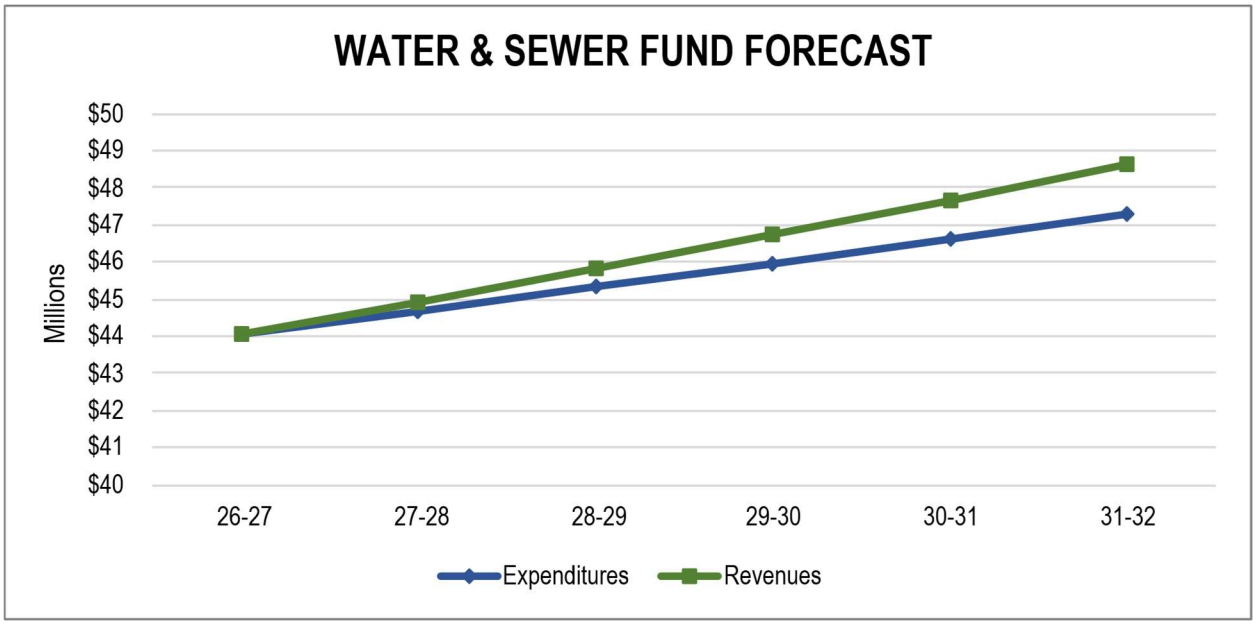
General Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Ad Valorem Taxes	$ 42,200,000	$ 43,044,000	$ 43,904,880	$ 44,782,978	$ 45,678,637	$ 46,592,210
Other Taxes	$ 26,980,000	$ 27,519,600	$ 28,069,992	$ 28,631,392	$ 29,204,020	$ 29,788,100
Unrestricted Intergovernmental	$ 739,113	$ 753,895	$ 768,973	$ 784,353	$ 800,040	$ 816,040
Restricted Intergovernmental	$ 3,061,379	$ 3,122,607	$ 3,185,059	$ 3,248,760	$ 3,313,735	$ 3,380,010
Licenses and Permits	$ 4,600	$ 4,692	$ 4,786	$ 4,882	$ 4,979	$ 5,079
Sales and Services	$ 2,569,260	$ 2,620,645	$ 2,673,058	$ 2,726,519	$ 2,781,050	$ 2,836,671
Investment Earnings	$ 750,000	$ 765,000	$ 780,300	$ 795,906	$ 811,824	$ 828,061
Miscellaneous	$ 545,000	$ 555,900	$ 567,018	$ 578,358	$ 589,926	$ 601,724
Other Financing Sources	$ 6,229,329	$ 6,353,916	$ 6,480,994	$ 6,610,614	$ 6,742,826	$ 6,877,683
Total	**$ 83,078,681**	**$ 84,740,255**	**$ 86,435,060**	**$ 88,163,761**	**$ 89,927,036**	**$ 91,725,577**
Expenditures						
Personnel	$ 48,017,022	$ 48,977,362	$ 49,956,910	$ 50,956,048	$ 51,975,169	$ 53,014,672
Operational	$ 21,645,869	$ 21,862,328	$ 22,080,951	$ 22,301,760	$ 22,524,778	$ 22,750,026
Capital	$ 5,292,105	$ 5,345,026	$ 5,398,476	$ 5,452,461	$ 5,506,986	$ 5,562,056
Contingency	$ 1,350,000	$ 1,350,000	$ 1,350,000	$ 1,350,000	$ 1,350,000	$ 1,350,000
Special Appropriations Funding	$ 1,975,983	$ 2,015,503	$ 2,055,813	$ 2,096,929	$ 2,138,868	$ 2,181,645
Debt Service	$ 5,540,863	$ 5,651,680	$ 5,764,714	$ 5,880,008	$ 5,997,608	$ 6,117,560
Interfund Transfers	$ 3,195,130	$ 3,259,033	$ 3,324,213	$ 3,390,698	$ 3,458,511	$ 3,527,682
Pro-Rata Reimbursements	$ (3,938,291)	$ (4,017,057)	$ (4,097,398)	$ (4,179,346)	$ (4,262,933)	$ (4,348,191)
Total	**$ 83,078,681**	**$ 84,443,875**	**$ 85,833,679**	**$ 87,248,558**	**$ 88,688,987**	**$ 90,155,449**



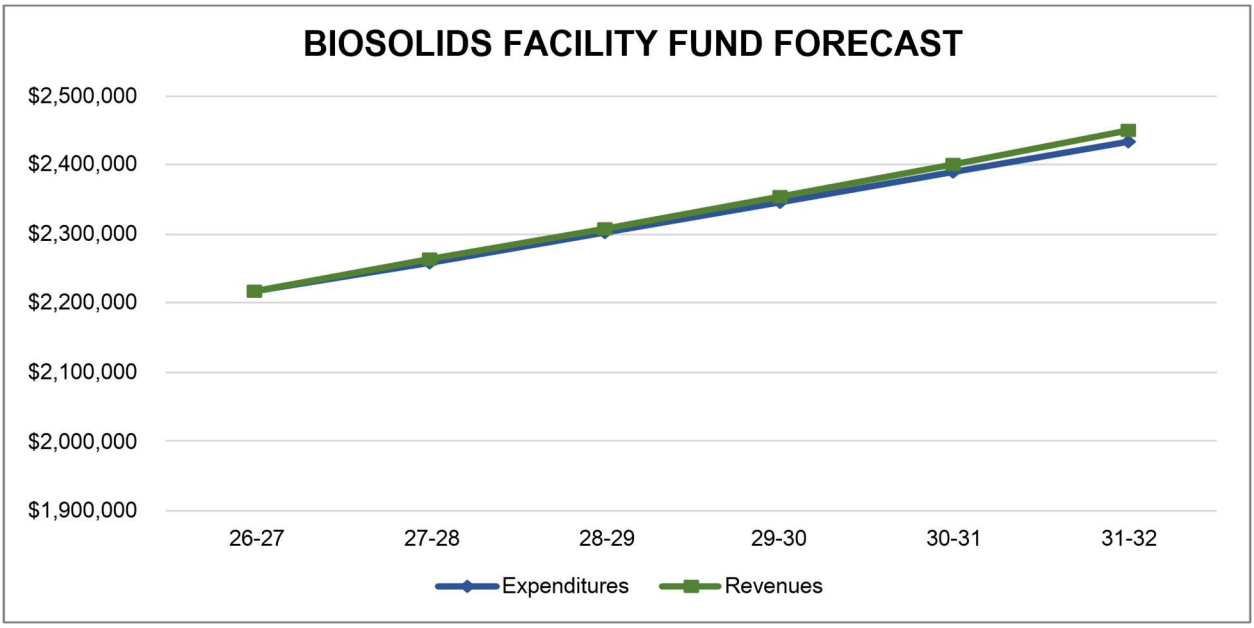
Water and Sewer Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Restricted Intergovernmental	$ 1,552,212	$ 1,583,256	$ 1,614,921	$ 1,647,220	$ 1,680,164	$ 1,713,767
Sales and Services	$ 34,216,690	$ 34,901,024	$ 35,599,044	$ 36,311,025	$ 37,037,246	$ 37,777,991
Investment Earnings	$ 100,000	$ 102,000	$ 104,040	$ 106,121	$ 108,243	$ 110,408
Miscellaneous	$ 3,400,000	$ 3,468,000	$ 3,537,360	$ 3,608,107	$ 3,680,269	$ 3,753,875
Other Financing Sources	$ 4,763,157	$ 4,858,420	$ 4,955,589	$ 5,054,700	$ 5,155,794	$ 5,258,910
Total	**$ 44,032,059**	**$ 44,912,700**	**$ 45,810,954**	**$ 46,727,173**	**$ 47,661,717**	**$ 48,614,951**
Expenditures						
Personnel	$ 10,697,823	$ 10,911,779	$ 11,130,015	$ 11,352,615	$ 11,579,668	$ 11,811,261
Operational	$ 13,871,062	$ 14,009,773	$ 14,149,870	$ 14,291,369	$ 14,434,283	$ 14,578,626
Capital	$ 5,681,038	$ 5,737,848	$ 5,795,227	$ 5,853,179	$ 5,911,711	$ 5,970,828
Contingency	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Special Appropriations Funding	$ 172,619	$ 176,071	$ 179,593	$ 183,185	$ 186,848	$ 190,585
Debt Service	$ 3,951,247	$ 3,990,759	$ 4,030,667	$ 4,070,974	$ 4,111,683	$ 4,152,800
Interfund Transfers	$ 4,485,130	$ 4,574,833	$ 4,666,329	$ 4,759,656	$ 4,854,849	$ 4,951,946
Pro-Rata Reimbursements	$ 4,673,140	$ 4,766,603	$ 4,861,935	$ 4,959,174	$ 5,058,357	$ 5,159,524
Total	**$ 44,032,059**	**$ 44,667,667**	**$ 45,313,636**	**$ 45,970,151**	**$ 46,637,399**	**$ 47,315,570**



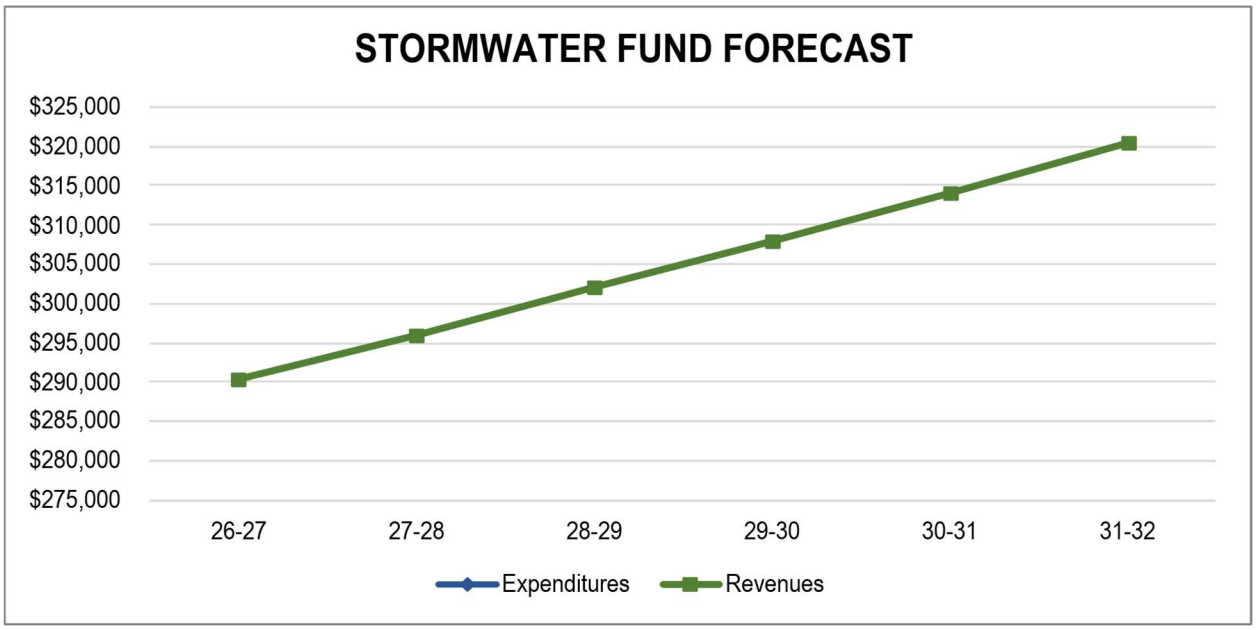
Biosolids Facility Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Restricted Intergovernmental	$ 2,217,805	$ 2,262,161	$ 2,307,404	$ 2,353,552	$ 2,400,623	$ 2,448,636
Total	**$ 2,217,805**	**$ 2,262,161**	**$ 2,307,404**	**$ 2,353,552**	**$ 2,400,623**	**$ 2,448,636**
Expenditures						
Personnel	$ 454,891	$ 463,989	$ 473,269	$ 482,734	$ 492,389	$ 502,236
Operational	$ 1,313,014	$ 1,339,274	$ 1,366,060	$ 1,393,381	$ 1,421,249	$ 1,449,674
Capital	$ 155,000	$ 158,100	$ 161,262	$ 164,487	$ 167,777	$ 171,133
Contingency	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000
Pro-Rata Reimbursements	$ 144,900	$ 147,798	$ 150,754	$ 153,769	$ 156,844	$ 159,981
Total	**$ 2,217,805**	**$ 2,259,161**	**$ 2,301,344**	**$ 2,344,371**	**$ 2,388,259**	**$ 2,433,024**



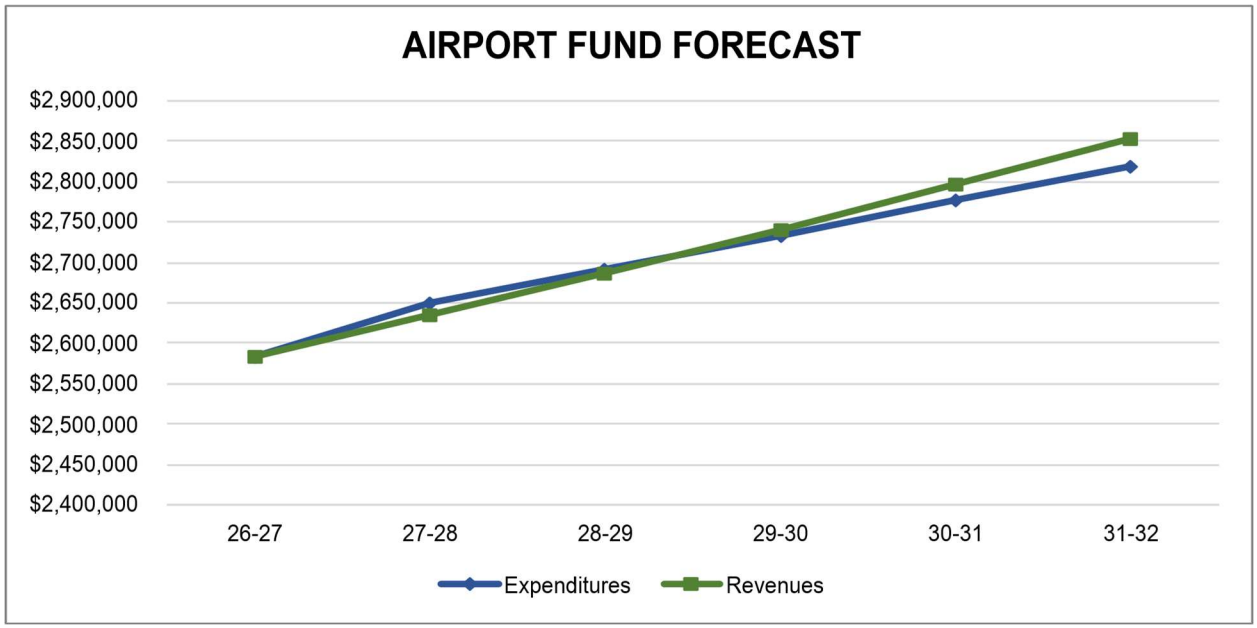
Stormwater Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Other Financing Sources	$ 290,260	$ 296,065	$ 301,987	$ 308,026	$ 314,187	$ 320,470
Total	**$ 290,260**	**$ 296,065**	**$ 301,987**	**$ 308,026**	**$ 314,187**	**$ 320,470**
Expenditures						
Personnel	$ 123,494	$ 125,964	$ 128,483	$ 131,053	$ 133,674	$ 136,347
Operational	$ 166,766	$ 170,101	$ 173,503	$ 176,973	$ 180,513	$ 184,123
Total	**$ 290,260**	**$ 296,065**	**$ 301,987**	**$ 308,026**	**$ 314,187**	**$ 320,470**



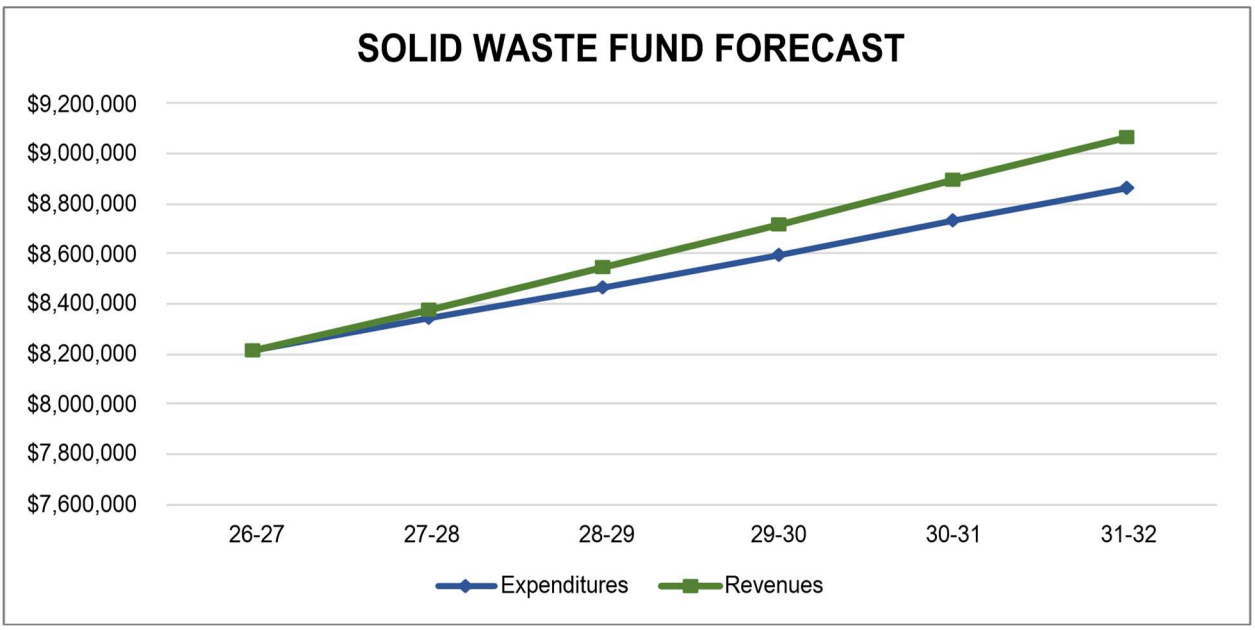
Airport Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Sales and Services	$ 2,103,368	$ 2,145,435	$ 2,188,344	$ 2,232,111	$ 2,276,753	$ 2,322,288
Restricted Intergovernmental	$ 110,000	$ 112,200	$ 114,444	$ 116,733	$ 119,068	$ 121,449
Investment Earnings	$ 25,000	$ 25,500	$ 26,010	$ 26,530	$ 27,061	$ 27,602
Miscellaneous	$ 20,000	$ 20,400	$ 20,808	$ 21,224	$ 21,649	$ 22,082
Other Financing Sources	$ 325,000	$ 331,500	$ 338,130	$ 344,893	$ 351,790	$ 358,826
Total	**$ 2,583,368**	**$ 2,635,035**	**$ 2,687,736**	**$ 2,741,491**	**$ 2,796,321**	**$ 2,852,247**
Expenditures						
Personnel	$ 1,040,513	$ 1,061,323	$ 1,082,550	$ 1,104,201	$ 1,126,285	$ 1,148,810
Operational	$ 777,820	$ 785,598	$ 793,454	$ 801,389	$ 809,403	$ 817,497
Capital	$ 446,075	$ 454,997	$ 464,096	$ 473,378	$ 482,846	$ 492,503
Contingency	$ 173,061	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000
Pro-Rata Reimbursements	$ 145,899	$ 148,817	$ 151,793	$ 154,829	$ 157,926	$ 161,084
Total	**$ 2,583,368**	**$ 2,650,735**	**$ 2,691,894**	**$ 2,733,797**	**$ 2,776,459**	**$ 2,819,894**



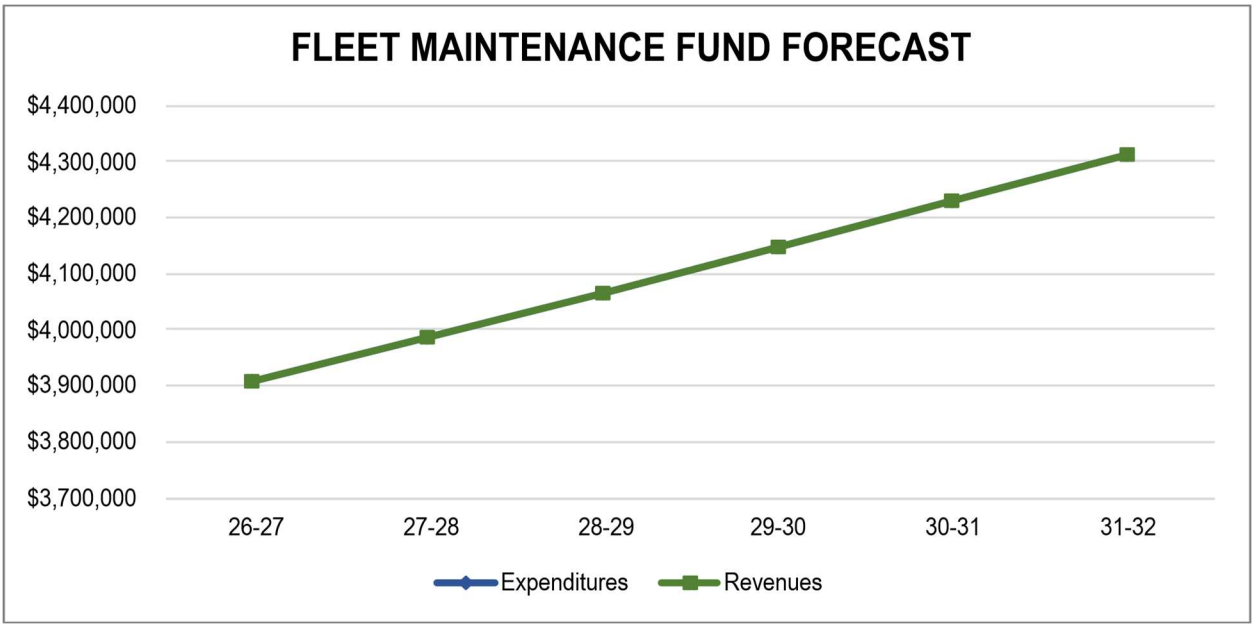
Solid Waste Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Other Taxes	$ 30,000	$ 30,600	$ 31,212	$ 31,836	$ 32,473	$ 33,122
Sales and Services	$ 8,115,000	$ 8,277,300	$ 8,442,846	$ 8,611,703	$ 8,783,937	$ 8,959,616
Investment Earnings	$ 30,000	$ 30,600	$ 31,212	$ 31,836	$ 32,473	$ 33,122
Miscellaneous	$ 2,000	$ 2,040	$ 2,081	$ 2,122	$ 2,165	$ 2,208
Other Financing Sources	$ 37,920	$ 38,678	$ 39,452	$ 40,241	$ 41,046	$ 41,867
Total	**$ 8,214,920**	**$ 8,379,218**	**$ 8,546,803**	**$ 8,717,739**	**$ 8,892,094**	**$ 9,069,935**
Expenditures						
Personnel	$ 2,784,337	$ 2,840,024	$ 2,896,824	$ 2,954,761	$ 3,013,856	$ 3,074,133
Operational	$ 3,721,069	$ 3,758,280	$ 3,795,862	$ 3,833,821	$ 3,872,159	$ 3,910,881
Capital	$ 1,154,000	$ 1,177,080	$ 1,200,622	$ 1,224,634	$ 1,249,127	$ 1,274,109
Contingency	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000
Pro-Rata Reimbursements	$ 480,514	$ 490,124	$ 499,927	$ 509,925	$ 520,124	$ 530,526
Total	**$ 8,214,920**	**$ 8,340,508**	**$ 8,468,235**	**$ 8,598,141**	**$ 8,730,266**	**$ 8,864,649**



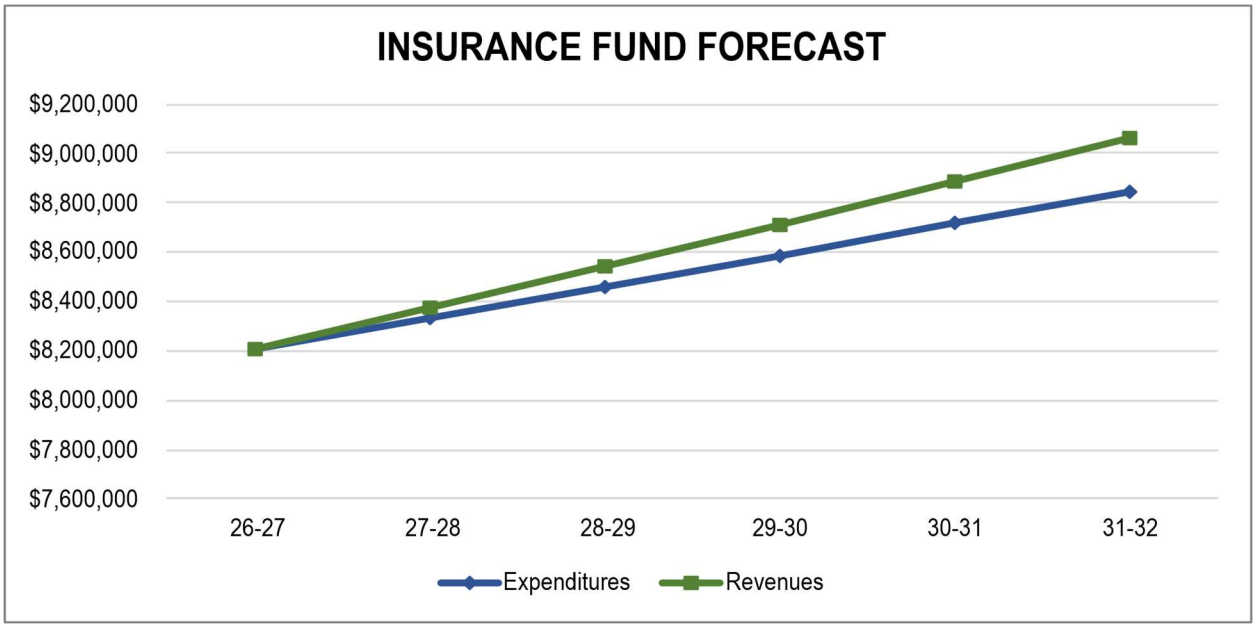
Fleet Maintenance Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Sales and Services	$ 3,906,911	$ 3,985,049	$ 4,064,750	$ 4,146,045	$ 4,228,966	$ 4,313,545
Total	**$ 3,906,911**	**$ 3,985,049**	**$ 4,064,750**	**$ 4,146,045**	**$ 4,228,966**	**$ 4,313,545**
Expenditures						
Personnel	$ 985,023	$ 1,004,723	$ 1,024,818	$ 1,045,314	$ 1,066,221	$ 1,087,545
Operational	$ 2,515,952	$ 2,566,271	$ 2,617,596	$ 2,669,948	$ 2,723,347	$ 2,777,814
Capital	$ 89,999	$ 91,799	$ 93,635	$ 95,508	$ 97,418	$ 99,366
Pro-Rata Reimbursements	$ 315,937	$ 322,256	$ 328,701	$ 335,275	$ 341,980	$ 348,820
Total	**$ 3,906,911**	**$ 3,985,049**	**$ 4,064,750**	**$ 4,146,045**	**$ 4,228,966**	**$ 4,313,545**



Insurance Fund Forecast

Revenues	26-27	27-28	28-29	29-30	30-31	31-32
Sales and Services	$ 8,041,667	$ 8,202,500	$ 8,366,550	$ 8,533,881	$ 8,704,559	$ 8,878,650
Investment Earnings	$ 80,000	$ 81,600	$ 83,232	$ 84,897	$ 86,595	$ 88,326
Other Financing Sources	$ 90,000	$ 91,800	$ 93,636	$ 95,509	$ 97,419	$ 99,367
Total	**$ 8,211,667**	**$ 8,375,900**	**$ 8,543,418**	**$ 8,714,287**	**$ 8,888,572**	**$ 9,066,344**
Expenditures						
Operational	$ 8,211,667	$ 8,334,842	$ 8,459,865	$ 8,586,763	$ 8,715,564	$ 8,846,298
Total	**$ 8,211,667**	**$ 8,334,842**	**$ 8,459,865**	**$ 8,586,763**	**$ 8,715,564**	**$ 8,846,298**



Performance Measurement

The City of Hickory places a strong emphasis on quality improvement through performance measurement. Performance measures identify the results achieved and the benefits delivered to citizens and indicate how well government resources are being used.

Since FY1998-1999 the City has participated in the North Carolina Local Government Performance Measurement Project (NCPMP). The primary purpose of the project is to develop a model that North Carolina cities can duplicate and use to support ongoing efforts in performance measurement and benchmarking. One of the greatest benefits of the project is the annual "Benchmarking Meetings," in which the participating cities convene to discuss their service-area processes. This interactive method among peers allows the appropriate city staff an opportunity to learn and explore possible avenues towards enhancing efficiency and effectiveness in their own jurisdictions. Hickory representatives from the Budget Office and representative departments typically attend and participate in these sessions held at the UNC School of Government in Chapel Hill.

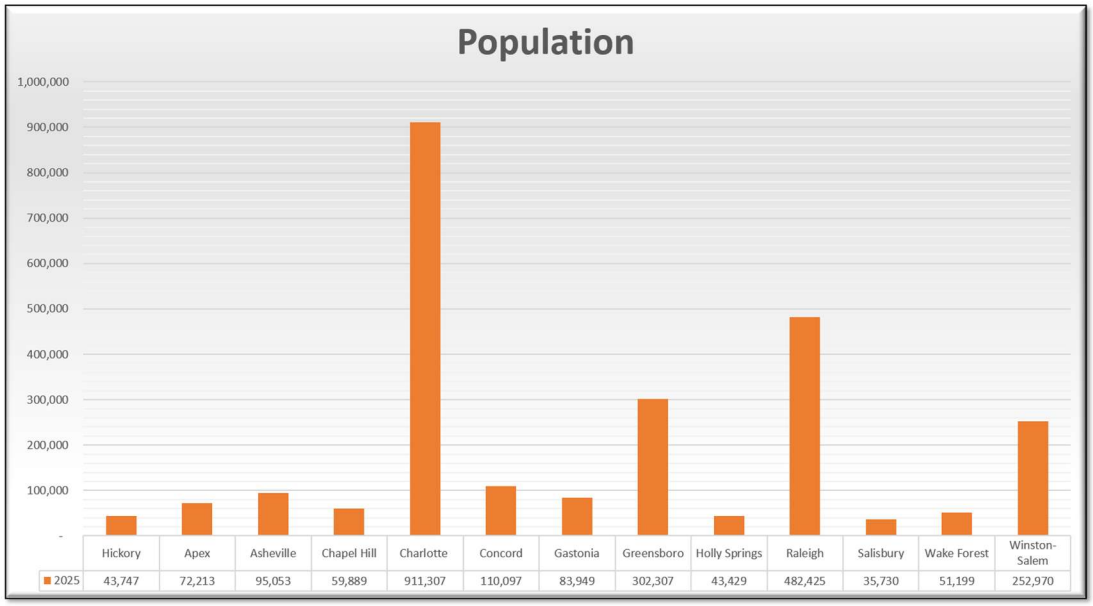
In 2022, the Benchmarking Project relaunched as Benchmarking 2.0 with a new emphasis on collaboration and relationship-building. Benchmarking 2.0 offers revised framework metrics, streamlined data collection, an interactive online dashboard, and intensive in-person performance strategy sessions. Through access to an intuitive dashboard of data, performance strategy sessions; and annual benchmarking reports, Hickory can both develop solutions to systemic organizational issues and replicate successes throughout other sectors.

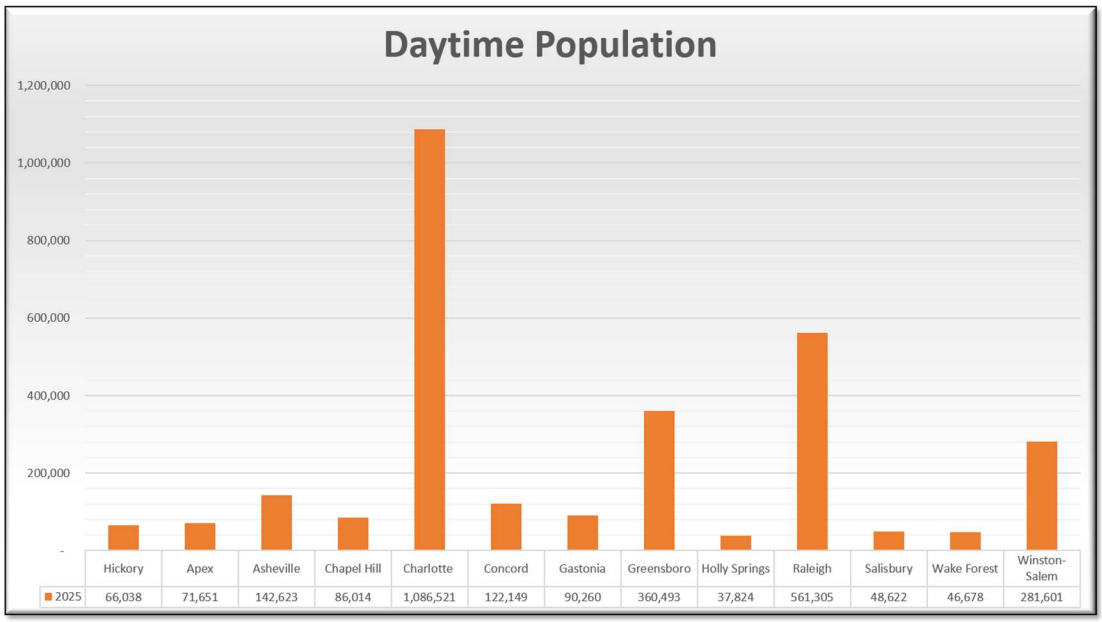
The City of Hickory reports on the following service areas:

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

Current participants in the NCBMP include the cities of: Apex, Asheville, Chapel Hill, Charlotte, Concord, Gastonia, Greensboro, Harrisburg, Hickory, Holly Springs, Raleigh, Salisbury, Wake Forest, and Winston-Salem. The following are the most recent services measured (*FY2024-25*) and a sampling of the results.

General Statistics

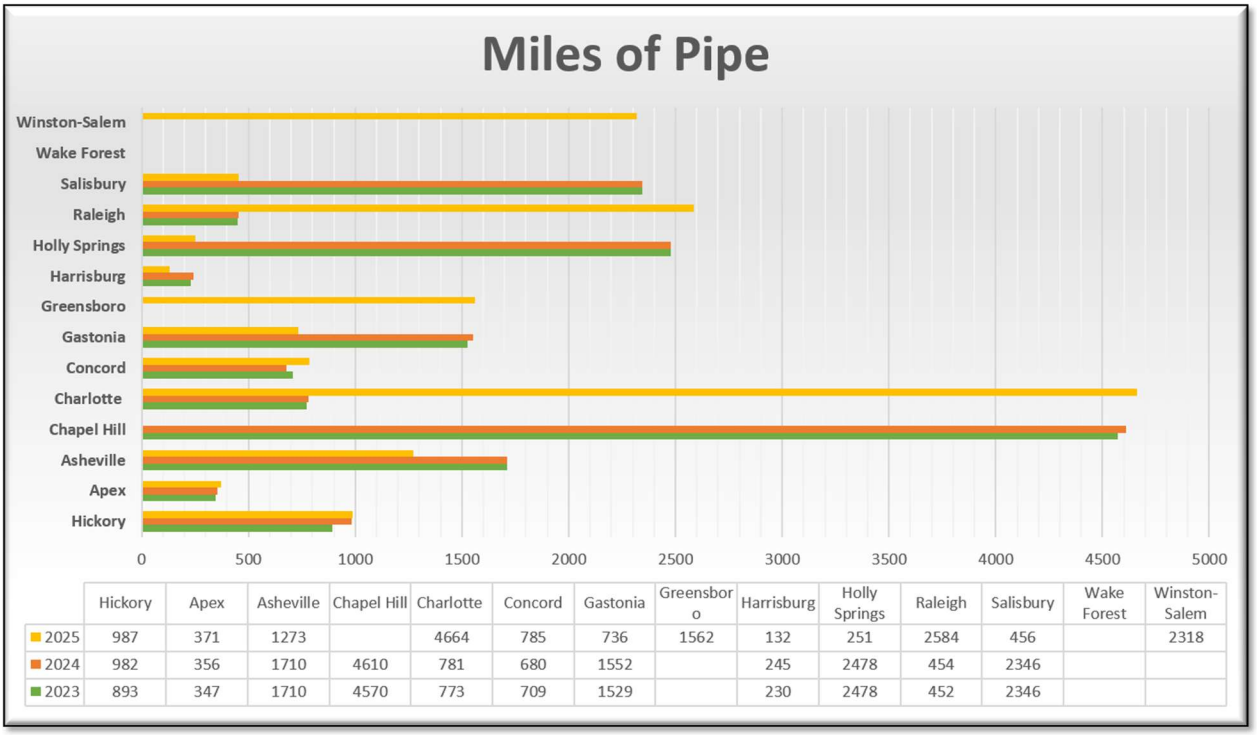




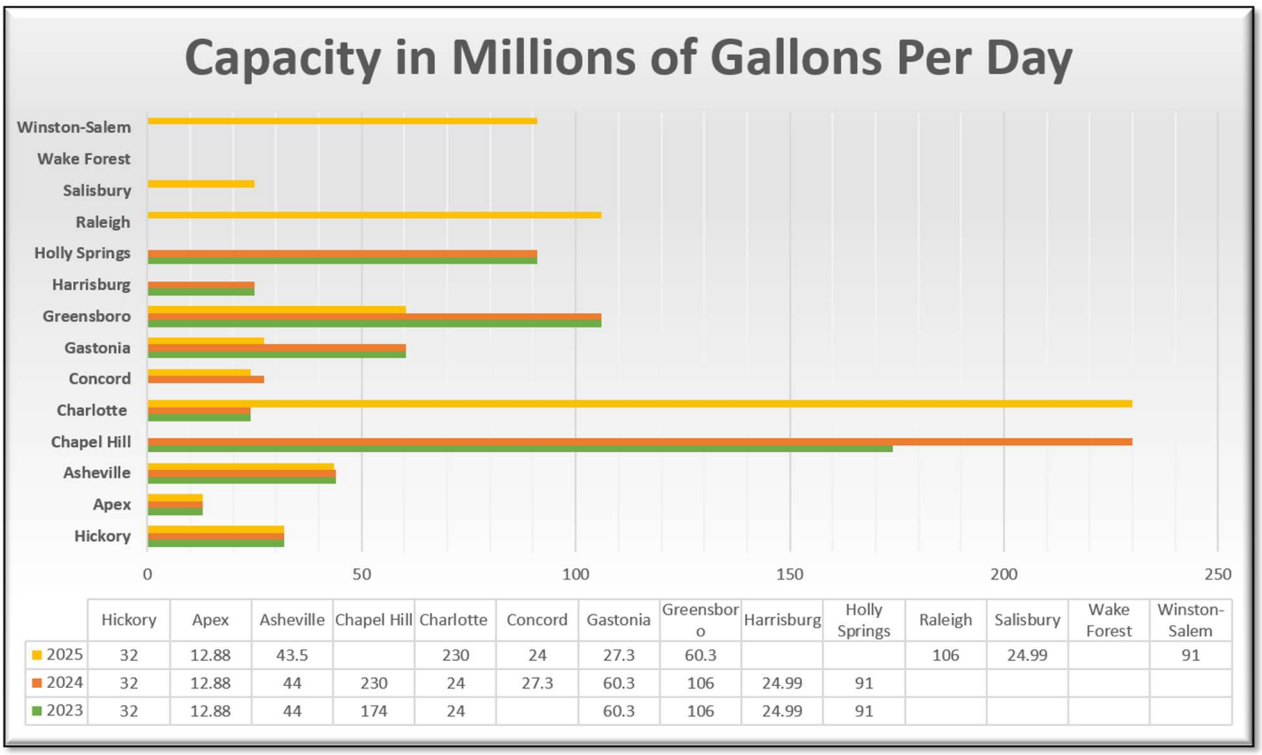
*Data from the 2020-2025 American Community Survey, found at data.census.gov, was used to calculate the daytime population using the formula below:

Daytime population = Total resident population + Total workers working in area - Total workers living in area

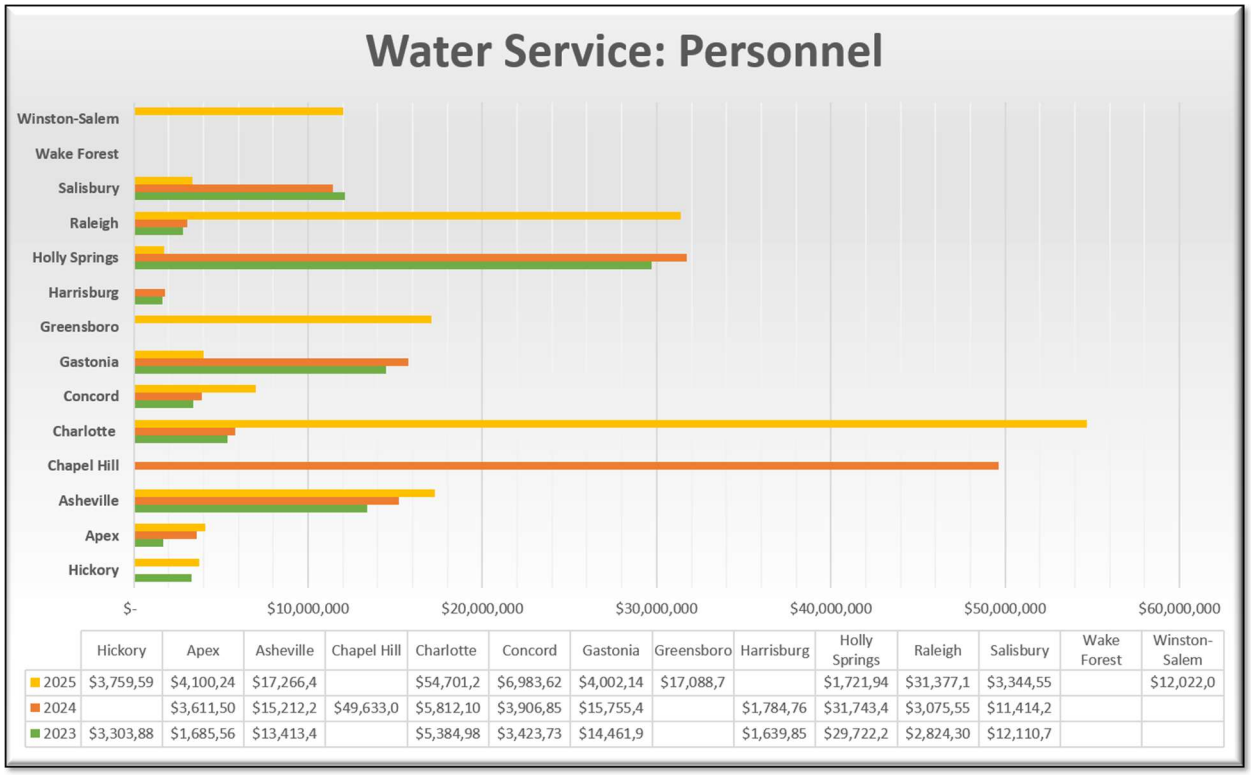
Water Services



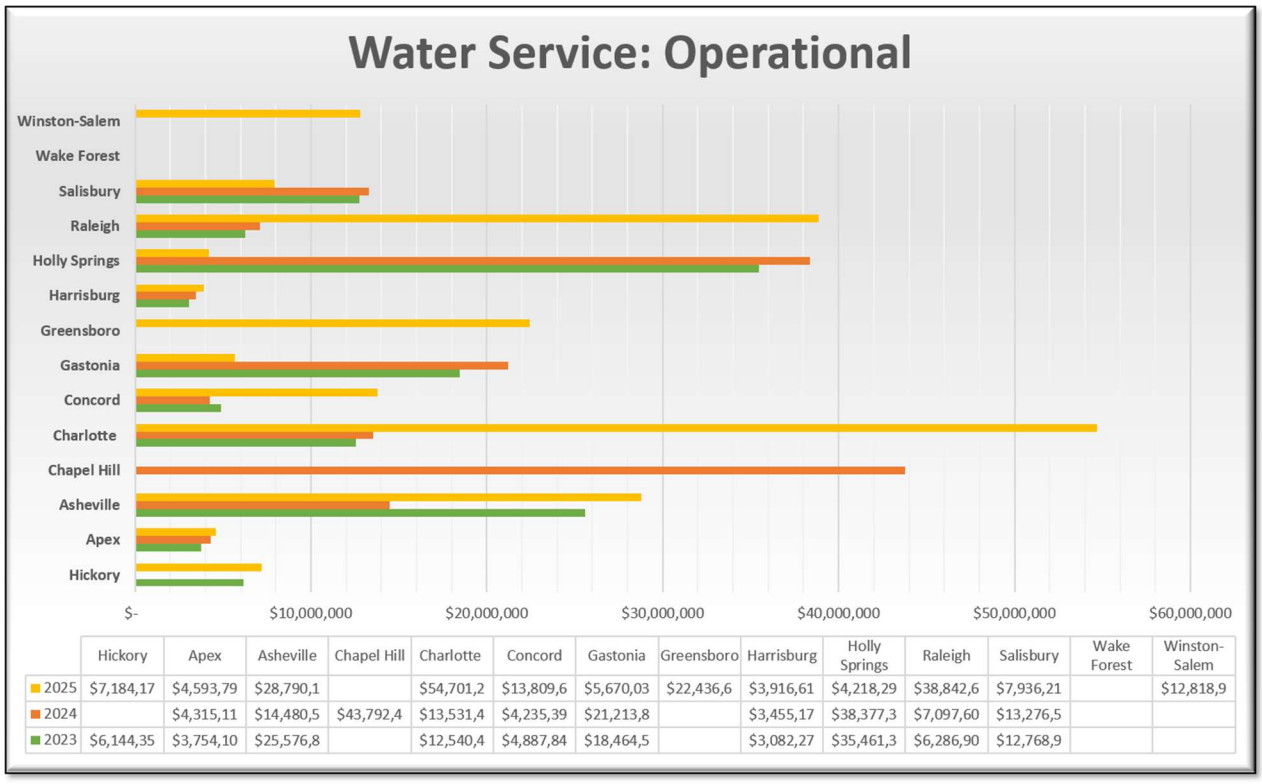
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	987	371	1273		4664	785	736	1562	132	251	2584	456		2318
2024	982	356	1710	4610	781	680	1552		245	2478	454	2346		
2023	893	347	1710	4570	773	709	1529		230	2478	452	2346		



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	32	12.88	43.5		230	24	27.3	60.3			106	24.99		91
2024	32	12.88	44	230	24	27.3	60.3	106	24.99	91				
2023	32	12.88	44	174	24		60.3	106	24.99	91				

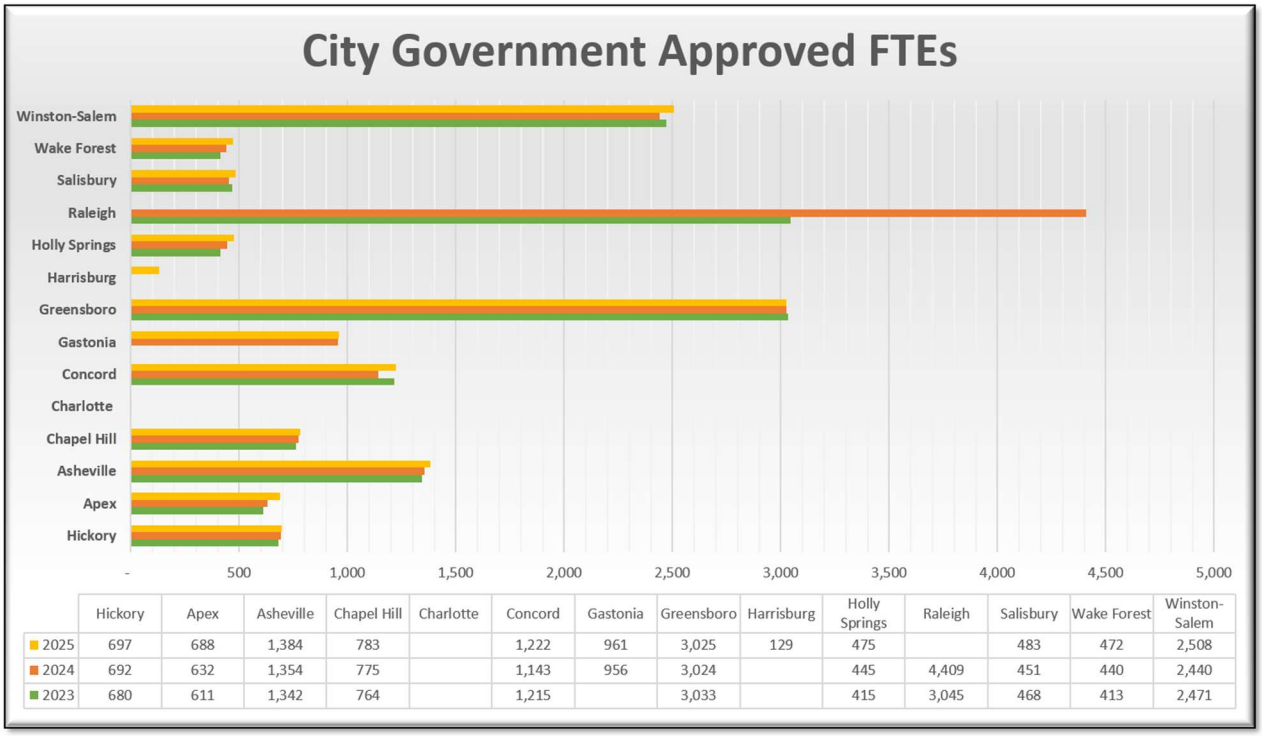


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$3,759,59	$4,100,24	$17,266,4		$54,701,2	$6,983,62	$4,002,14	$17,088,7		$1,721,94	$31,377,1	$3,344,55		$12,022,0
2024		$3,611,50	$15,212,2	$49,633,0	$5,812,10	$3,906,85	$15,755,4		$1,784,76	$31,743,4	$3,075,55	$11,414,2		
2023	$3,303,88	$1,685,56	$13,413,4		$5,384,98	$3,423,73	$14,461,9		$1,639,85	$29,722,2	$2,824,30	$12,110,7		

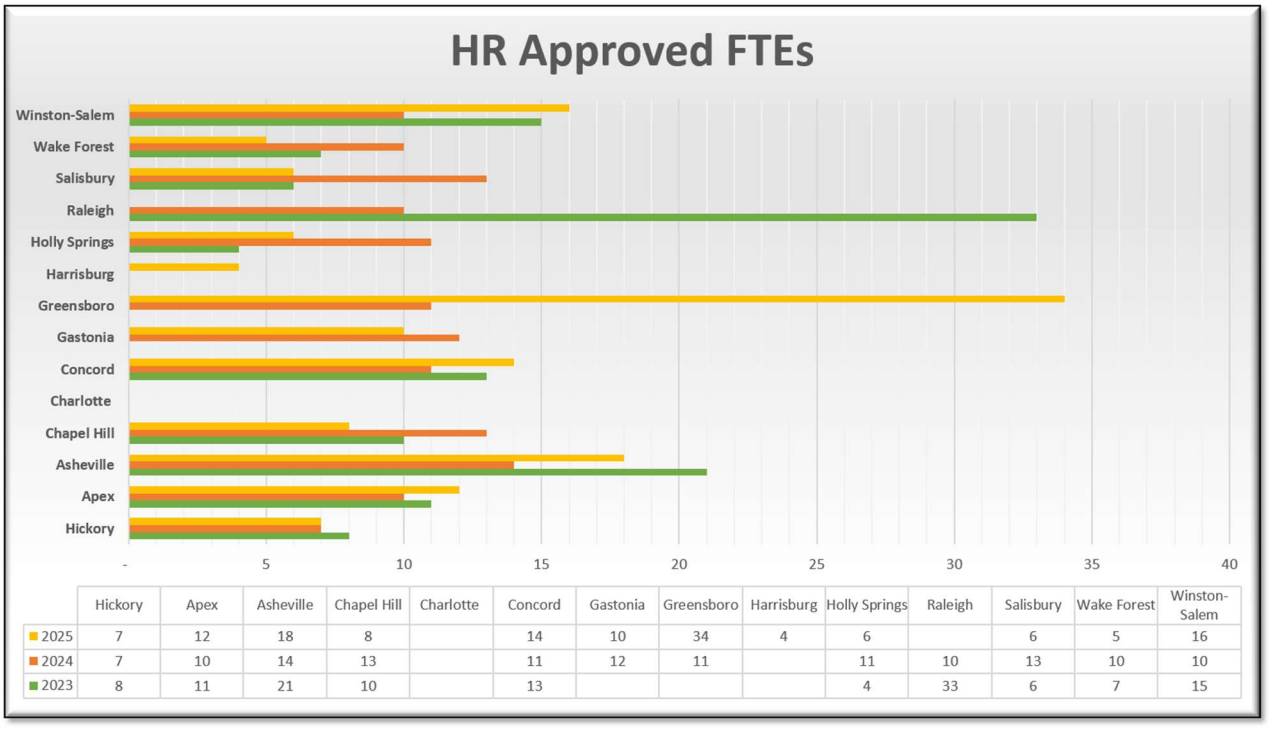


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$7,184,17	$4,593,79	$28,790,1		$54,701,2	$13,809,6	$5,670,03	$22,436,6	$3,916,61	$4,218,29	$38,842,6	$7,936,21		$12,818,9
2024		$4,315,11	$14,480,5	$43,792,4	$13,531,4	$4,235,39	$21,213,8		$3,455,17	$38,377,3	$7,097,60	$13,276,5		
2023	$6,144,35	$3,754,10	$25,576,8		$12,540,4	$4,887,84	$18,464,5		$3,082,27	$35,461,3	$6,286,90	$12,768,9		

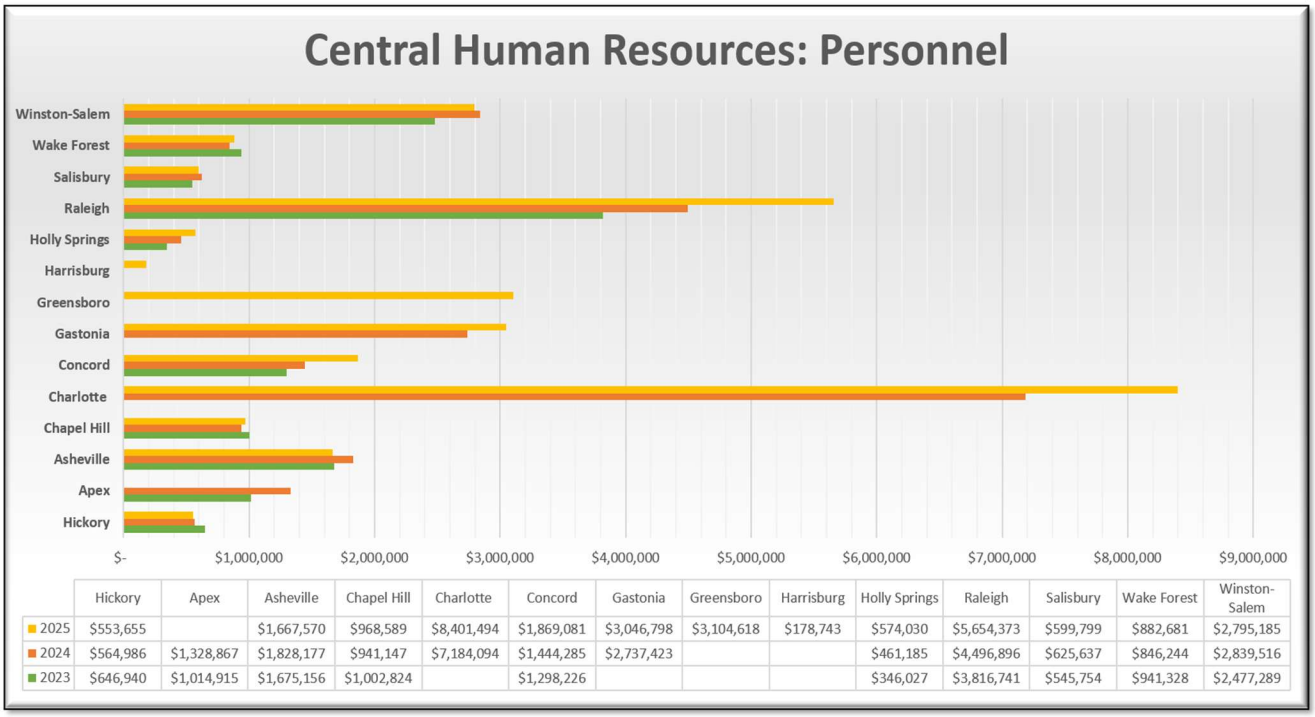
Human Resources



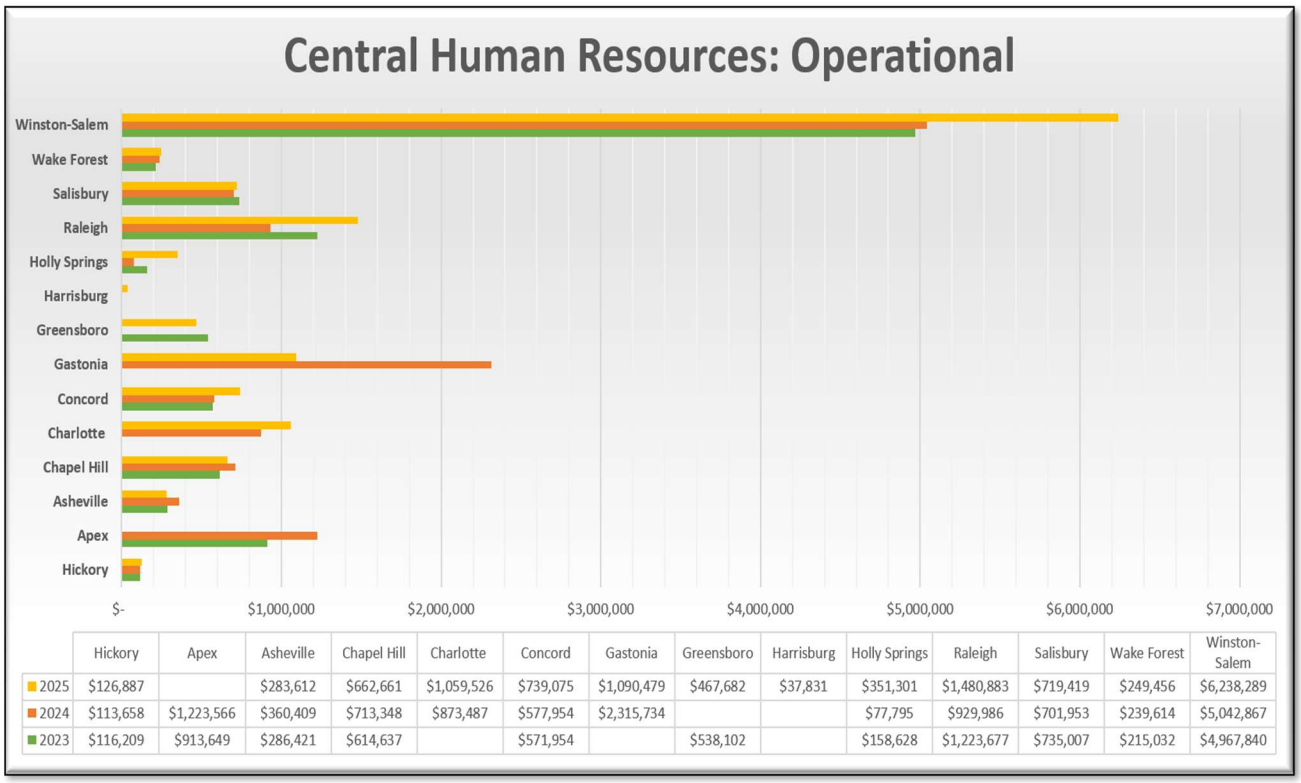
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	697	688	1,384	783		1,222	961	3,025	129	475		483	472	2,508
2024	692	632	1,354	775		1,143	956	3,024		445	4,409	451	440	2,440
2023	680	611	1,342	764		1,215		3,033		415	3,045	468	413	2,471



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	7	12	18	8		14	10	34	4	6		6	5	16
2024	7	10	14	13		11	12	11		11	10	13	10	10
2023	8	11	21	10		13				4	33	6	7	15

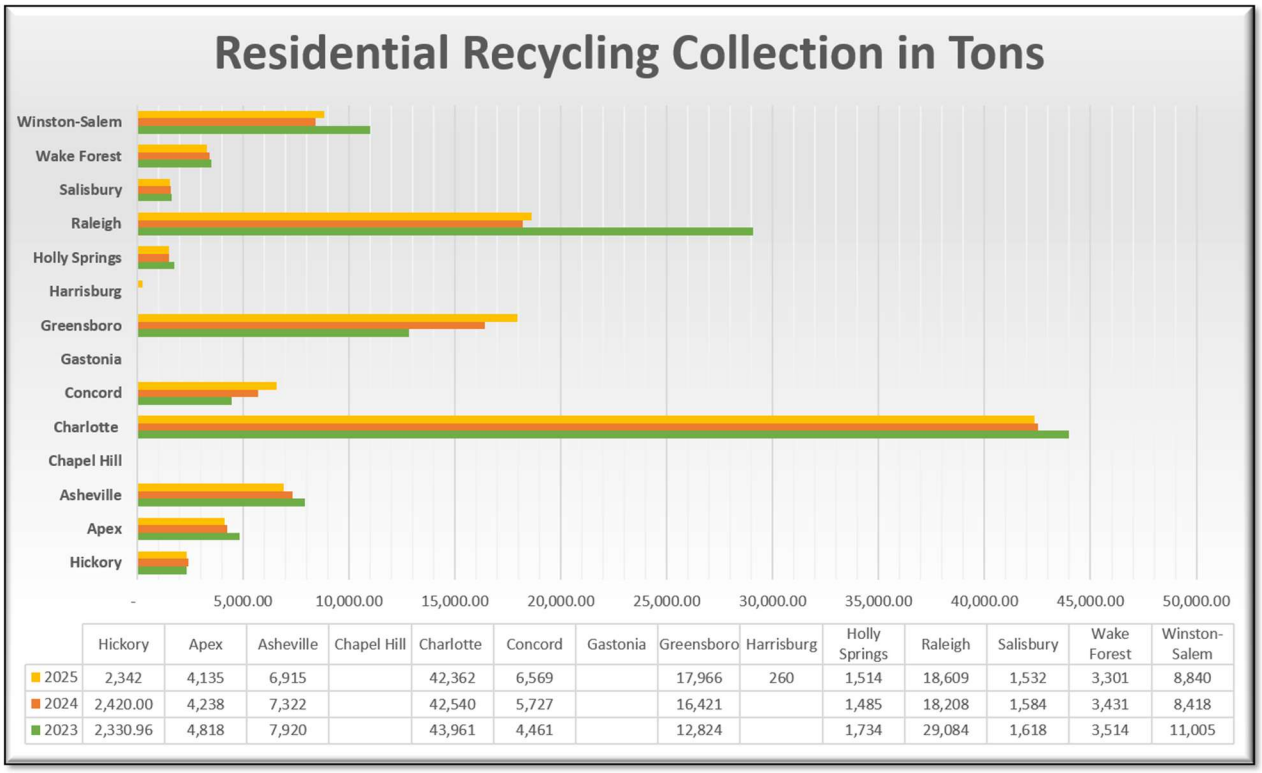


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$553,655		$1,667,570	$968,589	$8,401,494	$1,869,081	$3,046,798	$3,104,618	$178,743	$574,030	$5,654,373	$599,799	$882,681	$2,795,185
2024	$564,986	$1,328,867	$1,828,177	$941,147	$7,184,094	$1,444,285	$2,737,423			$461,185	$4,496,896	$625,637	$846,244	$2,839,516
2023	$646,940	$1,014,915	$1,675,156	$1,002,824		$1,298,226				$346,027	$3,816,741	$545,754	$941,328	$2,477,289

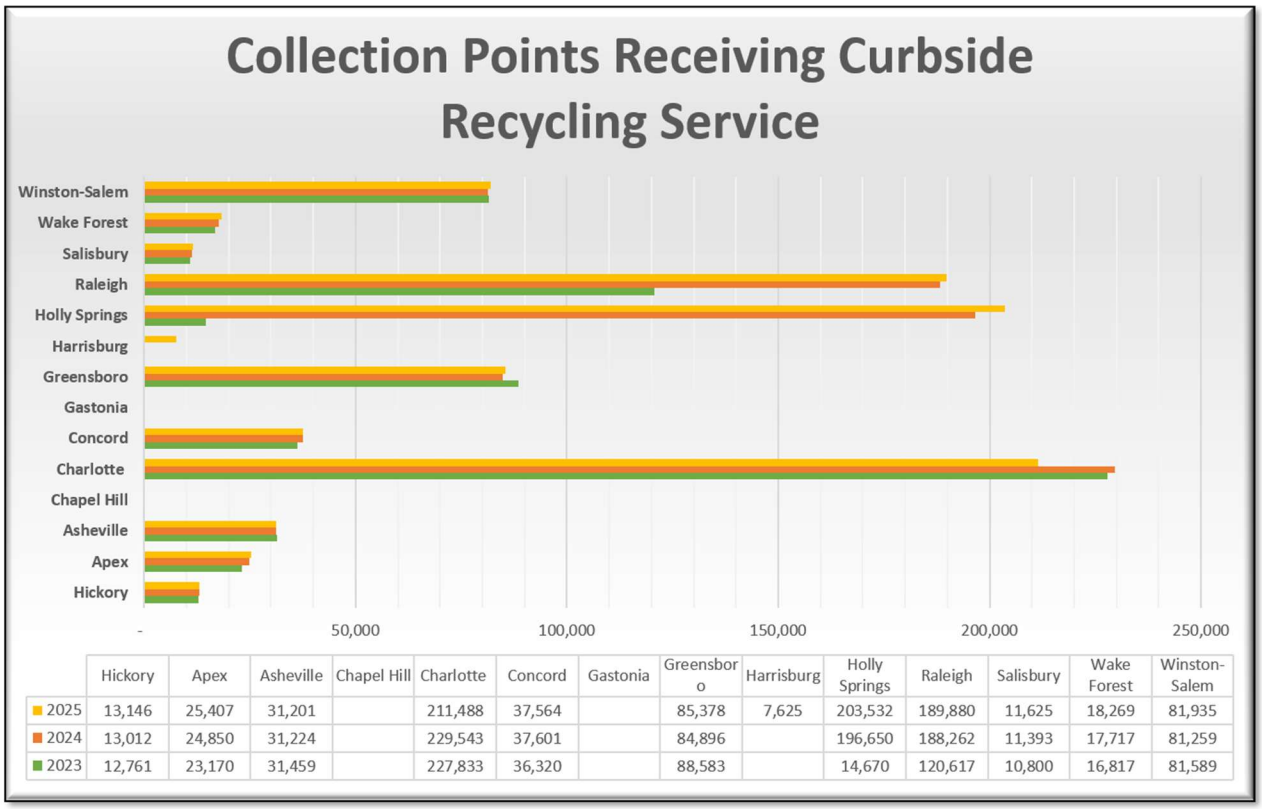


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$126,887		$283,612	$662,661	$1,059,526	$739,075	$1,090,479	$467,682	$37,831	$351,301	$1,480,883	$719,419	$249,456	$6,238,289
2024	$113,658	$1,223,566	$360,409	$713,348	$873,487	$577,954	$2,315,734			$77,795	$929,986	$701,953	$239,614	$5,042,867
2023	$116,209	$913,649	$286,421	$614,637		$571,954		$538,102		$158,628	$1,223,677	$735,007	$215,032	$4,967,840

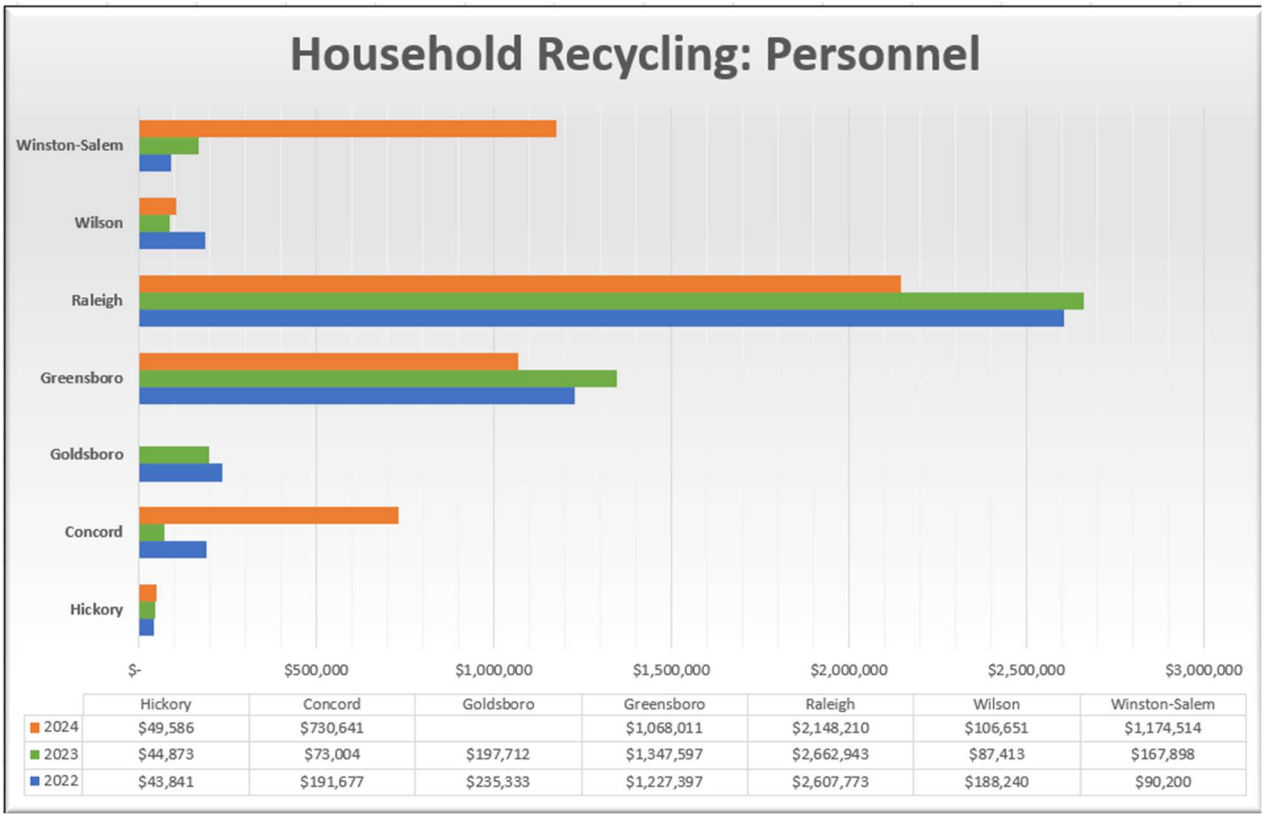
Household Recycling



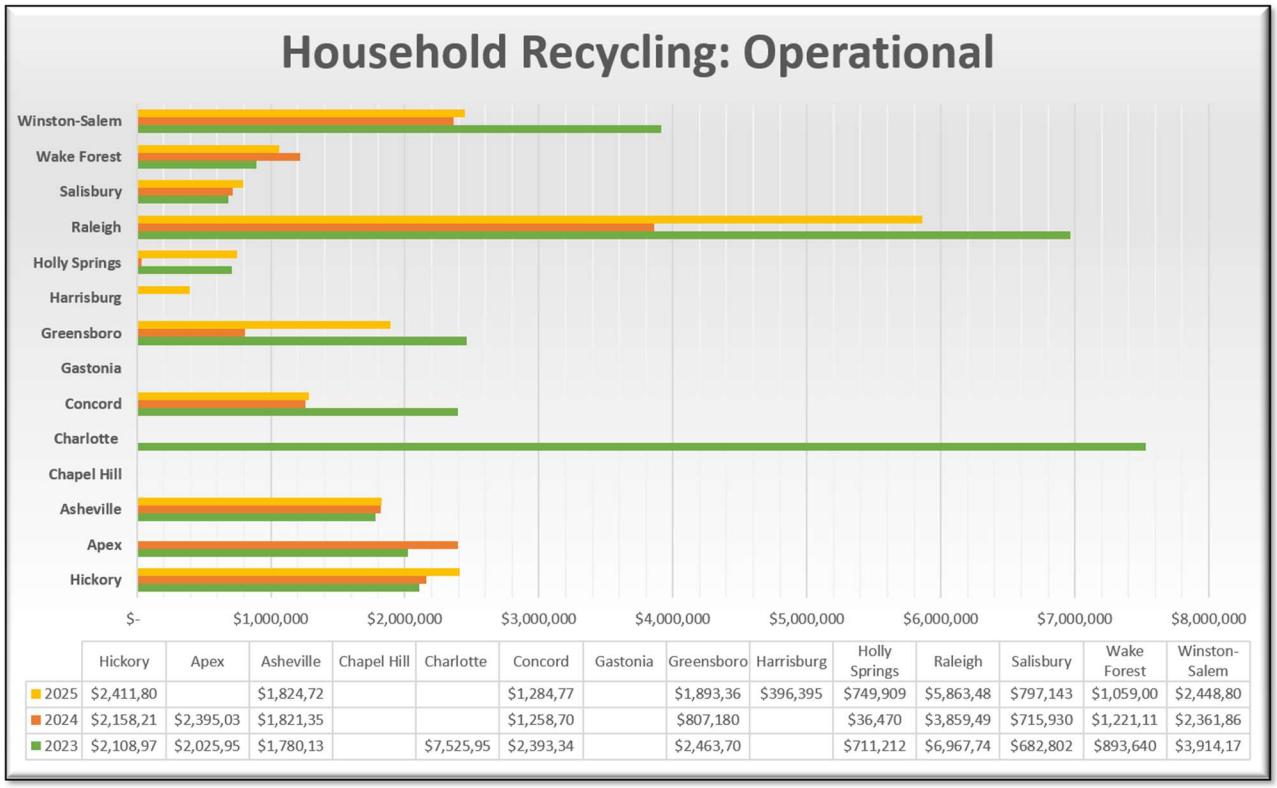
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	2,342	4,135	6,915		42,362	6,569		17,966	260	1,514	18,609	1,532	3,301	8,840
2024	2,420.00	4,238	7,322		42,540	5,727		16,421		1,485	18,208	1,584	3,431	8,418
2023	2,330.96	4,818	7,920		43,961	4,461		12,824		1,734	29,084	1,618	3,514	11,005



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	13,146	25,407	31,201		211,488	37,564		85,378	7,625	203,532	189,880	11,625	18,269	81,935
2024	13,012	24,850	31,224		229,543	37,601		84,896		196,650	188,262	11,393	17,717	81,259
2023	12,761	23,170	31,459		227,833	36,320		88,583		14,670	120,617	10,800	16,817	81,589

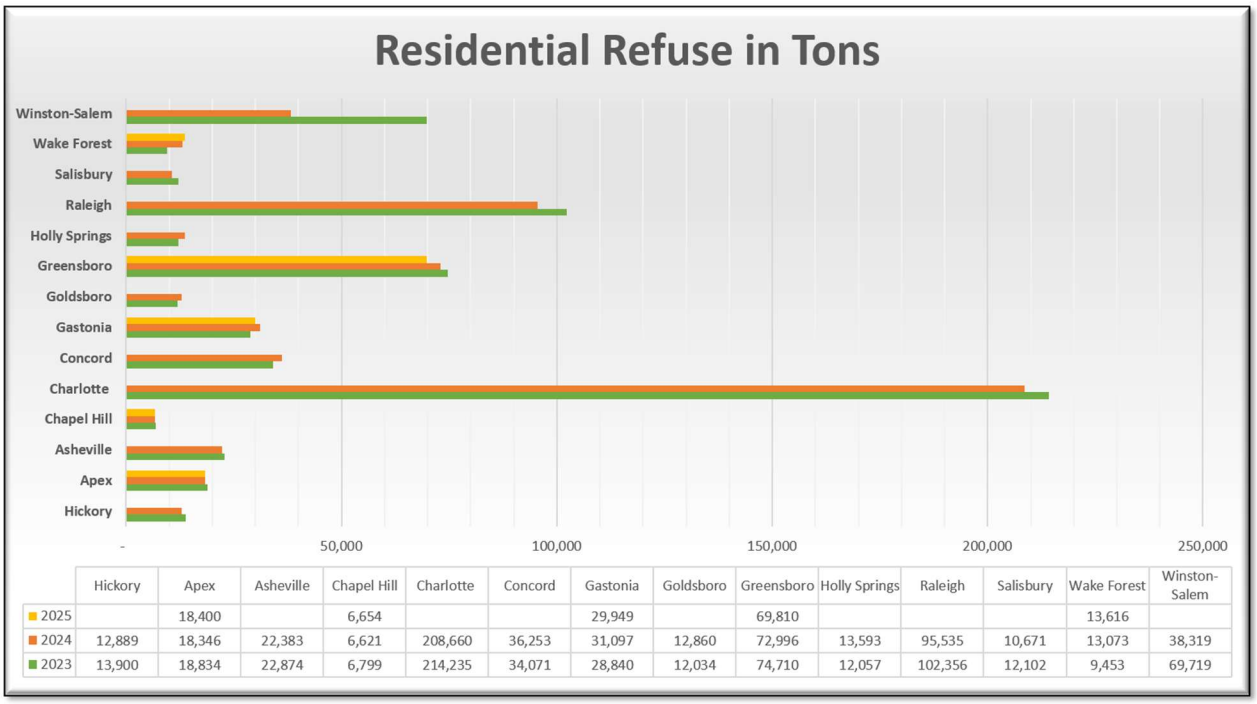


	Hickory	Concord	Goldsboro	Greensboro	Raleigh	Wilson	Winston-Salem
2024	$49,586	$730,641		$1,068,011	$2,148,210	$106,651	$1,174,514
2023	$44,873	$73,004	$197,712	$1,347,597	$2,662,943	$87,413	$167,898
2022	$43,841	$191,677	$235,333	$1,227,397	$2,607,773	$188,240	$90,200

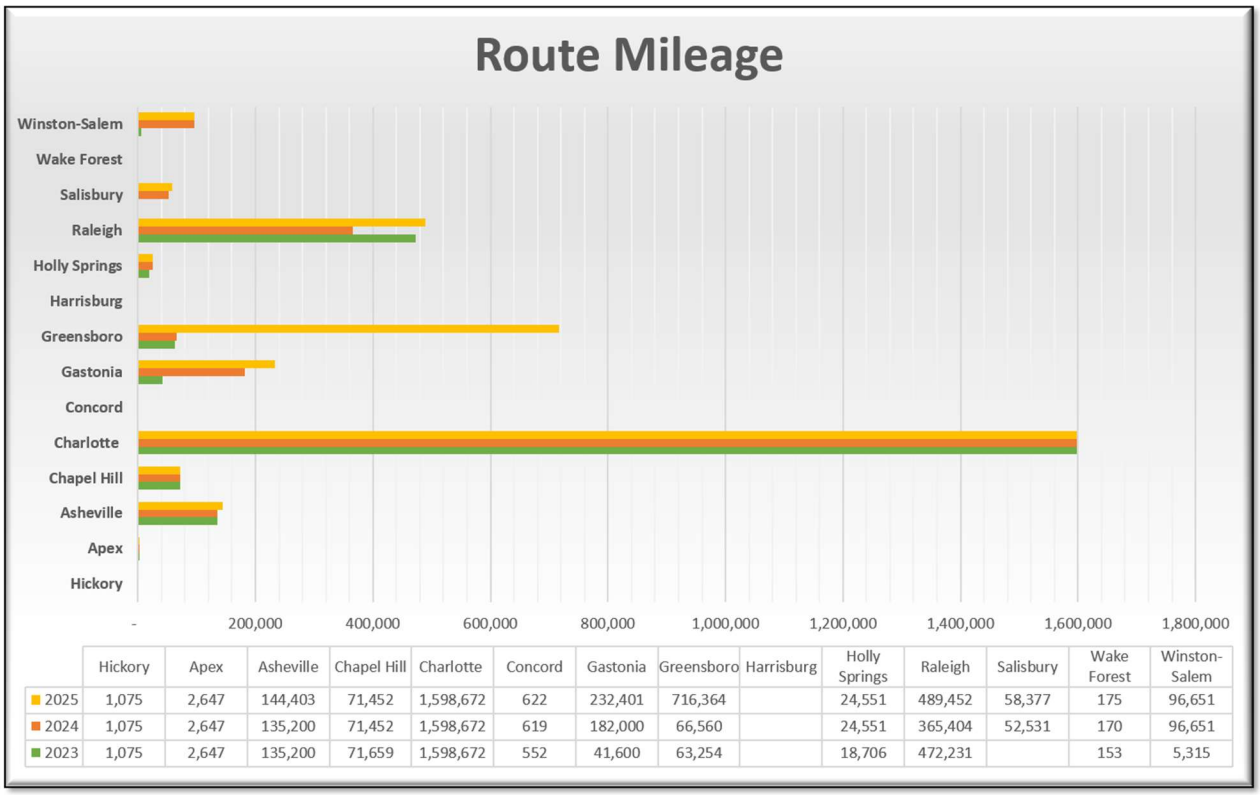


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$2,411,80		$1,824,72			$1,284,77		$1,893,36	$396,395	$749,909	$5,863,48	$797,143	$1,059,00	$2,448,80
2024	$2,158,21	$2,395,03	$1,821,35			$1,258,70		$807,180		$36,470	$3,859,49	$715,930	$1,221,11	$2,361,86
2023	$2,108,97	$2,025,95	$1,780,13		$7,525,95	$2,393,34		$2,463,70		$711,212	$6,967,74	$682,802	$893,640	$3,914,17

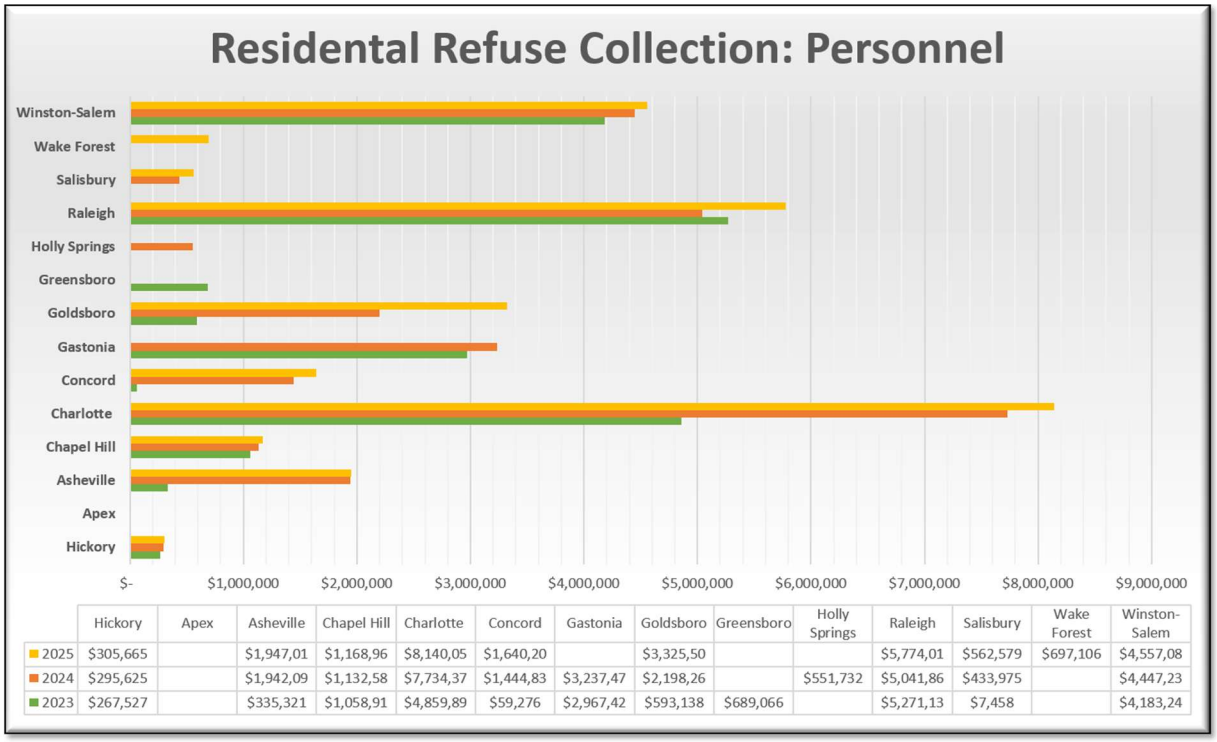
Residential Refuse Collection



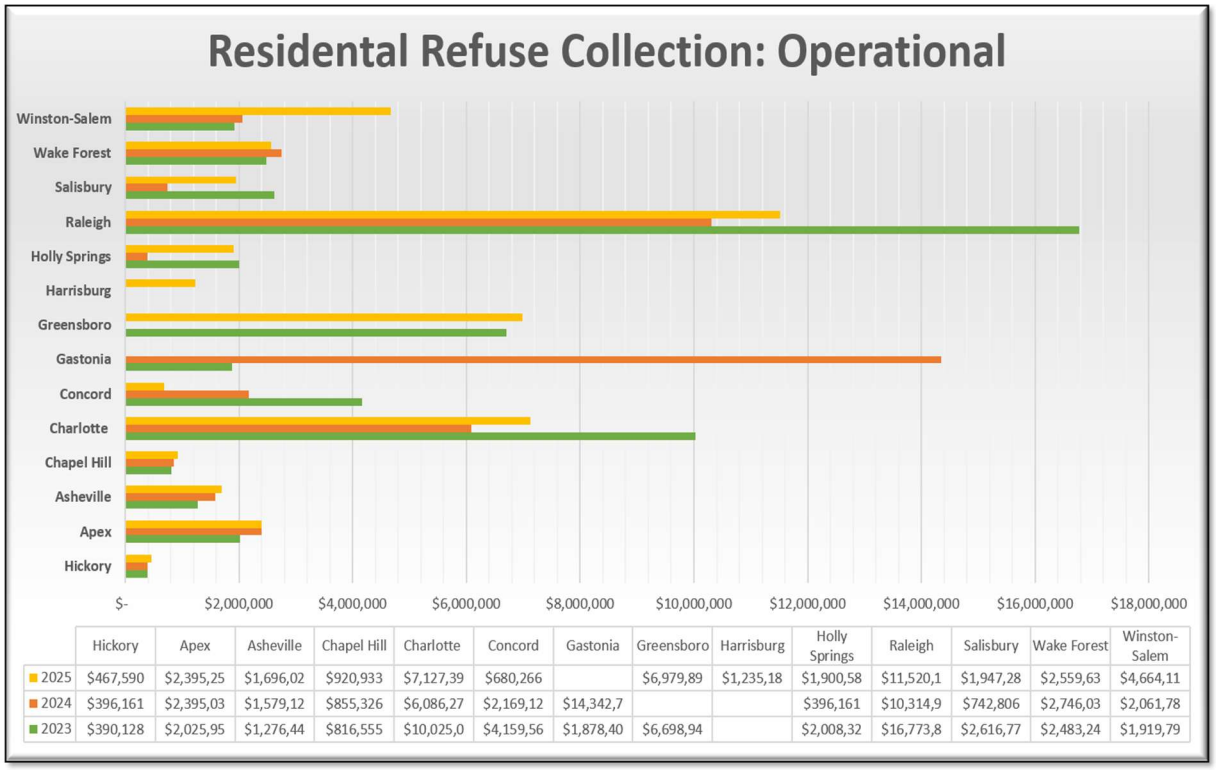
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Goldsboro	Greensboro	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025		18,400		6,654			29,949		69,810				13,616	
2024	12,889	18,346	22,383	6,621	208,660	36,253	31,097	12,860	72,996	13,593	95,535	10,671	13,073	38,319
2023	13,900	18,834	22,874	6,799	214,235	34,071	28,840	12,034	74,710	12,057	102,356	12,102	9,453	69,719



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	1,075	2,647	144,403	71,452	1,598,672	622	232,401	716,364		24,551	489,452	58,377	175	96,651
2024	1,075	2,647	135,200	71,452	1,598,672	619	182,000	66,560		24,551	365,404	52,531	170	96,651
2023	1,075	2,647	135,200	71,659	1,598,672	552	41,600	63,254		18,706	472,231		153	5,315



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Goldsboro	Greensboro	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$305,665		$1,947,01	$1,168,96	$8,140,05	$1,640,20		$3,325,50			$5,774,01	$562,579	$697,106	$4,557,08
2024	$295,625		$1,942,09	$1,132,58	$7,734,37	$1,444,83	$3,237,47	$2,198,26		$551,732	$5,041,86	$433,975		$4,447,23
2023	$267,527		$335,321	$1,058,91	$4,859,89	$59,276	$2,967,42	$593,138	$689,066		$5,271,13	$7,458		$4,183,24

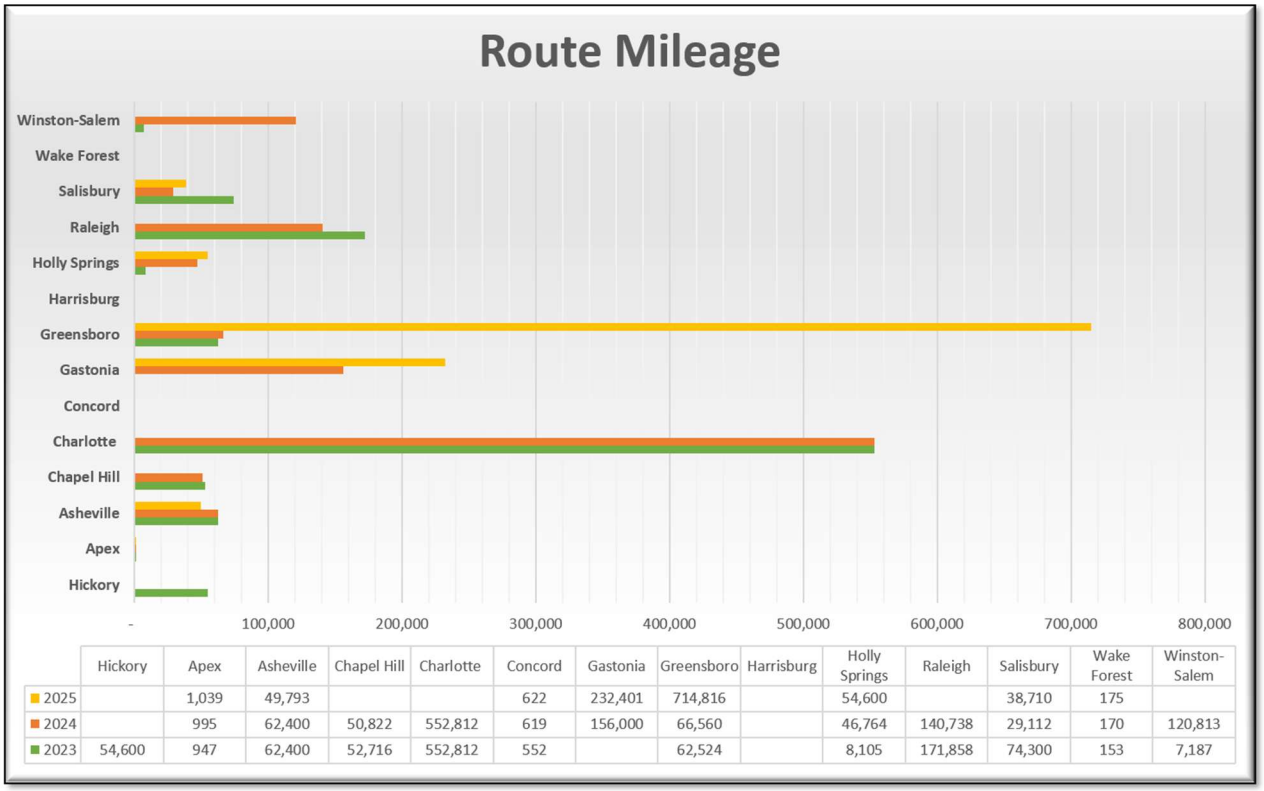


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$467,590	$2,395,25	$1,696,02	$920,933	$7,127,39	$680,266		$6,979,89	$1,235,18	$1,900,58	$11,520,1	$1,947,28	$2,559,63	$4,664,11
2024	$396,161	$2,395,03	$1,579,12	$855,326	$6,086,27	$2,169,12	$14,342,7			$396,161	$10,314,9	$742,806	$2,746,03	$2,061,78
2023	$390,128	$2,025,95	$1,276,44	$816,555	$10,025,0	$4,159,56	$1,878,40	$6,698,94		$2,008,32	$16,773,8	$2,616,77	$2,483,24	$1,919,79

Yard Waste and Leaf Collection



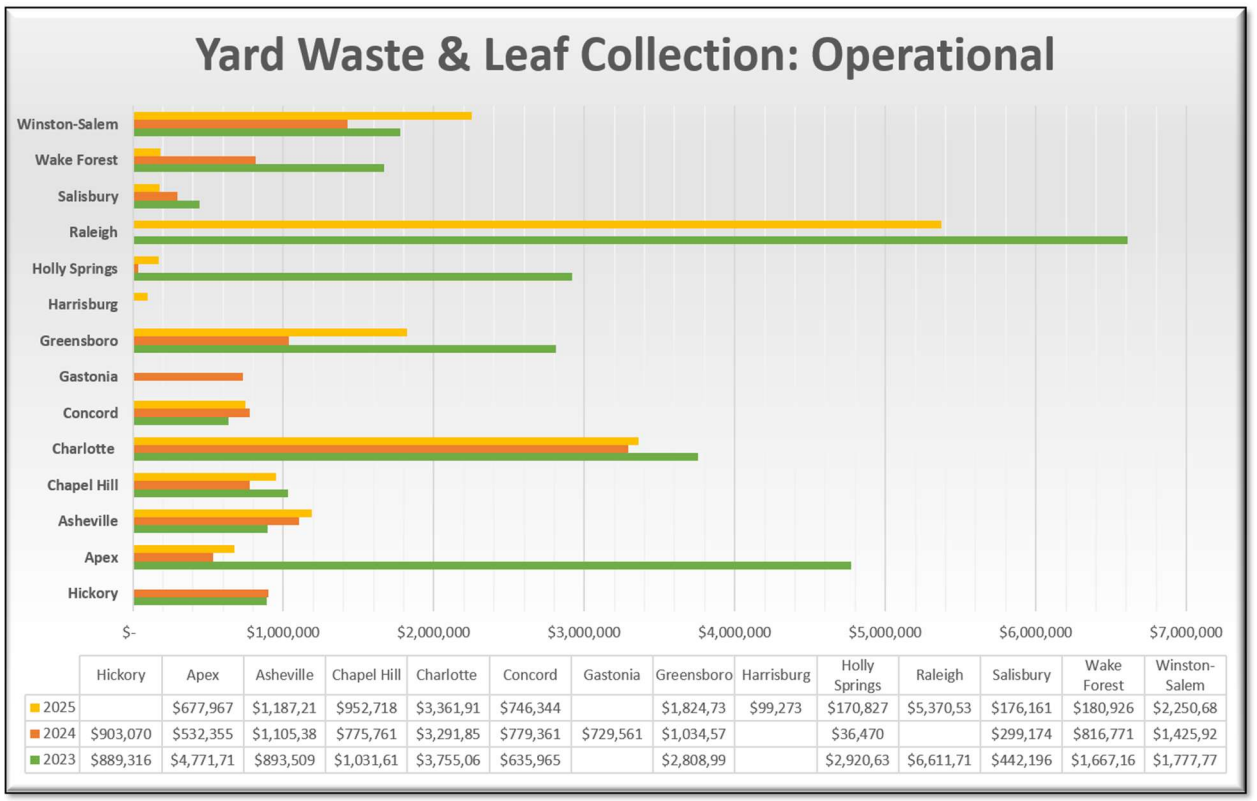
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	5,767	6,586	4,784	5,731	43,963	8,316	4,245	30,797	2,349	4,043		1,797	4,256	28,058
2024	9,448	6,498	5,748	6,035	40,600	9,159	5,825	31,623		6,167	51,422		4,084	20,442
2023	11,301	5,120	6,480	6,337	42,637	8,624	3,073	28,503		20,784	37,219		4,010	23,702



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025		1,039	49,793			622	232,401	714,816		54,600		38,710	175	
2024		995	62,400	50,822	552,812	619	156,000	66,560		46,764	140,738	29,112	170	120,813
2023	54,600	947	62,400	52,716	552,812	552		62,524		8,105	171,858	74,300	153	7,187



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025		$1,717,23	$1,362,91	$1,204,36	$6,463,12	$2,266,95		$1,861,91	$443,765	$1,881,10	$5,113,48	$455,127	$1,044,10	$4,871,47
2024	$673,892	$532,356	$1,359,46	$1,027,22	$5,929,41	$2,012,59	$2,601,21	$1,869,27		$551,732		$248,123	$1,013,05	$4,521,57
2023	$609,841	$687,273	$312,966	$1,194,23	$5,278,60	$696,497		$1,847,29		$632,637	$2,672,38	$478,500	$729,273	$4,470,10



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025		$677,967	$1,187,21	$952,718	$3,361,91	$746,344		$1,824,73	$99,273	$170,827	$5,370,53	$176,161	$180,926	$2,250,68
2024	$903,070	$532,355	$1,105,38	$775,761	$3,291,85	$779,361	$729,561	$1,034,57		$36,470		$299,174	$816,771	$1,425,92
2023	$889,316	$4,771,71	$893,509	$1,031,61	$3,755,06	$635,965		$2,808,99		$2,920,63	$6,611,71	$442,196	$1,667,16	$1,777,77

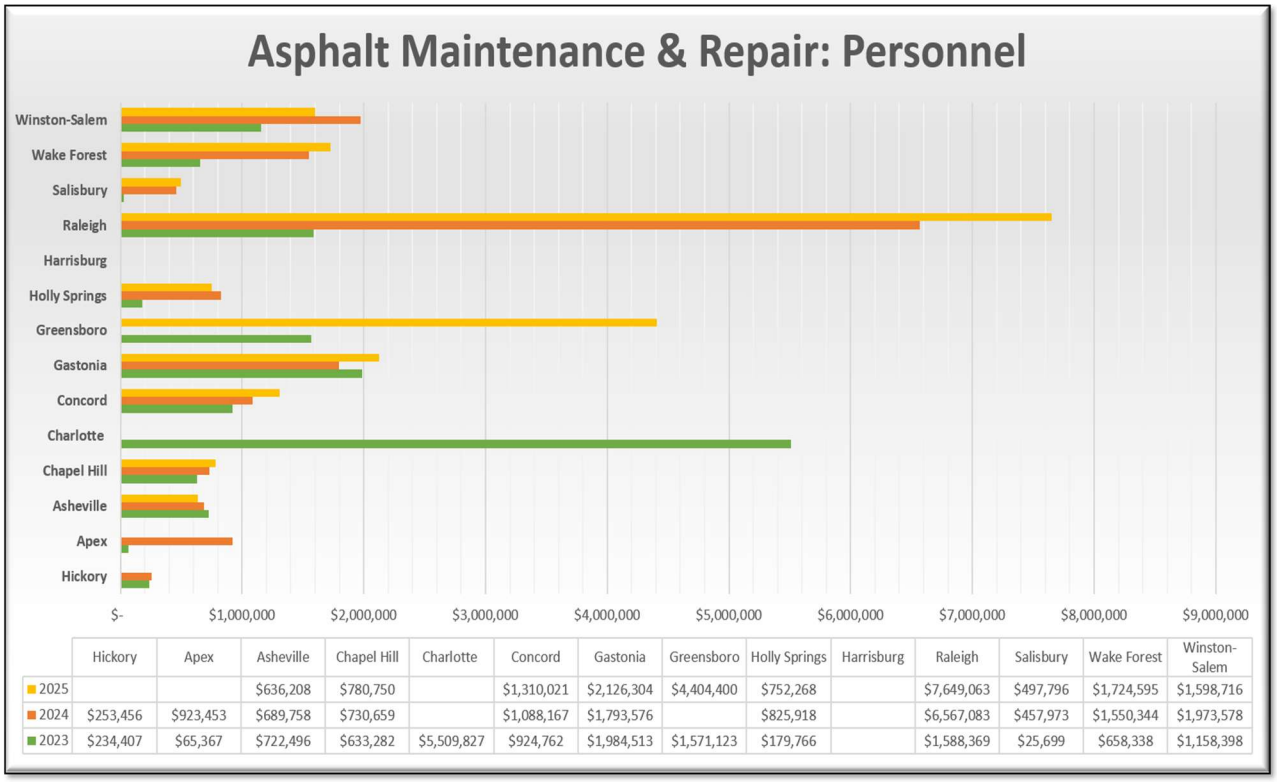
Asphalt Maintenance



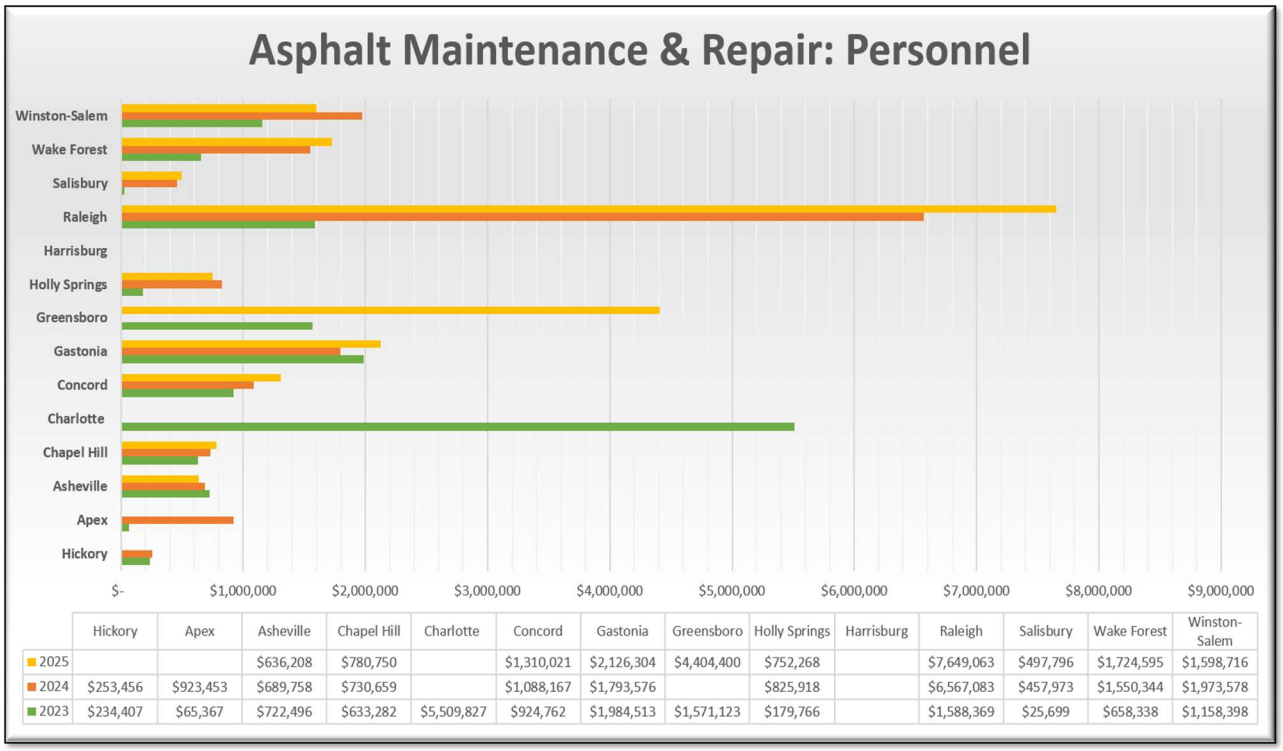
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Harrisburg	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	483	520	795	398	5644	783	1222	2434	338	167	2436	349	328	2120
2024	483	498	795	395	5584	772	1122	2440	338		2147	366	400	2901
2023	480	481	794	376	5,522	767	1,116	2,433	314		2,413	348	308	2,901



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	38	73	19	60	44	50	8	36	27	36	51			25
2024	37	76	19	61	45	52	18	34		30	53	60		47
2023	37	46	18	47	33	44	14	6		26	48	5	28	47

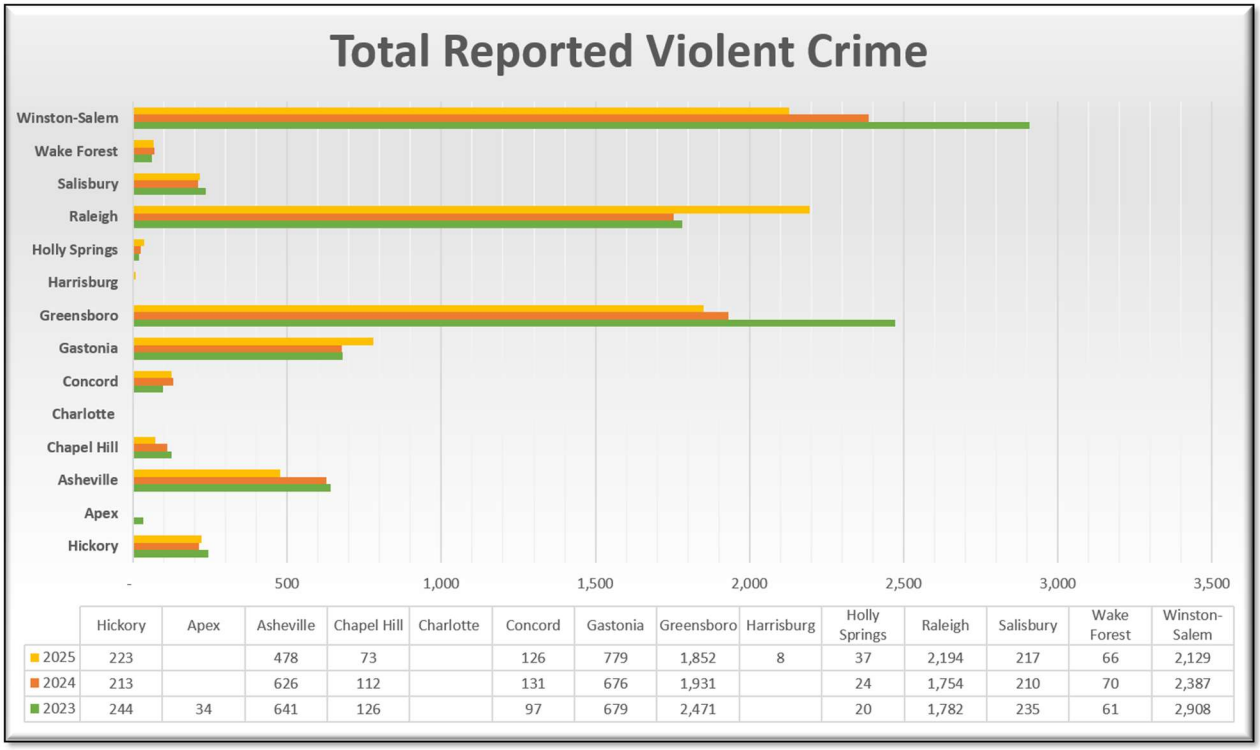


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Harrisburg	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025			$636,208	$780,750		$1,310,021	$2,126,304	$4,404,400	$752,268		$7,649,063	$497,796	$1,724,595	$1,598,716
2024	$253,456	$923,453	$689,758	$730,659		$1,088,167	$1,793,576		$825,918		$6,567,083	$457,973	$1,550,344	$1,973,578
2023	$234,407	$65,367	$722,496	$633,282	$5,509,827	$924,762	$1,984,513	$1,571,123	$179,766		$1,588,369	$25,699	$658,338	$1,158,398

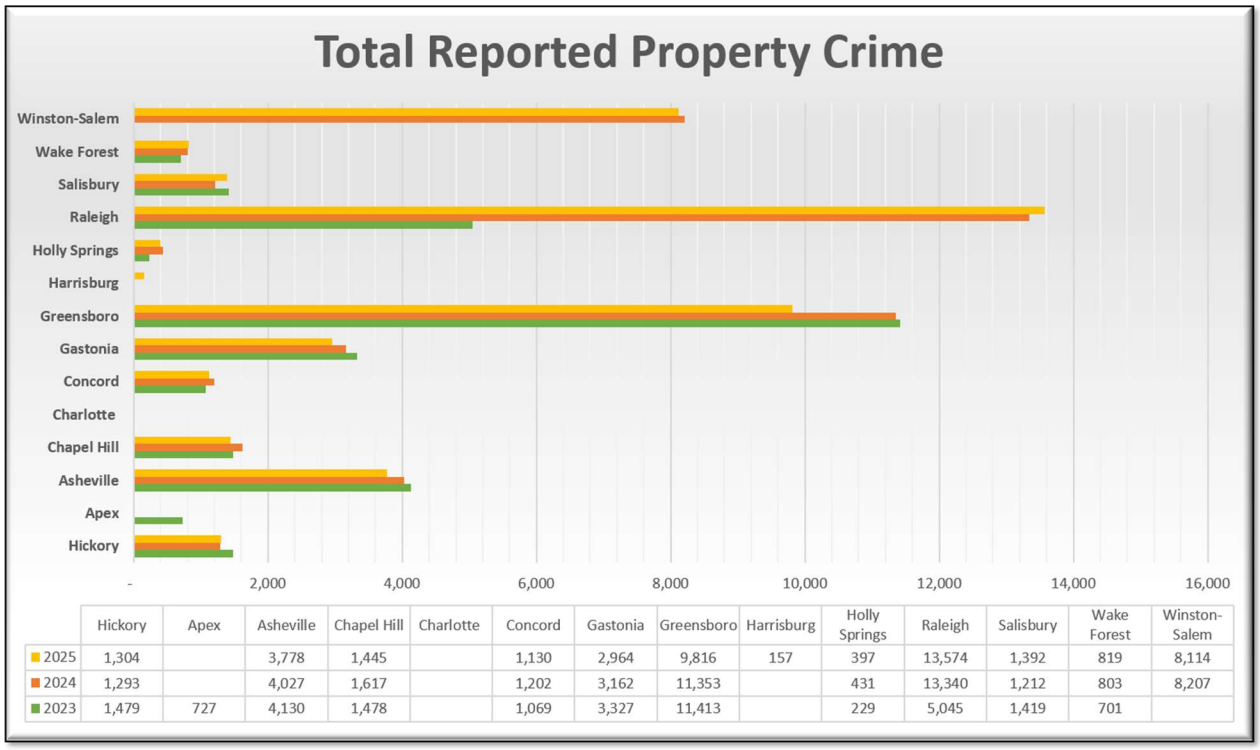


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Harrisburg	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025			$636,208	$780,750		$1,310,021	$2,126,304	$4,404,400	$752,268		$7,649,063	$497,796	$1,724,595	$1,598,716
2024	$253,456	$923,453	$689,758	$730,659		$1,088,167	$1,793,576		$825,918		$6,567,083	$457,973	$1,550,344	$1,973,578
2023	$234,407	$65,367	$722,496	$633,282	$5,509,827	$924,762	$1,984,513	$1,571,123	$179,766		$1,588,369	$25,699	$658,338	$1,158,398

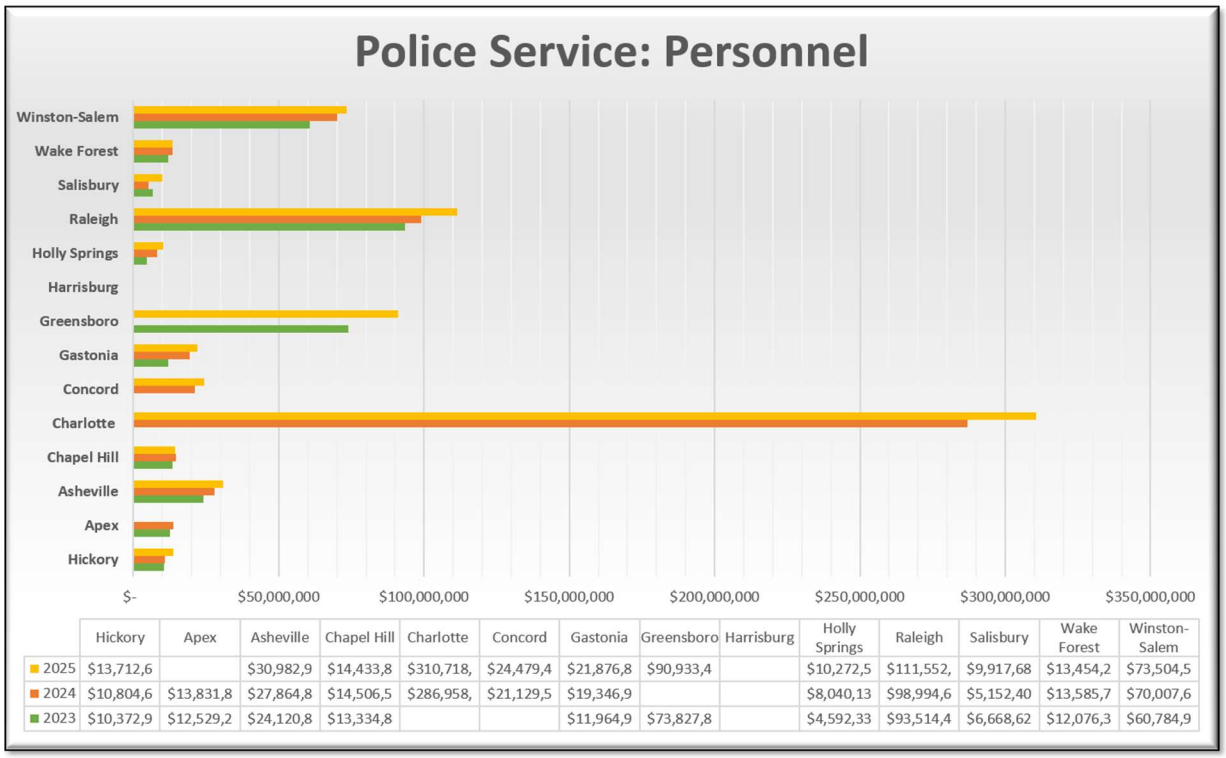
Police Services



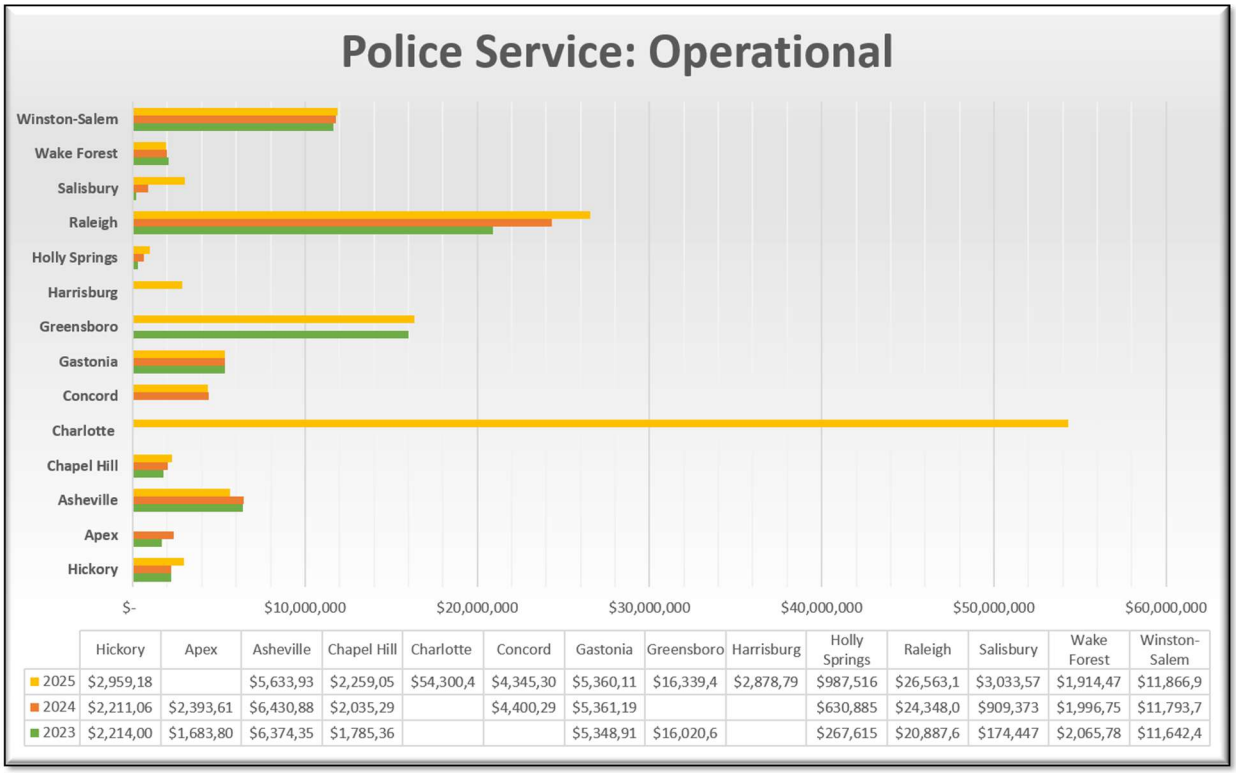
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	223		478	73		126	779	1,852	8	37	2,194	217	66	2,129
2024	213		626	112		131	676	1,931		24	1,754	210	70	2,387
2023	244	34	641	126		97	679	2,471		20	1,782	235	61	2,908



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	1,304		3,778	1,445		1,130	2,964	9,816	157	397	13,574	1,392	819	8,114
2024	1,293		4,027	1,617		1,202	3,162	11,353		431	13,340	1,212	803	8,207
2023	1,479	727	4,130	1,478		1,069	3,327	11,413		229	5,045	1,419	701	

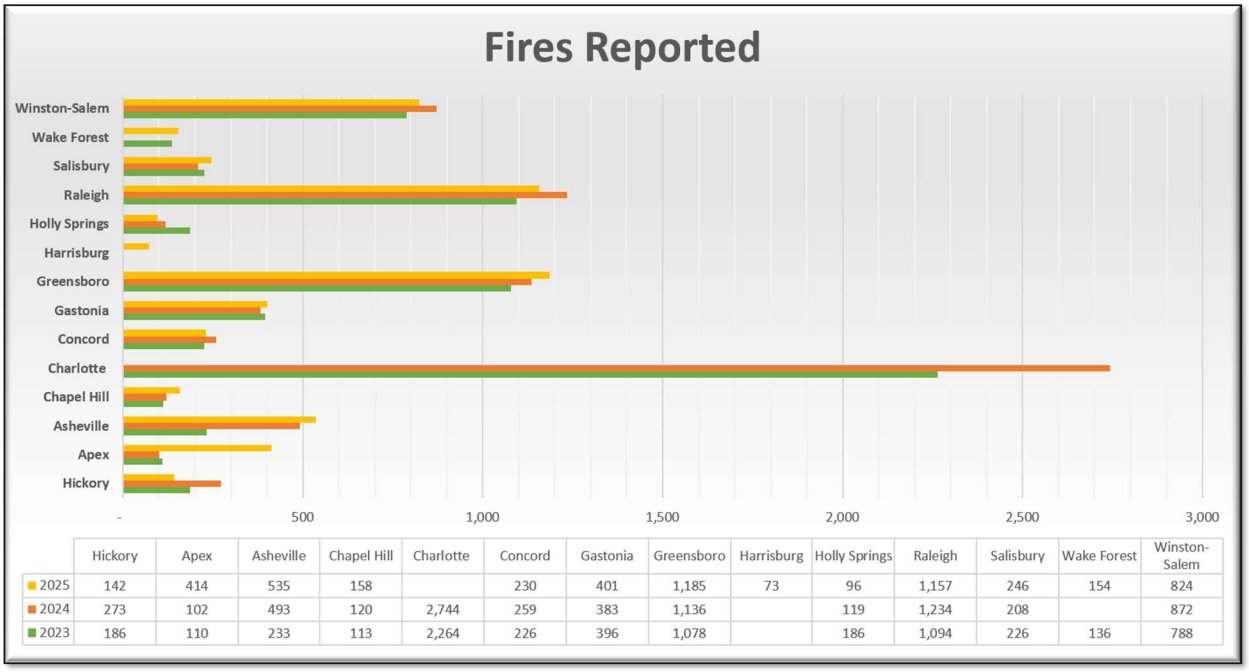


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$13,712,6		$30,982,9	$14,433,8	$310,718,	$24,479,4	$21,876,8	$90,933,4		$10,272,5	$111,552,	$9,917,68	$13,454,2	$73,504,5
2024	$10,804,6	$13,831,8	$27,864,8	$14,506,5	$286,958,	$21,129,5	$19,346,9			$8,040,13	$98,994,6	$5,152,40	$13,585,7	$70,007,6
2023	$10,372,9	$12,529,2	$24,120,8	$13,334,8			$11,964,9	$73,827,8		$4,592,33	$93,514,4	$6,668,62	$12,076,3	$60,784,9

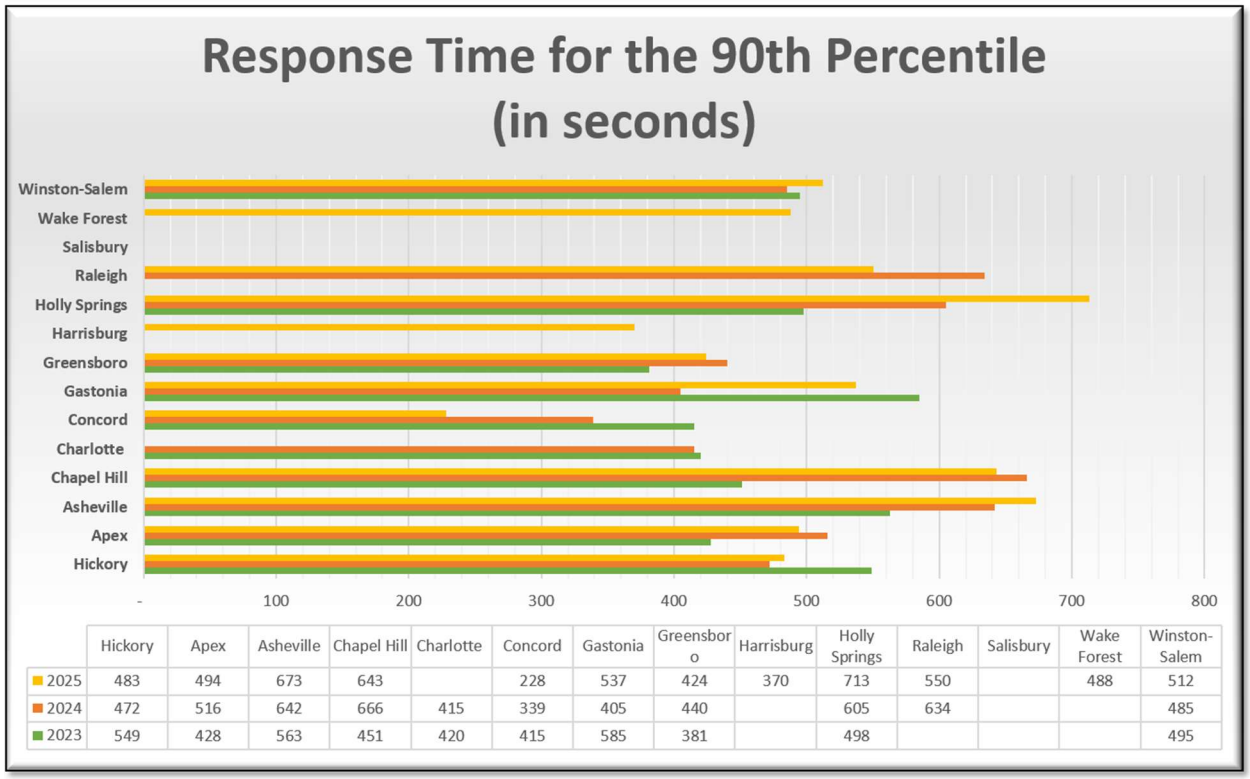


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$2,959,18		$5,633,93	$2,259,05	$54,300,4	$4,345,30	$5,360,11	$16,339,4	$2,878,79	$987,516	$26,563,1	$3,033,57	$1,914,47	$11,866,9
2024	$2,211,06	$2,393,61	$6,430,88	$2,035,29		$4,400,29	$5,361,19			$630,885	$24,348,0	$909,373	$1,996,75	$11,793,7
2023	$2,214,00	$1,683,80	$6,374,35	$1,785,36			$5,348,91	$16,020,6		$267,615	$20,887,6	$174,447	$2,065,78	$11,642,4

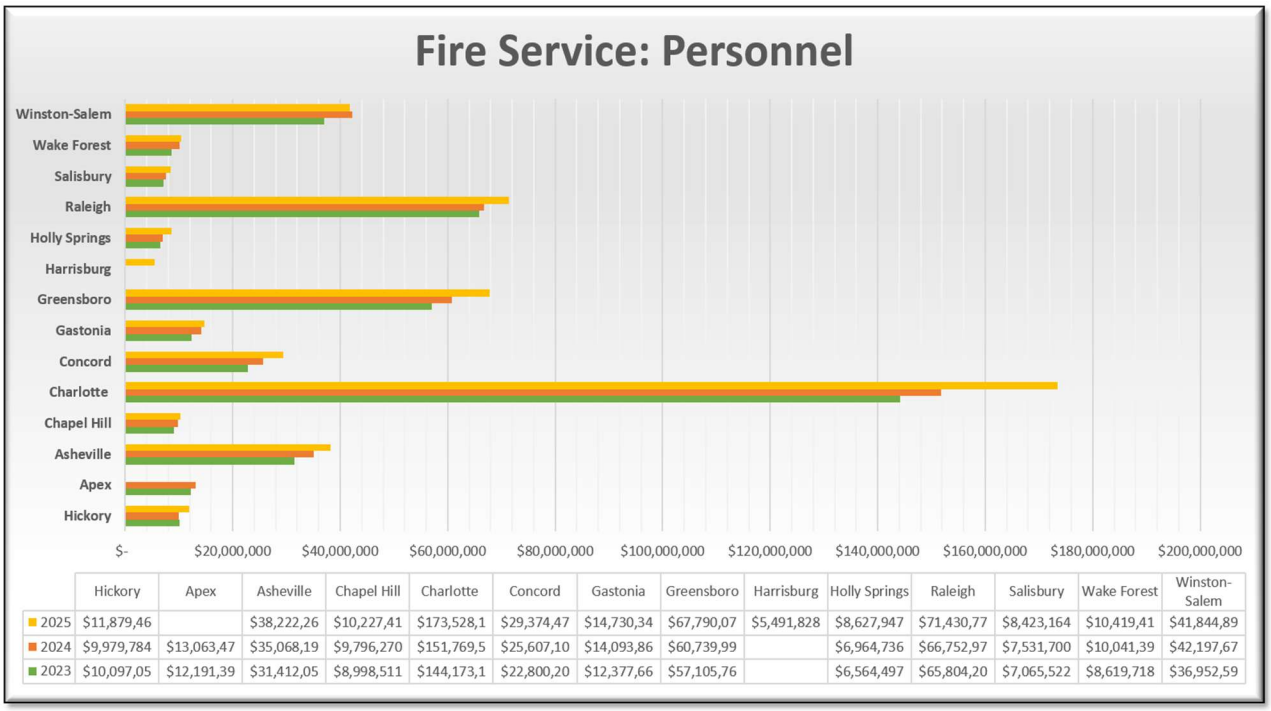
Fire Services



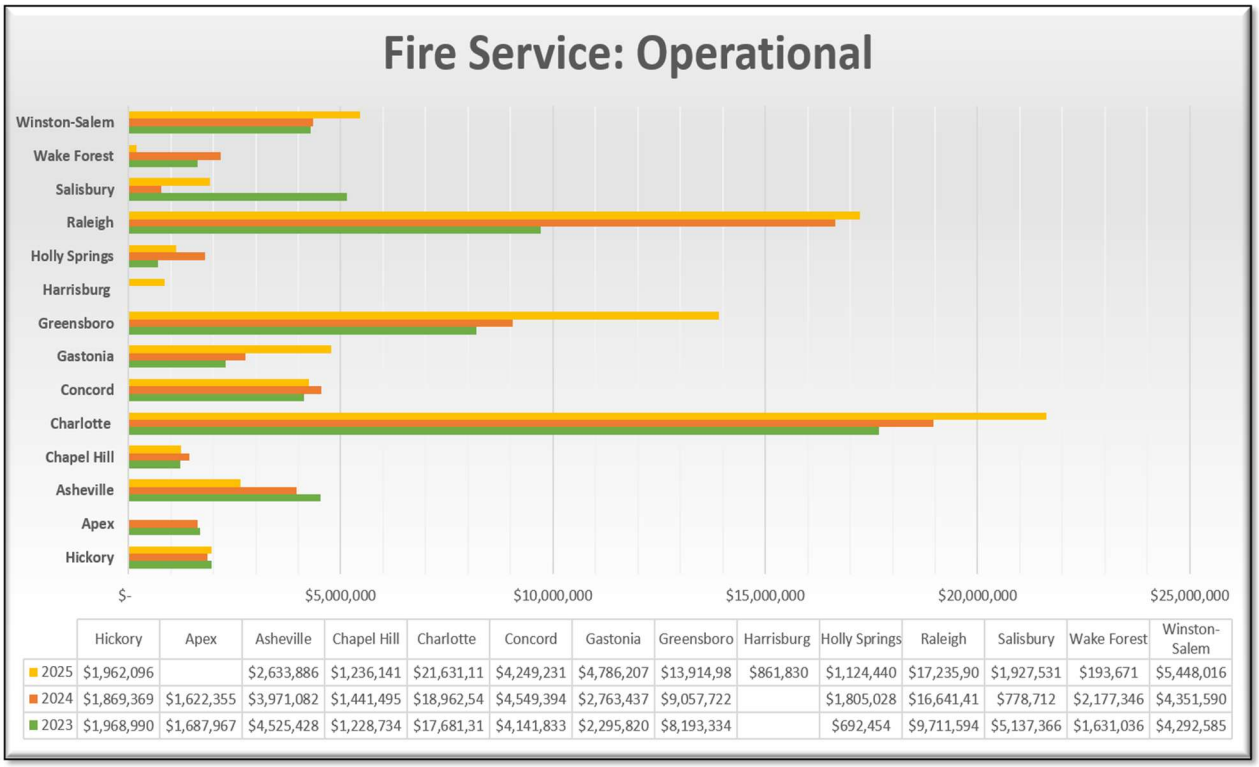
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	142	414	535	158		230	401	1,185	73	96	1,157	246	154	824
2024	273	102	493	120	2,744	259	383	1,136		119	1,234	208		872
2023	186	110	233	113	2,264	226	396	1,078		186	1,094	226	136	788



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	483	494	673	643		228	537	424	370	713	550		488	512
2024	472	516	642	666	415	339	405	440		605	634			485
2023	549	428	563	451	420	415	585	381		498				495

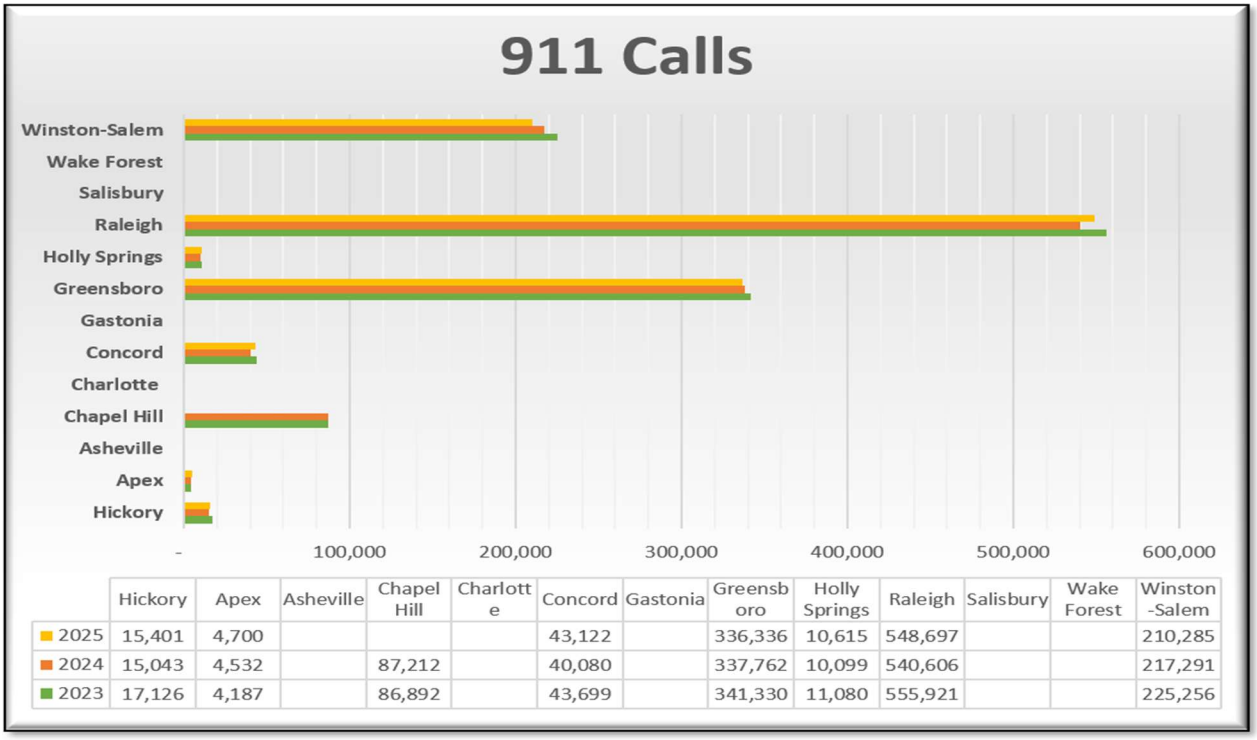


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$11,879,46		$38,222,26	$10,227,41	$173,528,1	$29,374,47	$14,730,34	$67,790,07	$5,491,828	$8,627,947	$71,430,77	$8,423,164	$10,419,41	$41,844,89
2024	$9,979,784	$13,063,47	$35,068,19	$9,796,270	$151,769,5	$25,607,10	$14,093,86	$60,739,99		$6,964,736	$66,752,97	$7,531,700	$10,041,39	$42,197,67
2023	$10,097,05	$12,191,39	$31,412,05	$8,998,511	$144,173,1	$22,800,20	$12,377,66	$57,105,76		$6,564,497	$65,804,20	$7,065,522	$8,619,718	$36,952,59

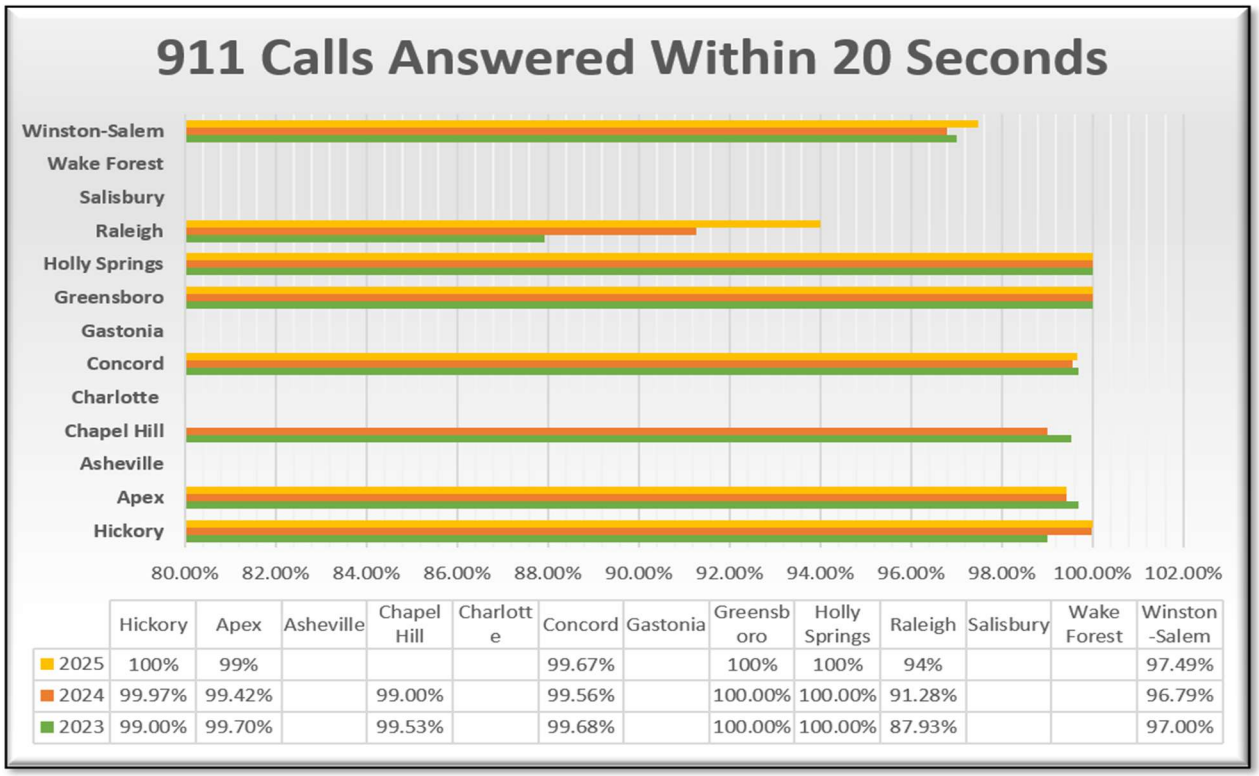


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$1,962,096		$2,633,886	$1,236,141	$21,631,11	$4,249,231	$4,786,207	$13,914,98	$861,830	$1,124,440	$17,235,90	$1,927,531	$193,671	$5,448,016
2024	$1,869,369	$1,622,355	$3,971,082	$1,441,495	$18,962,54	$4,549,394	$2,763,437	$9,057,722		$1,805,028	$16,641,41	$778,712	$2,177,346	$4,351,590
2023	$1,968,990	$1,687,967	$4,525,428	$1,228,734	$17,681,31	$4,141,833	$2,295,820	$8,193,334		$692,454	$9,711,594	$5,137,366	$1,631,036	$4,292,585

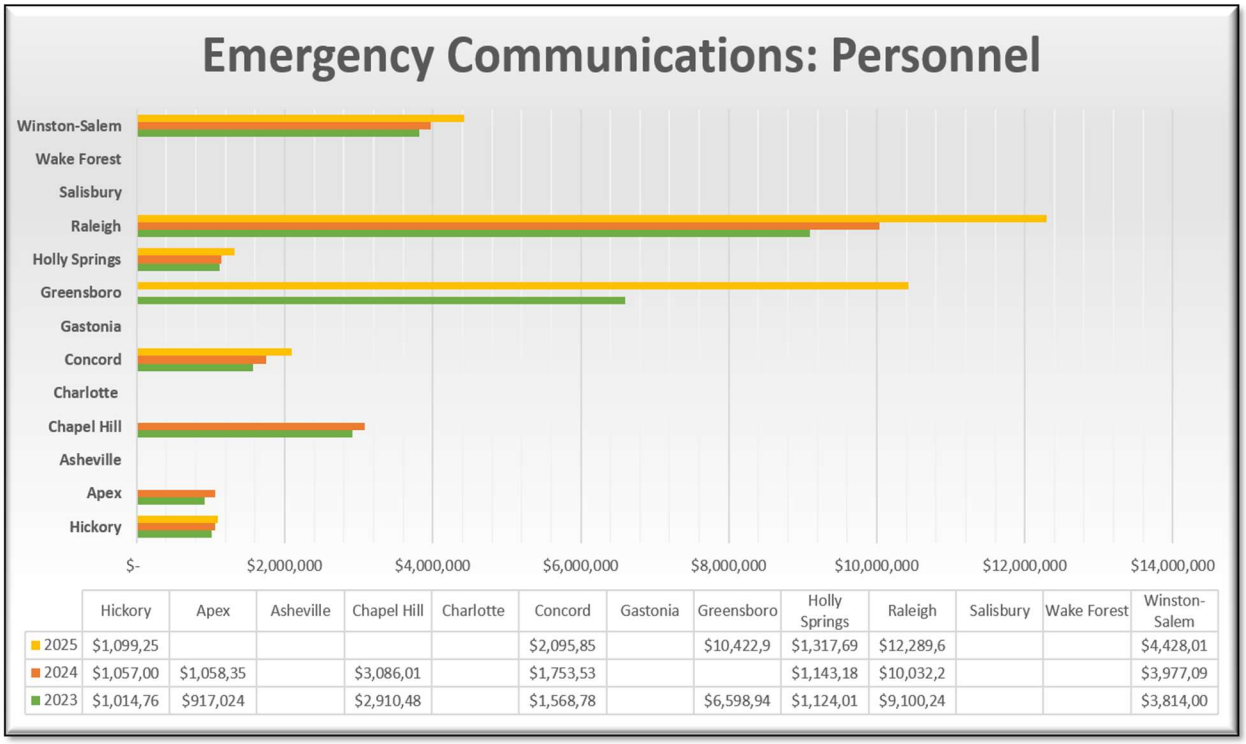
Emergency Communications



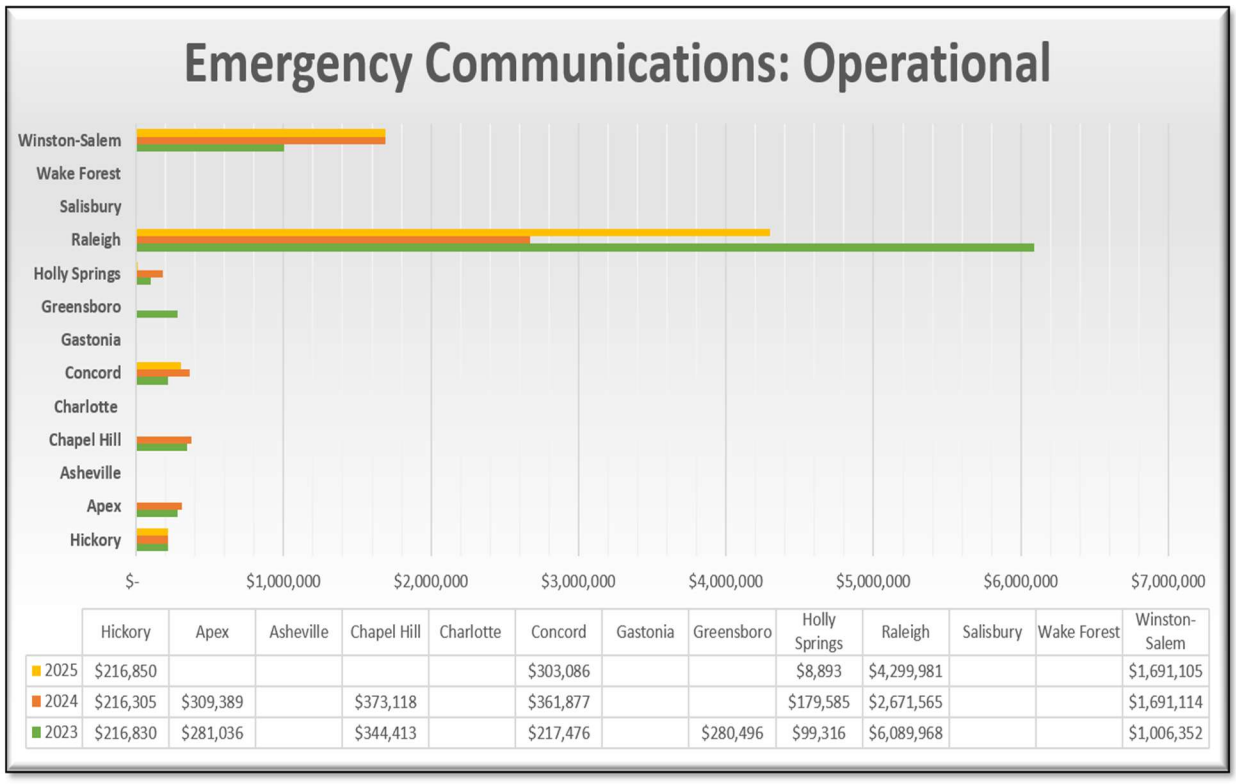
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	15,401	4,700				43,122		336,336	10,615	548,697			210,285
2024	15,043	4,532		87,212		40,080		337,762	10,099	540,606			217,291
2023	17,126	4,187		86,892		43,699		341,330	11,080	555,921			225,256



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	100%	99%				99.67%		100%	100%	94%			97.49%
2024	99.97%	99.42%		99.00%		99.56%		100.00%	100.00%	91.28%			96.79%
2023	99.00%	99.70%		99.53%		99.68%		100.00%	100.00%	87.93%			97.00%

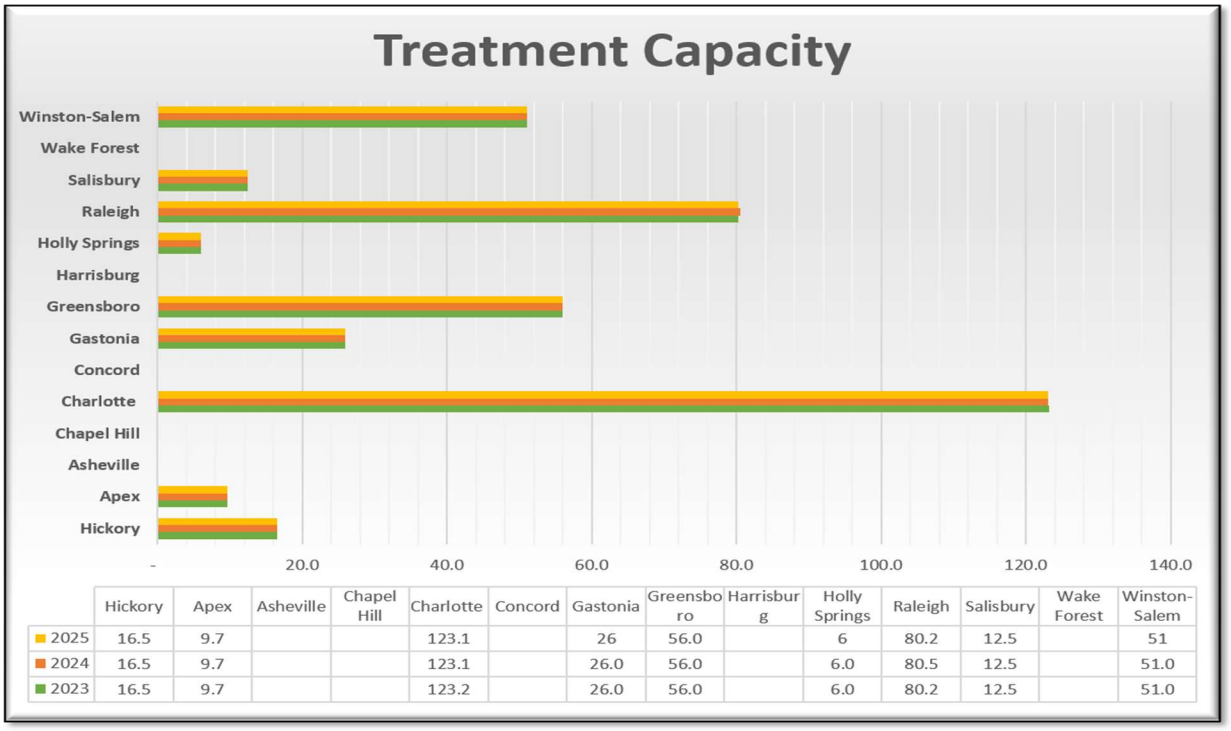


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$1,099,25					$2,095,85		$10,422,9	$1,317,69	$12,289,6			$4,428,01
2024	$1,057,00	$1,058,35		$3,086,01		$1,753,53			$1,143,18	$10,032,2			$3,977,09
2023	$1,014,76	$917,024		$2,910,48		$1,568,78		$6,598,94	$1,124,01	$9,100,24			$3,814,00

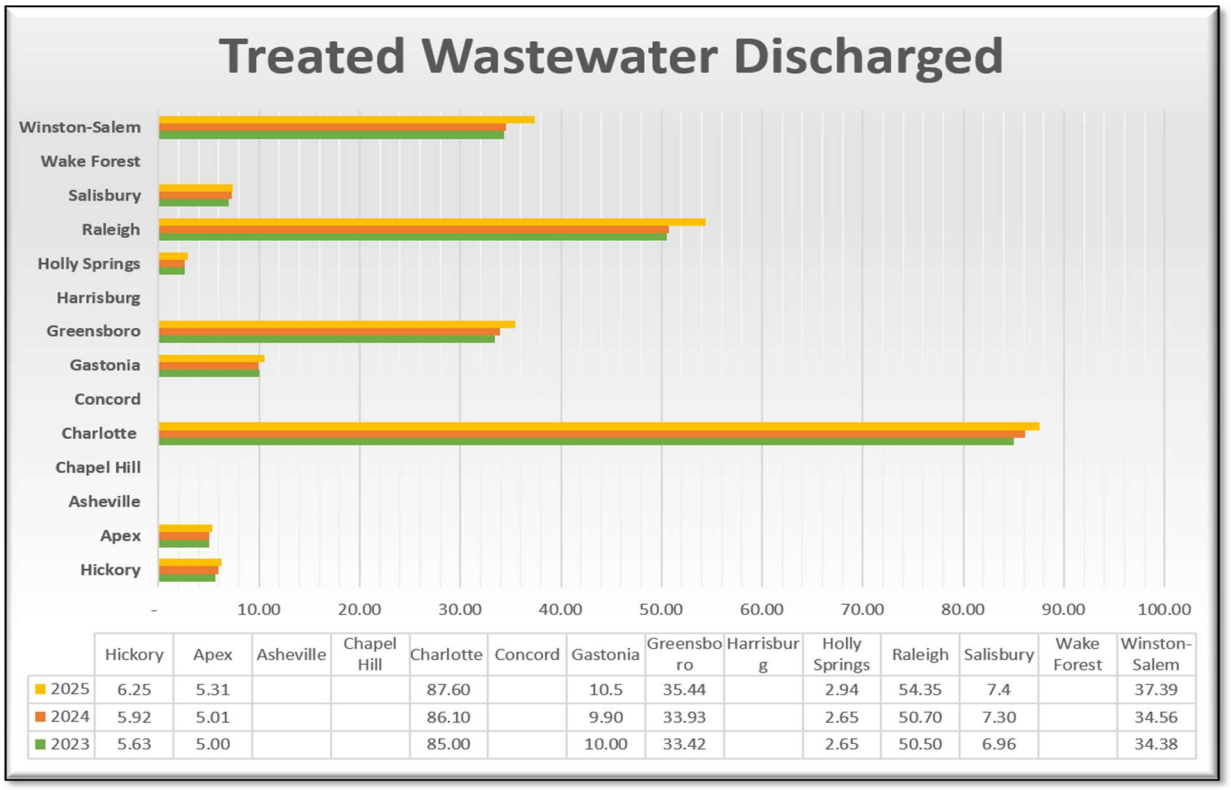


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$216,850					$303,086			$8,893	$4,299,981			$1,691,105
2024	$216,305	$309,389		$373,118		$361,877			$179,585	$2,671,565			$1,691,114
2023	$216,830	$281,036		$344,413		$217,476		$280,496	$99,316	$6,089,968			$1,006,352

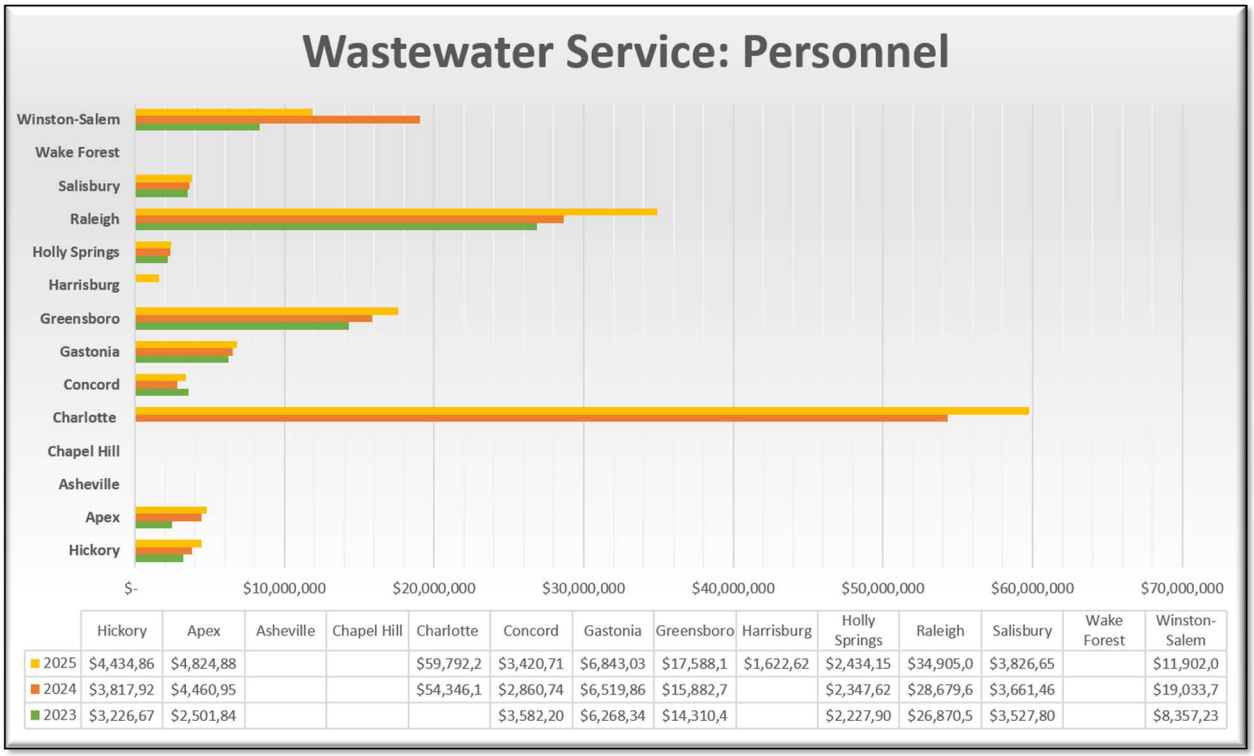
Wastewater Services



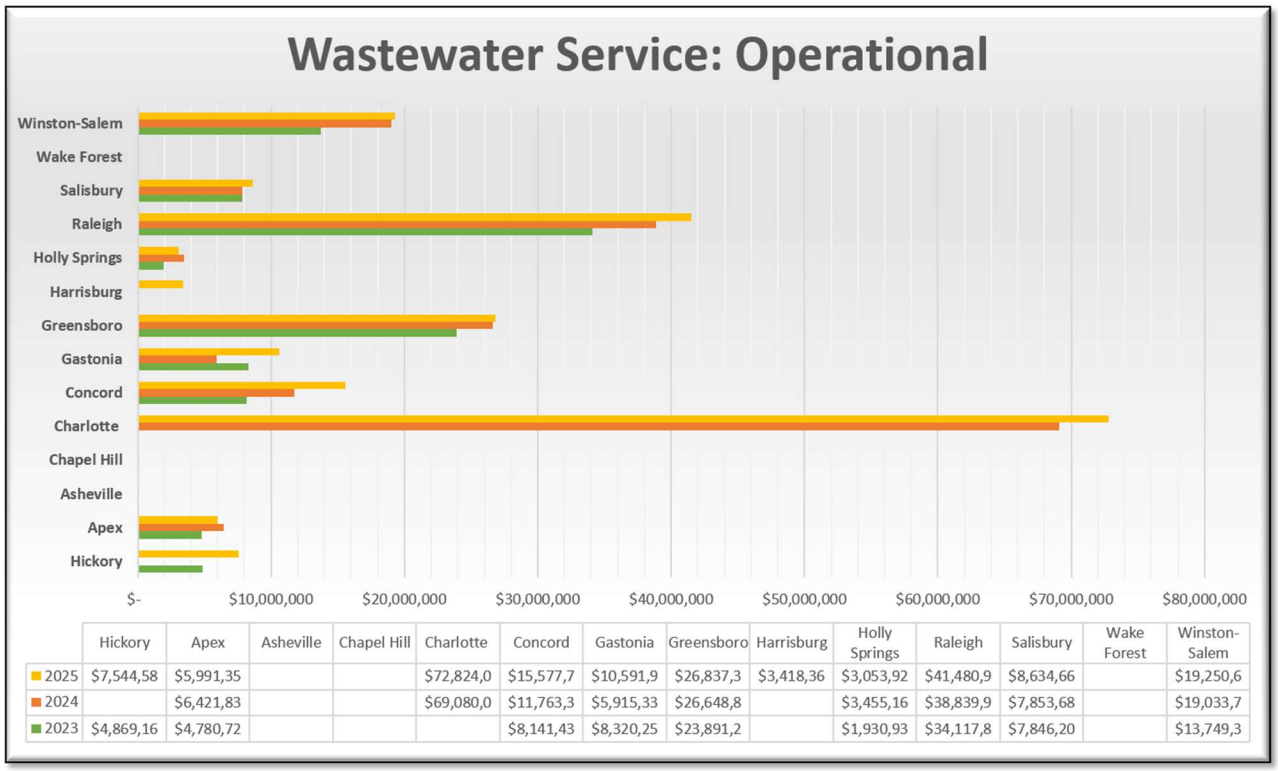
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	16.5	9.7			123.1		26	56.0		6	80.2	12.5		51
2024	16.5	9.7			123.1		26.0	56.0		6.0	80.5	12.5		51.0
2023	16.5	9.7			123.2		26.0	56.0		6.0	80.2	12.5		51.0



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	6.25	5.31			87.60		10.5	35.44		2.94	54.35	7.4		37.39
2024	5.92	5.01			86.10		9.90	33.93		2.65	50.70	7.30		34.56
2023	5.63	5.00			85.00		10.00	33.42		2.65	50.50	6.96		34.38

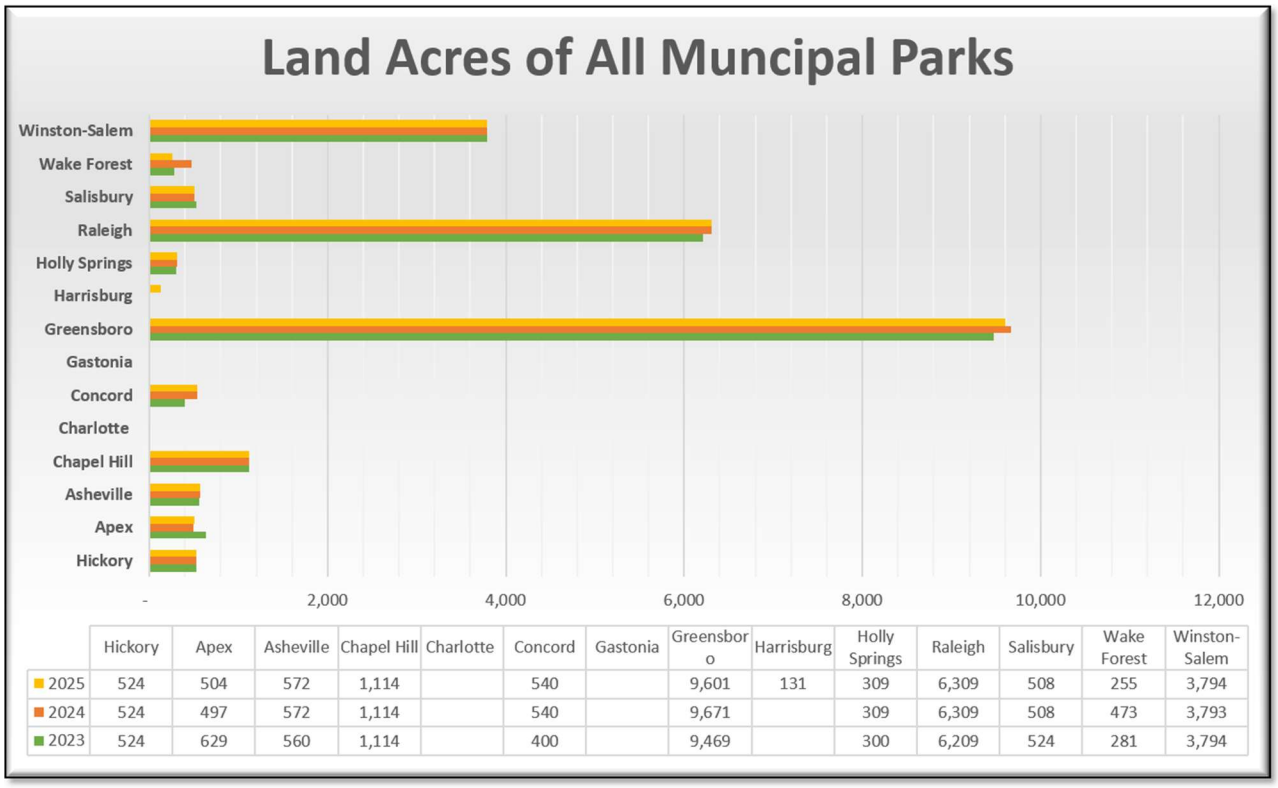


	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$4,434,86	$4,824,88			$59,792,2	$3,420,71	$6,843,03	$17,588,1	$1,622,62	$2,434,15	$34,905,0	$3,826,65		$11,902,0
2024	$3,817,92	$4,460,95			$54,346,1	$2,860,74	$6,519,86	$15,882,7		$2,347,62	$28,679,6	$3,661,46		$19,033,7
2023	$3,226,67	$2,501,84				$3,582,20	$6,268,34	$14,310,4		$2,227,90	$26,870,5	$3,527,80		$8,357,23



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$7,544,58	$5,991,35			$72,824,0	$15,577,7	$10,591,9	$26,837,3	$3,418,36	$3,053,92	$41,480,9	$8,634,66		$19,250,6
2024		$6,421,83			$69,080,0	$11,763,3	$5,915,33	$26,648,8		$3,455,16	$38,839,9	$7,853,68		$19,033,7
2023	$4,869,16	$4,780,72				$8,141,43	$8,320,25	$23,891,2		$1,930,93	$34,117,8	$7,846,20		$13,749,3

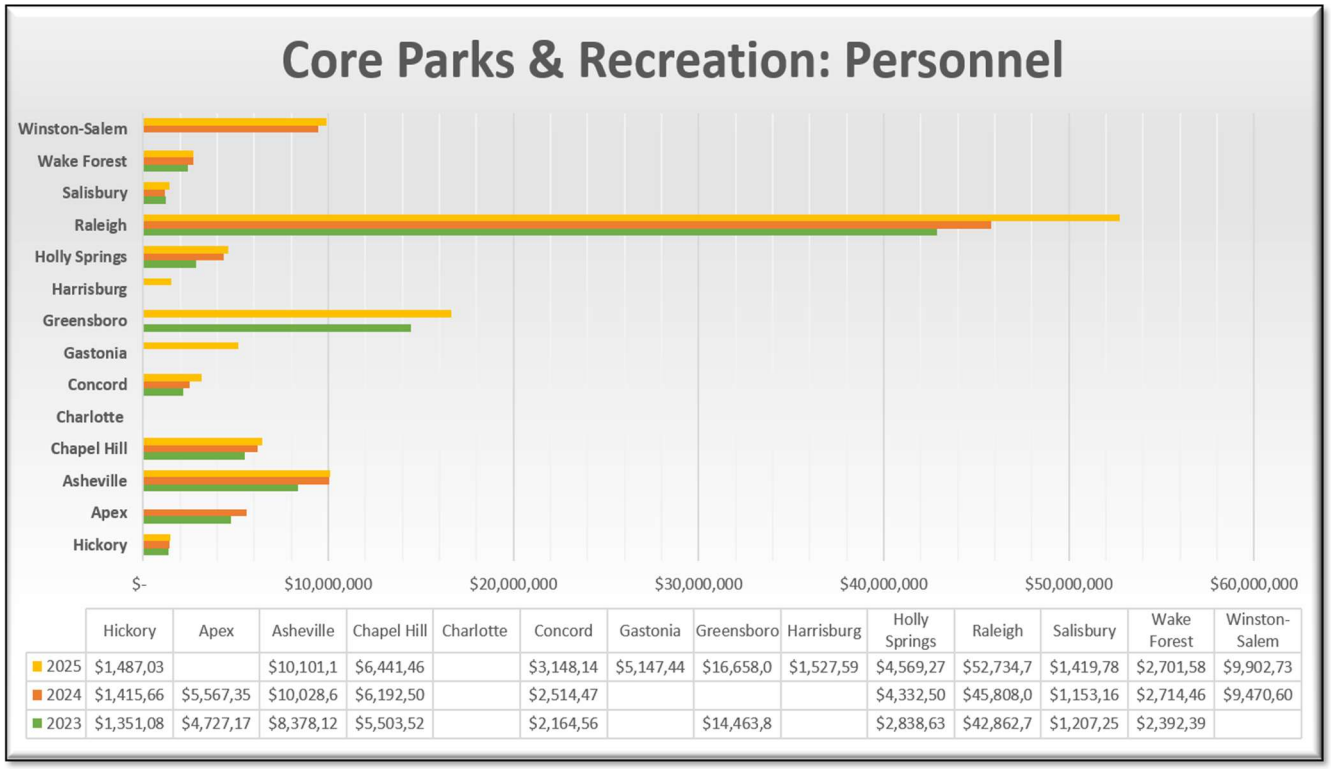
Core Parks & Recreation



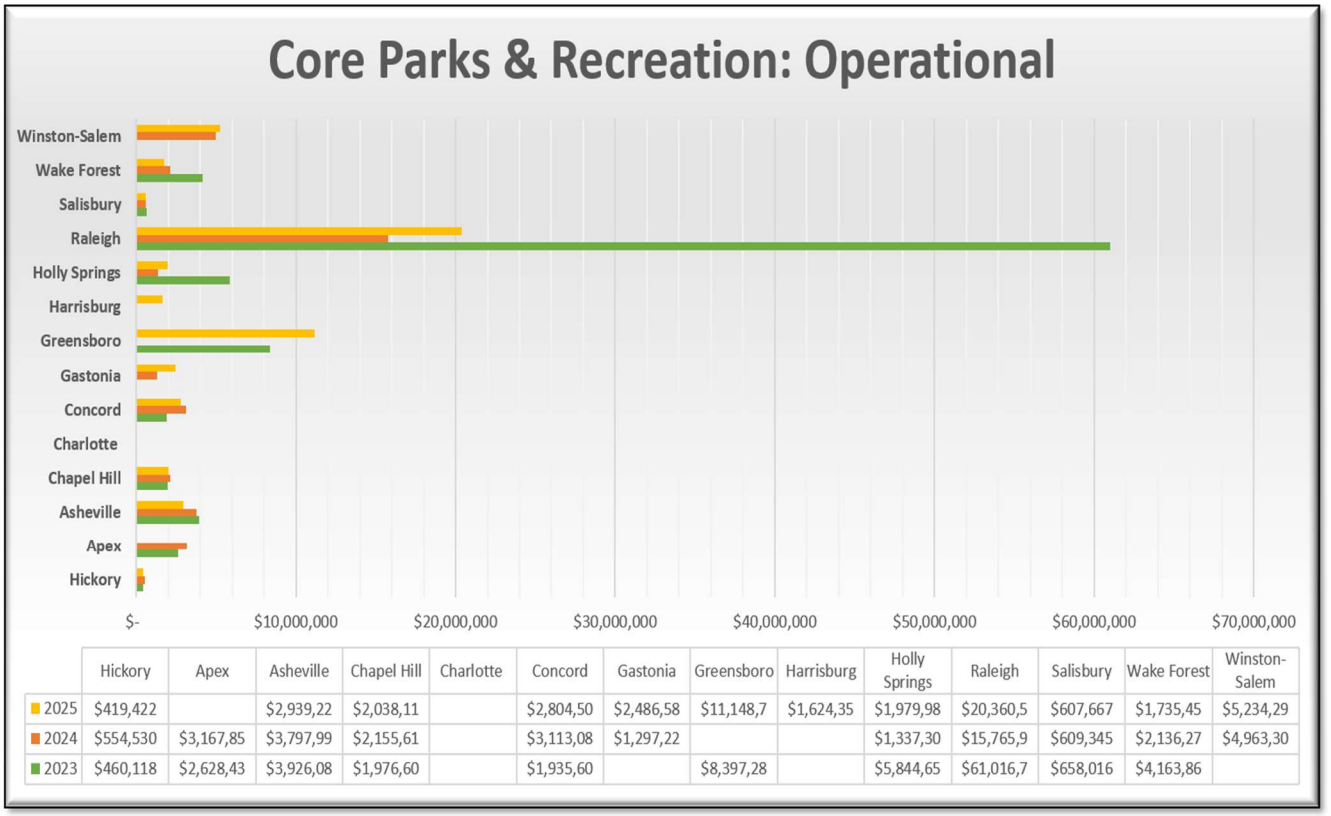
	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	524	504	572	1,114		540		9,601	131	309	6,309	508	255	3,794
2024	524	497	572	1,114		540		9,671		309	6,309	508	473	3,793
2023	524	629	560	1,114		400		9,469		300	6,209	524	281	3,794



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	16	27	12	17		17	21	25	3	25	127	5	15	28
2024	16	23	12	17		17	20	42		23	124	5	14	28
2023	16	26	11	17		17		38		18	119	5	14	28



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$1,487,03		$10,101,1	$6,441,46		$3,148,14	$5,147,44	$16,658,0	$1,527,59	$4,569,27	$52,734,7	$1,419,78	$2,701,58	$9,902,73
2024	$1,415,66	$5,567,35	$10,028,6	$6,192,50		$2,514,47				$4,332,50	$45,808,0	$1,153,16	$2,714,46	$9,470,60
2023	$1,351,08	$4,727,17	$8,378,12	$5,503,52		$2,164,56		$14,463,8		$2,838,63	$42,862,7	$1,207,25	$2,392,39	



	Hickory	Apex	Asheville	Chapel Hill	Charlotte	Concord	Gastonia	Greensboro	Harrisburg	Holly Springs	Raleigh	Salisbury	Wake Forest	Winston-Salem
2025	$419,422		$2,939,22	$2,038,11		$2,804,50	$2,486,58	$11,148,7	$1,624,35	$1,979,98	$20,360,5	$607,667	$1,735,45	$5,234,29
2024	$554,530	$3,167,85	$3,797,99	$2,155,61		$3,113,08	$1,297,22			$1,337,30	$15,765,9	$609,345	$2,136,27	$4,963,30
2023	$460,118	$2,628,43	$3,926,08	$1,976,60		$1,935,60		$8,397,28		$5,844,65	$61,016,7	$658,016	$4,163,86	

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.

Supplementary Information

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 45,411 the City serves as a trade, distribution, communications and service center to approximately 370,000 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 the City of Hickory include Merchants Distributors Inc., Corning Cable Systems LLC, Duke Energy Corp., Shurtape Technologies, Legends of Hickory, Gusmer Enterprises, Mosteller Apartments LLC, and Pepperstone Associates of Hickory LLC

The City of Hickory provides access to many social and economic resources. Hickory offers extensive educational opportunities with three colleges in the area: Catawba Valley Community College (CVCC), Appalachian State Hickory Campus, 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.

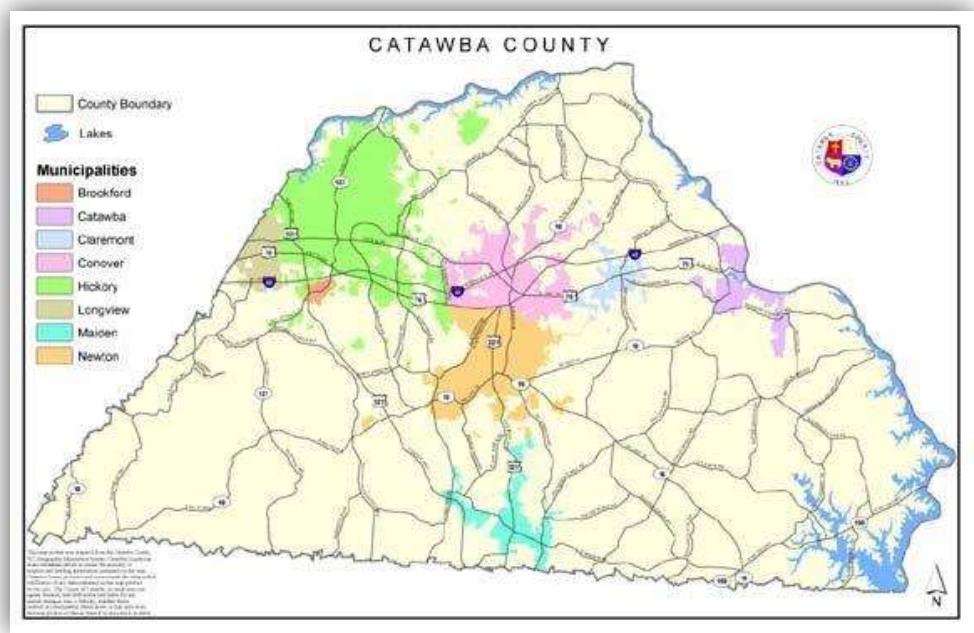
The citizens of Hickory and surrounding areas enjoy minor league baseball at L.P. Frans Stadium, home of the Hickory Crawdads. The SALT Block (Sciences, Arts and Literature Together) provides wide-ranging cultural experiences for adults and children alike. Hickory also offers significant resources in 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 32 square miles and resides in the prime crescent of the Interstate 40 system. Citizens enjoy the recreational advantages of a setting that allows easy access to the Blue Ridge Mountains and the coastal areas of North and South Carolina.





Supplementary Information

JURISDICTION	*POPULATION*	*SIZE (SQUARE MILES)*
City of Hickory	45,411	32
Catawba County	166,196	416

(Sources: NC Office of State Management and Budget, Catawba County Government, and US Census Bureau)



MILESTONES IN HICKORY

1986	Opening of the Arts Center of Catawba Valley
1987	Hickory named "All America City" for the second time
1989	Construction begins on new US 321 Corridor
1992	Opening of 32 million gallons-per-day water plant
1993	First Baseball Game at Hickory's L.P. Frans Stadium
1996	Police Department moves to new state-of-the-art facility
1997	Hickory named "One of 10 Best Places to Live" by Reader's Digest Magazine
1997	Hickory ranked 189 out of 300 MSA's by Money Magazine (17-point improvement over 1996) Hickory ranked 16th among medium-sized cities in the South as being"…the most livable place to live in the nation" by Money +Magazine
1998	Hickory Public Library is named one of the five best in the nation by Gale Research and Library Journal
2000	Hickory Public Library is the first Public Library in North America to use "smart card" technology
2000	During the year 2000, the one-millionth person walked through the doors of the Hickory Public Libraries.
2001	City and county government officials announce the Hickory Metropolitan Higher Education Center, a collaboration of Lenoir-Rhyne College, Catawba Valley Community College (CVCC) and Appalachian State University. The announcement and signing of a collaborative agreement by the three higher education institutions culminated more than two years of discussions and planning.
2006	McDonald Parkway connector opens and is the 2.8 mile connector between Interstate 40 and Springs Road.
2007	Hickory named an "All-America City" for the third time
2007	North Carolina Center for Engineering Technologies begins classes. The City of Hickory was part of the coalition that helped bring Western North Carolina engineering courses to Hickory.
2008	Hickory will begin a $25 million upgrade of the Northeast Wastewater Treatment Plant.
2010	North Carolina Department of Transportation completed the Lenoir-Rhyne Boulevard project.

2012	Hickory gained ownership of the Fixed Based Operator (FBO) at the Hickory Regional Airport.
2014	Voters of Hickory overwhelming approved the $15 and $25 million dollar Hickory Bond Referendum in November 2014. These bonds will be used for various projects throughout the city including Business Park 1764, Riverwalk, City Walk and improving all of the City's major roads and gateways.
2018	Hickory was awarded a $17 million federal BUILD grant for the Aviation Walk and City Walk connector.
2018	The City, Catawba County, and Catawba County EDC broke ground on Trivium Corporate Center.
2020	Hickory celebrated its Sesquicentennial Anniversary for 150 years.
2020	Hickory added its first artificial turf field at Henry Fork River Park.
2020	Hickory launched the Hickory Affordable Housing Initiative.
2020	Hickory Fire Department earned a Class 1 ISO rating, which is the highest rating possible and ranks the Hickory Fire Department among the nation's best.
2021	Hickory and Burke County partnered to construct a new 12,000-square-foot airplane hangar at the Hickory Regional Airport.
2021	Ridgeview Branch Library completed a renovation and expansion.
2021	Trivium Corporate Center purchased 108 acres, named Trivium East, to expand the successful business park for further industrial development.
2021	Hickory celebrated the grand opening of the City Walk, the first of five segments of the Hickory Trail, a 10-mile multiuse path that is designed to improve the quality of life and sieve economic development by connecting destinations across the city.
2022	Hickory started construction of a 15.4 dry ton per day Biosolids Facility.
2022	Microsoft announced plans to invest a minimum of $1 billion in the phased development of four datacenters in Catawba County over the next 10 years. Two of the four locations will be in Hickory
2023	Hickory Metro Convention Center began its renovation and expansion.
2023	Appalachian State University opened the Hickory campus and welcomed its first students at the Hickory metro's first four-year public university.
2023	Construction started for the Historic Ridgeview Walk segment of the Hickory Trail.
2023	The City of Hickory completed a new Parks, Recreation, & Sports Tourism Master Plan and updated Library Strategic Plan.
2023	Construction started on the new Hickory Aviation Museum & CVCC Workforce Innovation Center at Hickory Regional Airport.
2024	Construction started for the OLLE Art Walk segment of the Hickory Trail.
2024	Riverwalk grand opening.
2024	Aviation Walk grand opening.
2024	Historic Ridgeview Walk grand opening.
2024	Closure of secondary airport runway for economic development.
2024	Construction completed on 12 new T-hangars at Hickory Regional Airport.
2024	Hickory Fire Department earned Internationally Accredited Agency status with the Commission on Fire Accreditation International (CFAI).

2024	The Hickory Metro Convention Center & Visitors Bureau renovated its existing facility and added more than 46,000 square feet to make Hickory an even more attractive destination for conventions, meetings, trade shows, and sports tourism events. The enhanced convention center now offers approximately 165,600 square feet all on one level with 132,000 usable square feet for meetings and events.
2025	City of Hickory launched Poet Laureate Program through the Library Advisory Board.
2026	City of Hickory adopted Hickory Moving Forward (HMF), a comprehensive transportation safety action plan designed to improve roadway safety and save lives.
2026	Hickory Fire Department earned a Class 1 Public Protection Classification rating, commonly known as an ISO rating, by the Insurance Services Office (ISO).
2026	Hickory Aviation Museum and CVCC's Dale Earnhardt Regional Innovation Complex opened.

CITY OF HICKORY AWARDS AND RECOGNITIONS

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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 2023-2024

Certificate of Achievement for Excellence in Financial Reporting
Government Finance Officers Association
1995-1996 through 2023-2024

Certificate of Safety Achievement
North Carolina Department of Labor

One of 12 Parks & Recreation Departments chosen to participate
in the national "Hearts 'N Parks" Program National Recreation and Parks Association

North Carolina Governor's Business Award
Awarded to the SALT Block

One of top 5 finalists for "Library of the Year"
Library Journal and the Gale Corporation

Named as a model city for the Composer in Residence award
Meet the Composer Foundation

Finalist – Computerworld/Smithsonian Innovative Technology Award
For the Hickory Library Smart Card System

National "Learn Not to Burn" Champion
National Fire Protection Association

Operation Life Safety Award
International Association of Fire Chiefs/National Sprinkler Association

Award of Excellence in Fire and Life Safety
North Carolina Fire Education Board
Risk Watch Champion program site
National Fire Protection Association

Best Dressed Police Department in the Nation
National Uniform Manufacturers Association

Web site ranks Hickory among top U.S. Hometowns
Web company ePodunk Inc. Ranks Hickory Second in the top ten list for towns

Digital Government Award of Excellence
Web Site of Distinction

Hickory received Tree City USA award 2005, 2006, 2007

Supplementary Information

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.

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

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 Arthur 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 Well Business Award
Catawba County Cancer Task Force

Staff Attorney, Arnita Dula, was awarded the 2016 Citizen-Lawyer Award
North Carolina Bar Association

2023 Hickory MSA holds "most affordable metro" spot and moves up livability rankings
US News & World Report

2023 Where Americans Want to Live: These Ultra-Affordable, Up-and Coming Real Estate Markets Realtor.com

2023 Hickory listed among 10 Most Beautiful and Affordable Places to Live in the U.S.
Travel + Leisure

2023 Hickory featured on national television show as "World's Greatest City"
How 2 Media

2024 Hickory ranked No. 9 in Readers' Choice Awards for Best Main Street in US
USA Today
2024 Hickory listed among top 10 most affordable places to retire in the South by Southern Living Magazine.

2024 Hickory MSA ranked No. 11 among top housing markets in America by the Wall Street Journal and Realtor.com.

2025 Assistant City Manager Yaidee Fox received the 2025 Community Service Award from the Friends of Ridgeview Library and the Women's Resource Center at the annual Women's History Month Celebration.

2025 The City of Hickory received its second consecutive Triple Crown Award from the Government Finance Officers Association of the United States and Canada (GFOA) for Fiscal Year 2022-2023.

2025 The City of Hickory's Water Treatment Facility received the prestigious N.C. Area Wide Optimization Program (AWOP) Award for 2023 from the North Carolina Division of Water Resources.

2025 — 2026 DEPARTMENT ACCOLADES

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2026 Assistant Public Works Director Caroline Kone has been named the 2026 Government Engineer of the Year by the Professional Engineers of North Carolina

2026 Assistant City Manager Steve Miller honored with the Samuel A. Greeley Local Government Service Award by the North Carolina Chapter of the American Public Works Association.

2026 The City of Hickory received its third consecutive Triple Crown Award from the Government Finance Officers Association of the United States and Canada (GFOA) for Fiscal Year 2023-2024.

2026 Office of Communications won two first-place and three third-place Awards of Excellence from North Carolina City & County Communicators (NC3C).

Hickory's Tax Base by Type (FY2025-2026) Estimated through May 2026

Type	Catawba	Burke	Caldwell	TOTAL
Real	6,785,345,934	13,814,452	107,430,200	6,906,590,586
Personal	1,096,877,874	101,530,599	125,465,458	1,323,873,931
Public Services	165,096,773	1,914,236	68,592,918	235,603,927
TOTAL	8,047,320,581	117,259,287	301,488,576	8,466,068,444

*Excludes Motor Vehicles

CITY OF HICKORY, NORTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Merchants Distributors Inc	$ 298,093,610	1	3.40%	$ 115,987,065	1	2.55%
Corning Cable Systems	178,419,887	2	2.03%	54,917,429	2	1.21%
DLP - Frye Regional Medical Center	115,284,608	3	1.31%			
Shurtape Technologies Inc	95,069,788	4	1.08%	24,308,429	8	0.54%
Duke Energy Carolinas LLC	77,693,654	5	0.89%	41,858,789	3	0.92%
Legends of Hickory	69,830,500	6	0.80%	23,056,600	10	0.51%
Startown Multifamily LLC	56,817,700	7	0.65%			
Mosteller Apartments LLC	47,967,400	8	0.55%			
Pepperstone Associates of Hickory LLC	42,241,811	10	0.48%			
Hickory Preserve LLC	38,542,400	9	0.44%			
Valley Hills Mall	-			38,553,000	4	0.85%
Duke Energies Carolinas						
American Med International				30,866,201	5	0.68%
Tate Boulevard LLC				29,321,500	6	0.65%
Hickory Springs LLC				27,315,359	7	0.60%
Inland Western Hickory-Catawba LLC				24,021,500	9	0.53%
Health Care Property Investors						
Total	$ 1,019,961,358		11.63%	$ 410,205,872		9.04%

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

City of Hickory Pay Plan as of 7/1/2026

GRADE	*POSITION*	*MINIMUM*	*MIDPOINT*	*MAXIMUM*
10	Administrative Technician I Animal Control Officer Customer Service Representative I Library Assistant Parking Enforcement Officer Police Records Clerk	$32,895.00	$42,763.50	$52,632.00
11	Administrative Technician II Airport Line Technician Customer Service Representative II Payroll Technician - Public Services Police Records Clerk Specialist	$34,539.75	$44,901.68	$55,263.60
12	Administrative Assistant Community Development Technician Library Maintenance Coordinator Library Technician Planning Technician Public Utilities Technician Senior Customer Service Representative	$36,266.74	$47,146.76	$58,026.78
13	Accounting Technician Airport Line Technician Crew Leader Airport Maintenance Specialist Community Development Coordinator Lead CSR / Admin Asst - Airport Recreation Programmer Sports Programmer	$38,080.07	$49,504.10	$60,928.12
14	Accounting Specialist Airport Accounting and Budget Coordinator Billing Specialist Circulation Supervisor Communications Coordinator Library Outreach Coordinator Management Analyst Police Records Supervisor PRST Budget Coordinator	$40,000.00	$52,000.00	$64,000.00

15	Communication and Events Coordinator Community Engagement Coordinator Fire Payroll & Administrative Specialist Police Budget Coordinator Police Media & Community Service Coordinator Senior Fire Mechanic Senior Zoning Enforcement Officer	$42,000.00	$54,600.00	$67,200.00
16	Accountant Central Services Supervisor Code Enforcement Officer IT Analyst Recreation Facilities & Program Supervisor Sports Tourism Coordinator Public Utilities Budget Coordinator	$44,082.45	$57,307.18	$70,531.91
17	Airport Museum Facility Coordinator Airport Operations Crew Leader Business Development Coordinator Community Navigator Employment Coordinator Executive Assistant/HR Liaison Fire Maintenance Supervisor Police Crime Analyst Recreation Center and Events Coordinator Reference Librarian Safety, Health, and Risk Coordinator Senior Code Enforcement Officer	$46,286.57	$60,172.54	$74,058.51
18	Benefits Specialist Executive Assistant / Paralegal Community Development Specialist Planner Police Accreditation Manager	$48,600.90	$63,181.17	$77,761.43
19	Budget Analyst ERP Solutions/Budget Specialist HRIS Analyst Parks and Recreation Manager Senior Accountant Senior Planner ERP Analyst & Budget Coordinator	$51,030.94	$66,340.22	$81,649.51

20	Billing and Collections Manager Systems Analyst	$53,582.49	$69,657.24	$85,731.98
21	GIS Manager Library Head of Access & Digital Services Library Branch Manager Library Head of Services Planning Manager Senior Communications Specialist Senior Digital Forensic Evidence Tech Senior Systems Analyst Special Projects Manager	$58,940.74	$79,570.00	$100,199.25
22	Assistant Finance Officer Human Resources Manager Infrastructure Grants Manager City Clerk	$64,834.81	$87,527.00	$110,219.18
23	Business & Community Development Manager Communications & Marketing Manager Senior Systems Engineer	$72,614.99	$98,030.24	$123,445.48
24	Assistant Public Utilities Director	$81,328.79	$109,793.87	$138,258.94
25	Airport Director Finance Director Human Resources and Risk Management Director Information Technology Director Library Director PRST Director Planning Director	$91,088.24	$122,969.12	$154,850.01
26	Director Public Utilities Director Public Works	$102,018.83	$139,765.80	$177,512.76
27	Assistant City Manager Deputy City Manager / CFO City Manager	$112,220.72		

Budget Glossary

Accrual - The accounting method under which revenues are recognized on the income statement when they are earned rather than when the cash is received.

Activity - Departmental efforts which contribute to the achievement of a specific set of program outcomes; the smallest unit of the program budget.

Allocate – To set apart portions of budgeted expenditures and/or revenues which are specifically designated to organizations for special activities or purposes.

ADA - This is the commonly used acronym for the Americans with Disabilities Act.

Ad Valorem Taxes - Revenue accounts showing taxes paid on real property and personal property, to include property of public service companies allocated by the Ad Valorem Tax Division of the State Department of Revenue. Generally, *Ad Valorem Taxes* are those levied in proportion to the value of a property.

Annual Budget – A spending plan covering a single fiscal year.

Appropriation - A funding authorization granted by the City Council to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinance.

Assessed Valuation - The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

Assessment – The process for determining values of real and personal property for taxation purposes.

Balanced Budget – An annual spending plan characterized by an equal (i.e. "balanced") amount of anticipated revenues and expenditures. In North Carolina, the statutes require that the adopted budget be in balance.

Basis of Accounting - A term used to refer to when revenues, expenditures, expenses, and transfers--and the related assets and liabilities--are recognized in the accounts and reported in the financial statements. The City of Hickory uses the modified accrual basis of accounting for budget preparation, as required by the North Carolina Local Government Budget and Fiscal Control Act.

Bond - A written promise to pay a specific amount of money with interest within a specific time period, usually long-term. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Bond Issue – Bonds that are sold.

Bond Rating – A grade indicating a governmental unit's investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower

the cost of financing capital projects funded by bonds. A high rating is indicative of a Governmental unit's strong financial position. Ratings range from AAA (highest) to D (lowest).

Budget - 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 City staff and the City Council to revise a budget appropriation.

Budget Calendar - The schedule of key dates that the City's departments follow in the preparation, adoption and administration of the budget.

Budget Document - A formal document presented to the City Council containing the City's detailed financial plan for a fiscal year.

Budget Message - The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the City Manager.

Budget Ordinance - The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

Budgetary Control - The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

ACFR - The acronym used for Annual Comprehensive Financial Report.

Capital Assets - Land, buildings, permanent improvements, machinery, large tools, rolling and stationary equipment with a value of $5,000 or more.

Capital Improvement Plan - A long term plan of proposed improvement projects which includes estimated project costs and funding sources that the City expects to undertake within a five year period to acquire or construct capital assets. The plan is updated annually to reassess capital needs.

Capital Outlays - An expenditure expected to have a useful life greater than three years or an estimated total cost of $5,000 or more. This involves the construction, purchase, or major renovation of a building or the purchase of land, as well as the acquisition of vehicles and equipment.

Capital Reserve - An account used to indicate that a portion of a fund's balance is legally restricted for a specific capital purpose and is, therefore, not available for general appropriation.

Cash Management - The management of cash necessary to pay for governmental services, while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing, and maintaining banking relationships.

Category - A consolidation of expenditures to measure personnel, operations, capital, contingency, special appropriations, debt service, transfers, and pro rata administrative services activities.

CBG - The acronym used for the Central Business District.

CDBG - The acronym used for Community Block Grant Development.

City Council – Five-member Governing Board elected by the voters of the City for four year terms.
CIP - The acronym used for Capital Improvement Plan.

Classification - Assignment of a position title and an associated pay range based on the job skills required for a particular position.

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

CPI - The acronym used for Consumer Price Index.

CVB - The acronym used for Convention and Visitors Bureau.

Debt Service - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Delinquent Taxes – Taxes that remain unpaid after the due date on which a penalty for nonpayment is incurred.

Department - A major administrative division of the City that has overall management responsibility for an operation within a functional area.

Depreciation - The process of estimating and recording the lost usefulness, expired useful life, or diminution of service from a fixed asset that cannot or will not be restored by repair and must be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to the reserve to replace the item at the end of its useful life.

Disbursement - Payment for goods and services by cash or check.

Earmark - To designate funds for a specific use.

EDC - The acronym used for Economic Development Corporation

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds is to set aside, or commit funds for future expenditures. A financial commitment for services, contracts, or goods that have not as yet been delivered or performed.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for the services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Hickory are established for services such as water and sewer, biosolids, airport, and solid waste and recycling services.

EPA - The acronym used for Environmental Protection Agency.

Estimated Revenue - The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by the City Council in the annual budget.

ETJ - The acronym used for Extra Territorial Jurisdiction.

Expenditure - The outflow of funds for assets that are incurred, or goods and services obtained, regardless of when the expense is actually paid. This term applies to all funds.

Expenses - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest and other charges.

Fiscal Policy - The financial plan embracing the general goals and acceptable procedures of a governmental unit.

Fiscal Year ("FY") - The time period designating the beginning and ending period for recording financial transactions. The City of Hickory's fiscal year begins July 1st and ends on the following June 30th. Budgeting is carried out on a fiscal year schedule.

Fixed Assets - Assets of long-term character which are intended to continue to be held or used by the City, including land, buildings, machinery, furniture and other equipment.

FTE - The acronym used for "full-time equivalent" when considering both the number and cost of Human Resource personnel as applicable to city services.

Function - A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal, or a major service.

Fund - An accounting entity that possesses a set of self-balancing accounts and records all financial transactions for specific activities or government functions.

Fund Balance - Fund balance is the amount of assets in excess of the liabilities appropriated for expenditure, and is therefore also known as surplus funds. North

Carolina statutes dictate that a portion of fund balance should be retained and not made available for appropriation in the following fiscal year.

Fund Balance Appropriated - A budgetary amount representing the fund's equity to be used to offset expenditures. Fund balance appropriated cannot exceed the sum of cash and investments less the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year preceding the budget year.

General Accepted Accounting Principles (GAAP) - Uniform minimum standards of, and guidelines for, financial accounting and reporting. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices.

GASB 34 - The acronym used for Governmental Accounting Standards Board Statement #34: "Basic Financial Statements- Management's Discussion and Analysis - For State and Local Governments".

General Fund – The General Fund is the largest fund within the City and accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, information technology, public works, general administration, planning and development, engineering, and recreation and cultural activities.

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

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 usually 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, not concerned with a specific achievement in a given time period.

Governmental Funds - There are three groups of funds for which financial statements are prepared-governmental, proprietary, and fiduciary. Proprietary funds are employed to report on activities financed primarily by revenues generated by the activities themselves, such as a utility. Fiduciary funds contain resources held by a government

but belonging to individuals or entities other than the government. Governmental funds account for everything else. The City of Hickory has three types of governmental funds:

- General Fund and like funds
- Special Revenue Funds
- Capital Project Funds

Grant - A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block, depending upon the amount of discretion allowed by the grantee.

HPD - The acronym used for Hickory Police Department.

Indirect Cost – The component of the total cost for a service that is provided by and budgeted within another department or division. Indirect costs are budgeted to more accurately reflect the true total cost for such services such as those provided by the Administrative Departments.

Interfund Transfers - Amounts transferred from one fund to another.

Intergovernmental Revenue - Revenues from other governments (local, State, Federal) which can be in the form of grants, shared revenues, or entitlement.

Internal Service Fund - A fund which permits the accounting transactions of the activity involved to be isolated and the activity's full costs to be passed on to the departments and agencies that use the service.

Inventory - A detailed listing of property currently held by the government.

Investment Earnings - Revenue earned on investments with a third party. The City uses a pooled cash system, investing the total amount of cash regardless of fund boundaries. The interest earned is then allocated back to individual funds by average cash balance in that fund.

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.

Maturities - The dates on which the principal or stated values of investments or debt obligations become due and/or may be reclaimed.

Merit Program - An established system to recognize and financially reward employee performance that exceeds the City's standards for a classification.

Modified Accrual Accounting - The accounting approach under which: 1) revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period; 2) expenditures are recognized in the accounting period in which a fund liability is incurred, and; 3) unmatured principal and interest on general long term debt is recognized when due.

MPO - The acronym used for Metropolitan Planning Organization.

NCDOT - The acronym used for North Carolina Department of Transportation.

NCLGPMP - The acronym used for North Carolina Local Government Performance Measurement Project.

Net Position - An accounting term used to describe assets minus liabilities in business type activities. Enterprise funds are used to report those functions presented as business type activities in the financial statements. Net Position may serve, over time, as a useful indicator of a government's financial position. Net Position includes: capital assets, net of related debt; restricted; and unrestricted assets.

NEWWTP - The acronym used for Northeast 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.

Budget Glossary

Powell Bill Street Allocation - Funding from state-shared gasoline tax which is restricted for use on maintenance of local streets and roads.

Pro Rata Administrative Reimbursement - A calculated share per department to expend/reimburse for services provided by one fund to another.

Productivity - A measure of the increase of service output of City programs compared to the per unit resource input invested.

Program - An organized set of related work activities that are directed toward accomplishing a common goal. Each City department is usually responsible for a number of related service programs.

Property Tax - Property taxes are levied on both real and personal property according to the property's valuation and tax rate.

Proprietary - A government's continuing business type activities.

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.

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Budget Glossary

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.

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.

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.



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