

Concord

NORTH CAROLINA



Popular Annual Financial Report (PAFR)

2020
www.concordnc.gov

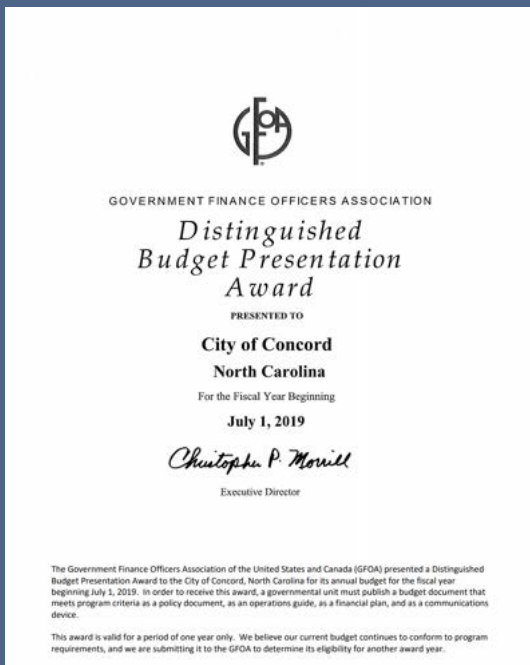
Concord's First PAFR: Celebrating Financial Transparency

Concord is committed to Financial Transparency across our budget and financial statements. Each year, the City submits our Comprehensive Annual Financial Report (CAFR) and our Annual Operating Budget to the Governmental Finance Officer's Association (GFOA) for recognition in accurate reporting. This year, we are aiming for a trifecta by submitting our CAFR, Budget Document, and a Popular Annual Financial Report (PAFR). We hope you enjoy getting to know more about our City. Find out more about Concord's Transparency efforts at: concordnc.gov/Transparency

Previous Recognitions

Distinguished Budget Presentation Award

The Distinguished Budget Award focuses on the reporting of a City's annual Operating and Capital Budget. Concord has received the Distinguished Budget Presentation Award for **18 consecutive years**.



Certificate of Excellence in Financial Reporting

The Certificate of Achievement for Excellence in Financial Reporting focuses on a City's year-end financial reporting. Concord has received the Excellence in Financial Reporting award for **31 consecutive years**.

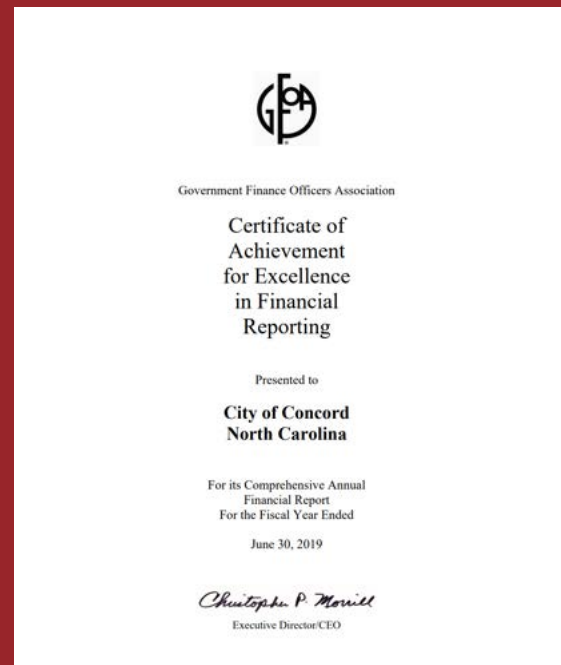


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Want more information? Check out the hyperlinks! Each financial section and many other sections have embedded links for more transparency and easier navigation. There are also links to our department webpages and social media platforms so that you can keep up-to-date with Concord!



About the Cover: The 2020 PAFR cover features Concord-Padgett Regional Airport, which celebrated its 25th Anniversary in November 2019.

Photo Credit: City of Concord's Facebook page.

What is a PAFR?

A Popular Annual Financial Report (or PAFR) is a document that consolidates information from the comprehensive annual financial statements (CAFR) to create an easy to read report for citizens.

To keep the report easy to read and concise, information has been rolled up from the CAFR. Revenues and Expenditures have been rolled up and reported based on overall fund type (General Fund, Enterprise Funds, and Special Revenue Funds) rather than reporting each fund separately. To view additional detail for each fund, visit: concordnc.gov/Departments/Finance.

Why have a PAFR?

The Popular Financial Report (PAFR) is one additional way that Concord is providing transparency to citizens about the City's financial and budgetary standing.

To help with understanding this financial information, the PAFR summarizes CAFR data and may not conform with all CAFR requirements (known as GAAP or generally accepted accounting principles).

Message from the City Manager



On behalf of Mayor Dusch and the Concord City Council, I am pleased to present to you the City's first Popular Annual Financial Report (PAFR) for the fiscal year 2019-2020 (FY 19-20). This report is designed to provide highlights of the City's financial status as recorded at the end of last fiscal year (July 1, 2019 - June 30, 2020). The City also provides a more detailed report known as the Comprehensive Annual Financial Report (CAFR) which can be found at the City's website, www.concordnc.gov.

Concord's PAFR provides community members, regardless of their familiarity with accounting principles, with an overview on the City's financial information, fiscal health, and where we are going for next fiscal year. Team Concord takes pride in providing the best services possible to our residents and to show that, this report also discusses some major projects and activities departments completed this past fiscal year.

The City of Concord is proud to provide services while promoting a Culture of Excellence, providing and expecting Accountability, open Communication, protecting our Environment, focusing on Safety, and enhancing Public Trust. We strive to do all this while maintaining a strong financial position. During the fiscal year, the Finance Department works tirelessly to create budgets, track performance measures, enforce financial policies, forecast, and complete the annual City audit. This PAFR is a small reflection of the work they do.

This report is part of our commitment to providing accountability and transparency. We hope that you find it informative and accessible. As you read this report, please do not hesitate to reach out to the City with questions, concerns, or recommendations.

Respectfully submitted,

A handwritten signature in black ink that reads "Lloyd Wm. Payne, Jr.".

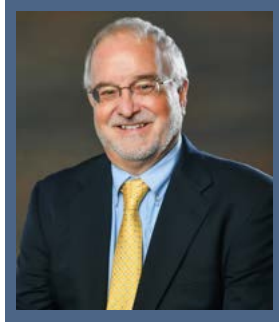
Lloyd Wm. Payne, Jr., ICMA-CM

Mayor & City Council

The Mayor and City Council serve part-time and are elected at-large on a non-partisan basis to four-year terms. Under the council-manager form of government, the City Council acts as the legislative body in establishing policy and drives the City's Mission. The Mayor serves as the presiding officer at city council meetings and is the official head of the city for ceremonial purposes. The City Council appoints a professional City Manager who serves as the Council's chief advisor, handles day-to-day City operations, and appoints the employees of the City.



Mayor
William Dusch



District 1
Andy Langford



District 2
W. Brian King



District 3
Ella Mae Small



District 4
JC McKenzie



District 5
Terry Crawford



District 6
Jennifer Parsley



District 7
Mayor Pro-Tem
John Sweat, Jr.

Mission Statement

The City of Concord partners with our community to deliver excellent service, and plans for the future while preserving, protecting, and enhancing the quality of life.

Core Values

Trust

Communication

Environment

Culture of Excellence

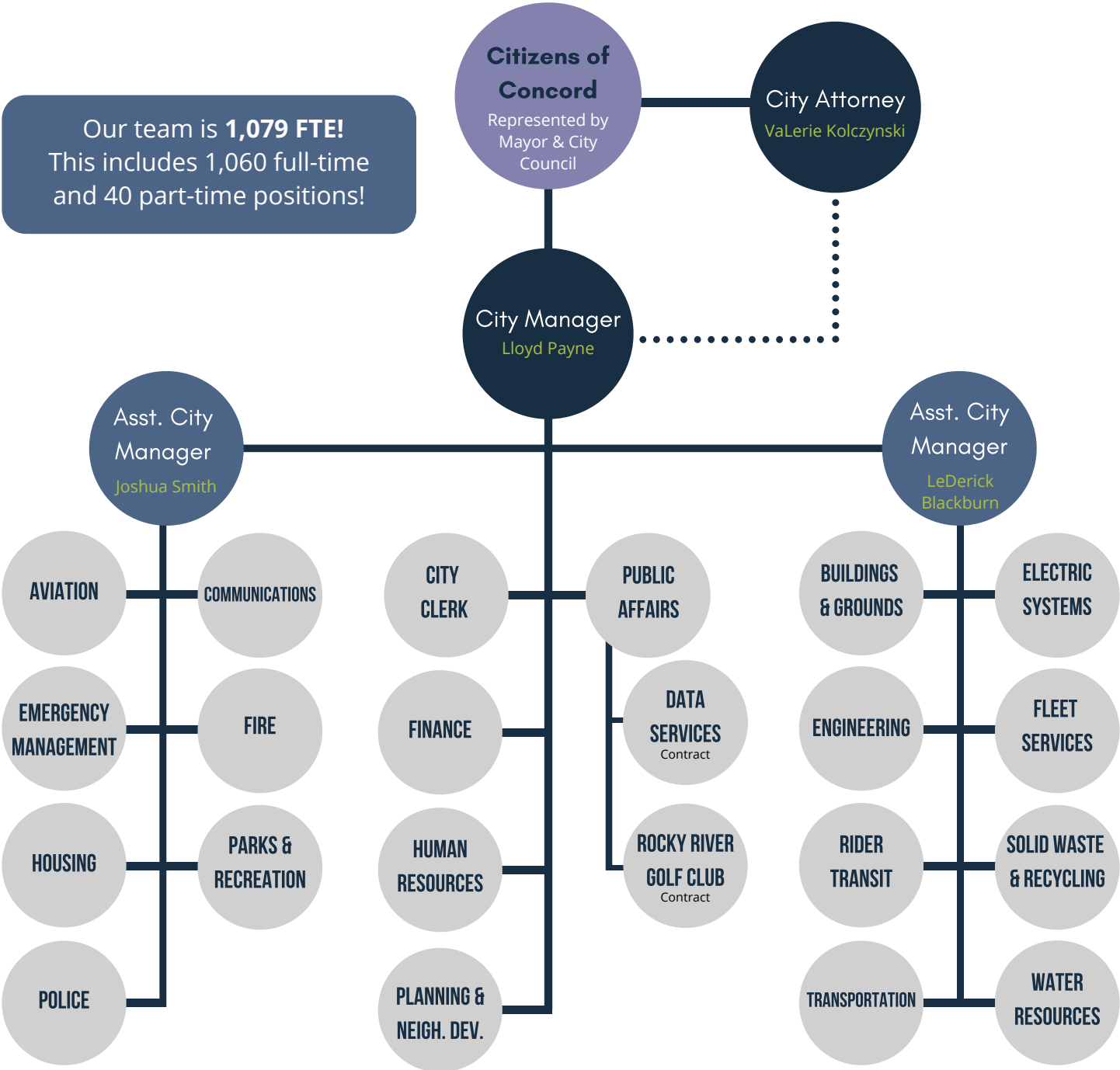
Accountability

Safety

We are committed to providing excellent service. Learn more at concordnc.gov/high5.

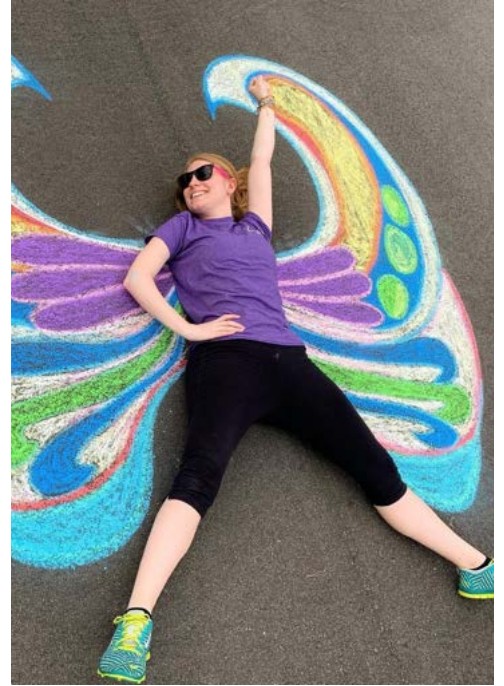
Organizational Structure

Our team is **1,079 FTE!**
This includes 1,060 full-time
and 40 part-time positions!



Changes coming! While the PAFR is a document focused on how we ended last year, our organizational chart is being updated with new staff and reassignments. To view our new structure, go to:
concordnc.gov/Government/City-Managers-Office/City-Organizational-Chart

Who are the members of **Team Concord?**

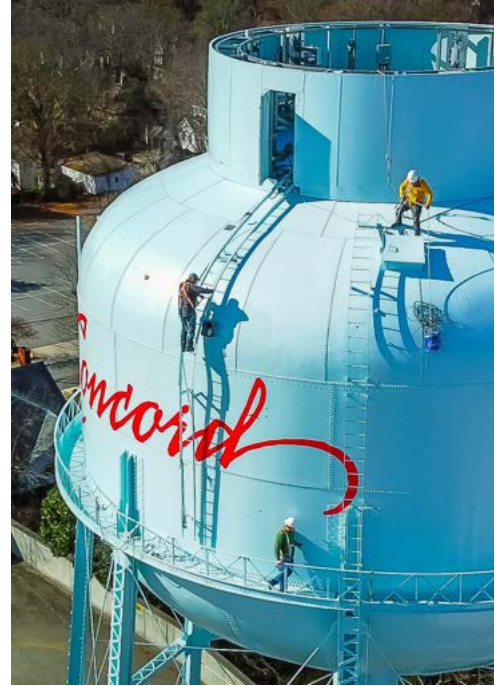


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General Fund Budget Units

These groups are primarily supported by property & sales tax revenue. Our General Fund is broken into five functional areas: General Government, Public Safety, Public Works, Culture & Recreation, and Economic Development





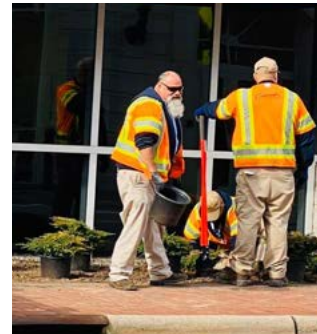
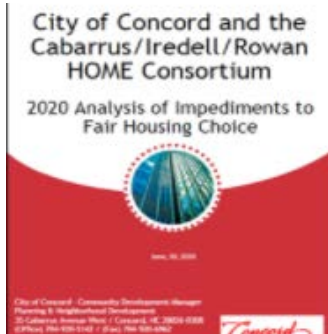
18 Enterprise Fund Budget Units

These 8 departments are supported by charges for their specific services. Our enterprise departments are: Electric Systems, Water Resources, Stormwater, Wastewater, Rider Transit, Aviation, Rocky River Golf Course, and Public Housing.



7 Internal Service Fund Budget Units

These groups are internal-facing service providers, doing necessary support work like Engineering, Buildings & Grounds, Customer Care, Billing, etc. Internal Service groups are paid through cost allocations from the departments they provide services to.



9 Special Revenue Fund Budget Units

These 6 departments are supported by revenues specific to their function. Many of our Special Revenue groups are supported through federal funding directly related to their services like Section 8 Housing Vouchers, Community Development Block Grants, HOME , etc.

Audit Highlights



Bi-centennial mural of Downtown Concord

The following highlights are paraphrased from City of Concord's 2020 Comprehensive Annual Financial Report's (CAFR) Management Discussion and Analysis. CAFR pages 17-34.



- The City is financially healthy and has resources to cover expenses. Total **Assets** and **Deferred Inflows of Resources** were greater than total **Liabilities** and **Deferred Outflows of Resources**.
- City Council's adopted Financial Policies require 30-35% **fund balance** in the General Fund to ensure the City can continue to meet its financial obligations in times of crisis. At the end of fiscal year 2020, the General Fund remained above the policy's threshold. Fund Balance is used to insulate General Fund programs and current service levels from unanticipated expenses, revenue reductions due to unforeseen legislation or economic downturn, and aid in long-term financial and capital planning.
- Like many other parts of the country, Concord's economic conditions changed drastically in Spring 2020 due to the COVID-19 pandemic. In April, City Council took action to lower revenue projections and planned expenses by \$8.3 million. Doing so kept COVID-19's effects on the City's finances for FY 20 minimal. Revenue losses were absorbed by reducing expenses instead of using fund balance. More information on our COVID-19 response can be found on page 19.
- Concord continues to listen to its citizens by addressing the need for transportation improvements, affordable housing, and open space by adopting tax rate dedications in the upcoming FY 21 budget. Information about the FY 21 budget can be found on page 20.



Key Terms

Asset: Something an organization owns. Cash, receivables, land, buildings, building improvements, machinery, equipment, infrastructure and all other tangible or intangible assets that are used in operations. Fixed assets have an initial useful life of more than one year and an initial cost of more than \$5,000.

Liability: Something an organization owes, such as loans, accounts payable, bonds, etc.

Net Position: The difference between assets, deferred inflows/outflows of resources, and liabilities. Increases or decreases in net position can serve as a useful indicator on whether the financial position of an organization is improving or deteriorating. (Net Position = Total Assets + Deferred Outflows of Resources - Liabilities - Deferred Inflows of Resources)

Deferred Inflows of Resources: When acquiring an asset or assets must be reported in a future period.

Deferred Outflows of Resources: When consumption of assets must be reported in a future period.

Fund Balance: The net ending balance of a Fund's financial resources that are available and spendable.

Financial Information

Statement of Net Position

	As of June 30, 2018	As of June 30, 2019	As of June 30, 2020
Assets			
Current asset and other assets	336,590,477	375,529,992	406,725,488
Capital assets	738,477,797	735,469,260	751,839,436
Total assets	<u>1,075,068,274</u>	<u>1,110,999,252</u>	<u>1,158,564,924</u>
Deferred Outflows of Resources			
Pension/OPEB/LGERS/LEOSSA	9,601,035	16,996,259	15,826,138
Deferred change on refunding	3,325,525	2,938,745	2,542,437
Total deferred outflows of resources	<u>12,926,560</u>	<u>19,935,004</u>	<u>18,368,575</u>
Liabilities			
Current liabilities	21,399,490	19,971,600	24,108,721
Non-current and Long-term liabilities	170,116,422	161,715,754	142,262,117
Total liabilities	<u>191,515,912</u>	<u>181,687,354</u>	<u>166,370,838</u>
Deferred Inflows of Resources			
Pension/OPEB/LGERS/LEOSSA	2,113,407	6,223,587	11,173,665
Prepaid taxes	43,520	137,800	48,123
Total deferred inflows of resources	<u>2,156,927</u>	<u>6,361,387</u>	<u>11,221,788</u>
Net Position	<u>894,321,995</u>	<u>942,885,515</u>	<u>999,340,873</u>

A **Statement of Net Position** reports an organization's current assets, liabilities, and deferred inflows or outflows of resources. This statement is used to show an organization's fiscal health by demonstrating whether the organization has enough assets to cover its liabilities. A **Statement of Activities** compares revenues and expenses to see if an organization has enough revenue to cover its expenses. Based on this financial information, the City continues to be fiscally healthy. Concord's fiscal health is thanks to good financial management and sound financial policies. Our financial policies can be found here. CAFR Source Information for the Statement of Net Position can be found here and Statement of Activities Information can be found here. CAFR pages 35 and 22.

Statement of Activities

	FY 2018	FY 2019	FY 2020
Revenues and Transfers	268,891,214	280,469,729	289,751,813
Expenses	<u>236,922,364</u>	<u>231,906,209</u>	<u>233,296,455</u>
Increase (Decrease) in net position	31,968,850	48,563,520	56,455,358
Net Position, beginning of year	862,353,145	894,321,995	942,885,515
Net Position, end of year	<u>894,321,995</u>	<u>942,885,515</u>	<u>999,340,873</u>

Spotlight: Concord Fire Department

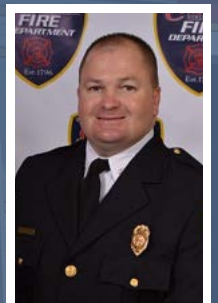
Concord's Fire Department exists to reduce the loss of life and property as well as prevent injury to all shareholders and customers of the City of Concord. Concord Fire currently has an ISO Class 1 rating - the highest rating possible. Concord Fire includes more than 200 firefighters and officers who help with operations, fire prevention, and training.

In fiscal year 2020, Concord Fire helped with fire inspections, life safety education, and aided with emergency medical calls.

Due to the City's continued growth, Concord Fire now includes a new company, Engine 11. Fifteen new firefighters were hired and at full capability by January 2020. Concord Fire is working on acquiring property and initial designs for new fire stations in addition to working on a joint training center with Police.

"As we continue to receive support from our mayor, council, and city management, our departments will continue to be successful in improving our public safety capabilities."

- Fire Chief Jake Williams





Who is in Concord's Fire Department?

Concord's Fire Department has three units for operations: Fire, Fire Prevention, and Fire Training & Safety. Every member of this 252 coworker team works together to provide the best service possible to our residents, schools, and businesses.

Find out more about Concord's Fire Department at:
concordnc.gov/Fire



Concord at a Glance

Incorporation & Location

Date of Incorporation: 1796
Date of City Charter: 1798
Elevation: 705 feet above sea level
Land Area: 63.541 sq. miles
Location: Piedmont region
County: Cabarrus
Population: 96,341



Property Taxes

Concord Tax Rate per \$100 Valuation: 48¢

Cabarrus County Rate per \$100: 74¢



Residential Information

Residents

- **Population by Gender**
 - Male: 49.3% Female: 50.7%
- **Population by Race**
 - White: 63.7% Black: 23.8% Hispanic: 12.2%
 - Asian, AIAN, NHPI, Other, 2 or more Races: 12.4%
- **Age (Estimated)**
 - (Birth-19): 27%
 - (20-34): 17%
 - (35-64): 42%
 - (65+): 14%
- **Median Income:** \$69,929
- **Number of Households**
 - 1990: 11,670
 - 2000: 22,485
 - 2010: 32,130
 - 2017: 33,835
 - 2018: 33,523



Source: U.S. Census, 2018 ACS Survey

Transportation Options

Major Highways: Interstate 85, U.S. Routes 29 and 601

Rail: Southern Railway Company

Air: Concord-Padgett Regional Airport and Charlotte Douglas International Airport -



Ground: Concord-Kannapolis Rider bus service, Greyhound and Trailways bus services, and Privately-owned taxicab services

Housing

Median Home Sales Price: \$260,000
Fair Market Rent of 1BR Apartment: \$865
Fair Market Rent of 3BR Apartment: \$1,320
Public Housing Units: 174
Housing Choice Voucher Units: 541



Public Recreation

- Acreage:** 316
Facilities (City Owned):
- **Parks:** 8
 - **Playgrounds:** 13
 - **Gymnasiums:** 3
 - **Basketball Courts:** 5
 - **Tennis/Pickleball Courts:** 16
 - **Playing Fields:** 23
 - **Swimming Pools:** 1
 - **Greenway/Trail Miles:** 9.95/5.75



Fire Protection (ISO Rating: 1)

Stations: 11
Firefighters and Officers*: 249
Administrative Support: 3
*(Operations, Prevention, & Training)



Police Protection

Main Station: 1
District Stations: 4
Sworn Police Officers: 196
Non-Sworn Police Personnel: 21
Code Enforcement: 9



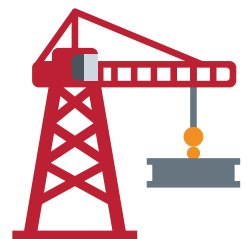
Infrastructure

Miles of Power Lines

- Overhead: 723.47
- Underground: 743.04

Miles of Water Lines: 744.61
Miles of Wastewater Lines: 573.68
Land Miles of City Streets: 712.32

- **Paved (City Maintained):** 353.57
- **Paved (State Maintained):** 91.51
- **Paved (Interstate):** 18.55



Revenues & Expenses

Where do City Resources come from?

Concord budgets by fund. A **fund** is a fiscal and accounting entity that has a self-balancing set of accounts recording cash and other financial resources, as well as related liabilities and residual equity. Funds are separated based on specific activities/objectives in accordance with State and Federal regulations, restrictions, or limitations. Each fund must balance between revenues (resources coming in) and expenditures/expenses (resources going out).

The chart below outlines revenue types from all funds. **Note:** Due to rounding, not all percentages equal 100%.



Revenues by Source 2016-2020, (expressed as percentages)

Type	2020	2019	2018	2017	2016
Charges for Services	54%	55%	57%	55%	57%
Property Taxes (Ad valorem)	20%	20%	20%	19%	19%
Grants and Contributions*	17%	13%	14%	18%	16%
Other Taxes	7%	7%	7%	7%	6%
Other	3%	4%	2%	1%	2%
Total Revenue (in millions)	\$289.75	\$280.47	\$268.89	\$267.70	\$250.48

*Grants and Contributions includes: operating grants & contributions, capital grants & contributions, and grants & contributions not restricted to specific programs.

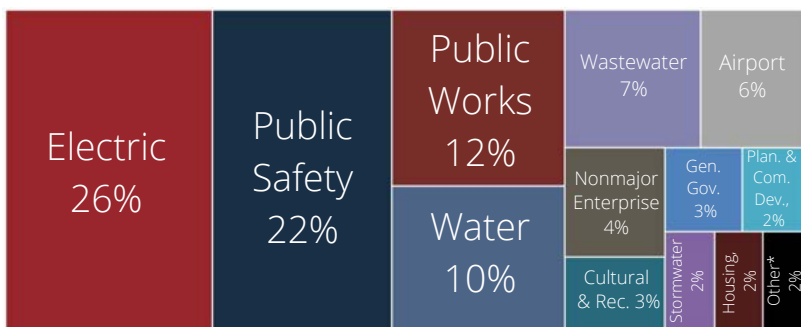
Revenue breakouts vary based on fund type (general, enterprise, special revenue). For example, Enterprise Funds receive more revenue from charges for services than the General Fund, which is funded predominantly through property and sales taxes. CAFR Source Information can be found here CAFR page 22, Table 2.

How are City Resources spent?

Expenses throughout the City are varied by each department's needs. Departments typically spend their resources on some combination of the following items: personnel, capital, contracts, maintenance, and debt service. The next pages will do a deeper dive into categorical spending in our major funds. For consistency, expenses and expenditures (spending from governmental groups) are combined as expenses.

The chart below outlines expenses by area. For clarity, the General Fund has been broken out into its functional areas: General Government, Public Safety, Public Works, Planning and Community Development, and Cultural and Recreational. Non-major Enterprise include some of our enterprise funds that are significantly smaller. **Note:** Due to rounding, not all percentages add up to 100%.

CAFR Source Information can be found here. CAFR page 22, Table 2.



Expenses by Area 2016-2020, (expressed as percentages)*

Area	2020	2019	2018	2017	2016
Airport	6%	3%	3%	2%	2%
Cultural and Recreational	3%	21%	18%	18%	18%
Electric	26%	12%	11%	11%	14%
General Government	3%	3%	2%	2%	2%
Housing Assistance Payments	2%	3%	2%	1%	2%
Nonmajor Enterprise	4%	2%	2%	2%	2%
Other*	2%	28%	35%	36%	32%
Planning and Community Development	2%	9%	9%	8%	8%
Public Safety	22%	7%	7%	7%	7%
Public Works	12%	6%	5%	4%	4%
Stormwater	2%	2%	2%	2%	2%
Wastewater	7%	4%	4%	4%	4%
Water	10%	1%	1%	1%	2%
Total Expense (in millions)	\$233.30	\$231.91	\$236.92	\$228.01	\$207.65

*Other includes Administration, Rehabilitation (HOME and CDBG), and Interest Expense

A closer look at some of our major funds

Here is a categorical breakout of FY 2020's expenses for the Electric Systems, Water Resources, and General funds. This information is from each fund's Schedule of Revenues and Expenditures - Budget to Actual (Non-GAAP) Statement. **Note:** due to rounding, not all percentages add up to 100%.

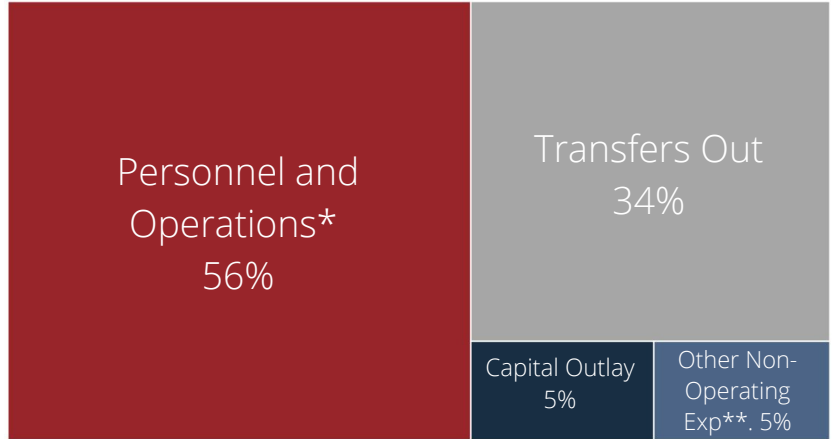
Electric Systems Fund

Electric Systems Fund Expenditures by Category, expressed in millions and percentage

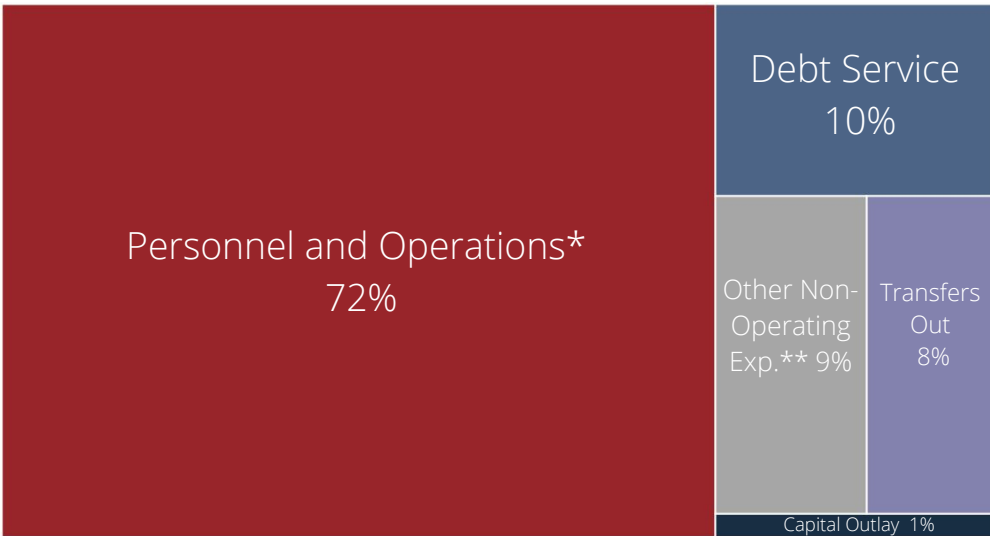
Category	2020	By Percentage
Personnel and Operations*	54.7	56%
Capital Outlay	4.9	5%
Other Non-Operating Expenditures**	4.7	5%
Transfers Out	32.8	34%
Grand Total (in millions)	97.2	100%

*Personnel and Operations includes Administration, Purchased Power and Power line and plant operating expenditures.

**Other Non-Operating Expenditures includes Debt Service and Capital Lease Payments, Payment to refunded bond escrow agent, and Cost of Issuance.



Electric Systems has eight budget units that include: Electric Administration, Purchased Power, Powerline Maintenance, Tree Trimming, Electric Construction, Peak Shaving, Electric Engineering, and Utility Locate Services. **Transfers out** is the movement of funds from one fund to another. The majority of Electric's transfers moved funds to their capital projects fund. CAFR Source Information can be found here. CAFR page 131.



Water Resources Fund

Water Resources is comprised of three budget units: Waterlines Operations & Maintenance, Hillgrove Water Treatment Plant, and Coddle Creek Water Treatment Plant. The majority of transfers for Water Resources moved funds to their capital projects fund. CAFR Source Information can be found here. CAFR page 133.

Water Resources Fund Expenditures by Category, expressed in millions and percentage

Category	2020	By Percentage
Personnel and Operations*	20.4	72%
Capital Outlay	0.4	1%
Debt Service	2.9	10%
Other Non-Operating Expenditures**	2.6	9%
Transfers Out	2.3	8%
Grand Total (in millions)	28.5	100%

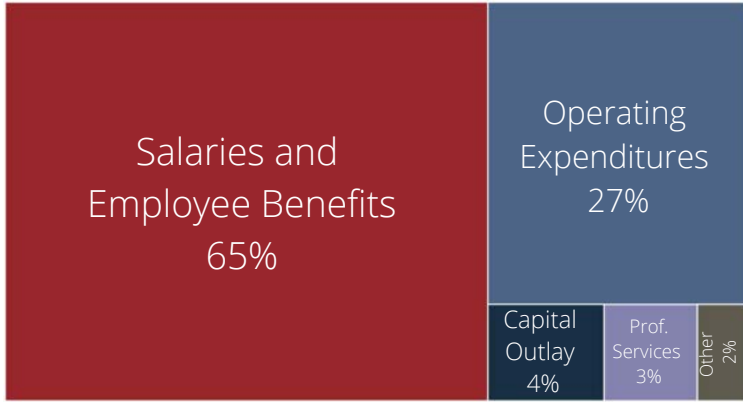
*Personnel and Operations includes Repairs and Maintenance, Water Plants and Lakes, and Water Line Operation and Maintenance operating expenditures.

**Other Non-Operating Expenditures includes Payment to refunded bond escrow agent, and Cost of Issuance.



General Fund

The General Fund is one of the City's largest funds and houses services within the city that are primarily supported through property and sales tax revenues. Some General Fund services can be external facing, like Police, Fire, or Solid Waste while others are internally facing like Finance and Human Resources. **Cost Allocations** are payments made to or from other departments for costs involved in supporting a primary service. More cost allocations were paid to the General Fund than charged out in FY 20, resulting in a negative cost allocation total for the General Fund. CAFR Source Information can be found here. CAFR pages 42-48, Exhibit G.



General Fund Expenditures by Category, expressed in millions and percentage

Category	2020	By Percentage
Salaries and Employee Benefits	51.7	65%
Professional Services	2.4	3%
Operating Expenditures	21.1	27%
Capital Outlay	3.0	4%
Cost Allocations	(0.1)	0%
Other*	1.3	2%
Grand Total (in millions)	79.4	100%

*Other includes Debt Service, Cost of Issuance, Outside Agencies and Incentive Grants

Debt and Bond Ratings

Concord is subject to the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt to eight percent (8%) of the appraised value of taxable property. Based on Cabarrus County's Tax Assessor's records, City of Concord has an estimated assessed value of \$11,946,071,597 for fiscal year 2020. With this information in mind, the City's legal debt capacity is approximately \$955,685,728. Concord remains well below that debt capacity at 0.16%. Below is a summary of Concord's debt and our bond ratings. CAFR Source information can be found on CAFR page 17 for Bond Ratings and page 176 for Outstanding Debt by Type.

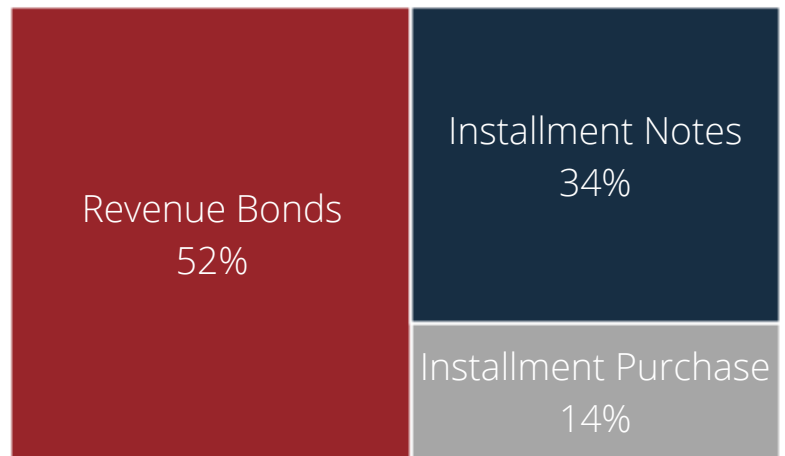
Bond Ratings

A **Bond Rating** is a grade indicating a governmental unit's investment qualities. Generally, the higher the bond rating, the less risk investors assume, resulting in more favorable interest rate and lower cost of financing capital projects. The three main bond-rating agencies include: Fitch, Moody's and Standard & Poor's. Concord is in great standing with its bond ratings.

Bond Agency	Rating for GO Bonds	Rating for LOBS/COPS	Rating for Revenue Bonds
Fitch	AAA	AA+	AA
Moody's	Aa1	Aa2	Aa2
Standard & Poors	AAA	AA+	A+

FY 20 Outstanding Debt by Type, expressed in thousands and percentage

Category	2020	By Percentage
Revenue Bonds	39,993	52%
Installment Notes	25,745	34%
Installment Purchase	10,976	14%
Grand Total (in thousands)	76,714	100%



Concord-Padgett Regional Airport Celebrates 25th Anniversary!

“ I don't think anyone would have predicted that today we would have commercial airline operations and be the fourth busiest airport in NC in terms of aircraft operations.”

Concord's airport was originally designated as a reliever for Charlotte-Douglas Airport (CLT). Twenty-five years later, it is the fourth busiest airport in North Carolina for aircraft operations and home to commercial airline operations with Allegiant Airlines.

At the anniversary celebration on November 18, 2019, the airport unveiled its new name, Concord-Padgett Regional Airport. This name honors Concord's previous mayor, J. Scott Padgett, who was instrumental in bringing the airport to the City.

Concord's current Aviation Director, Dirk Vanderleest, discusses the current pandemic and what it is like running a municipal airport.



Former Mayor J. Scott Padgett (left) and Current Mayor Bill Dusch (right).



Q: Could you describe your role as Director?

A: As the Aviation Director, my role varies from day to day or minute by minute depending on what is going on. We are the gateway for Concord and the Charlotte metropolitan area, since the city owns and operates the Fixed Base Operator (FBO) (think of it like a welcome center and gas station for general aviation and corporate aircraft). We have taken a proactive approach in being the best FBO in the state. In addition to the FBO, we also run the commercial airline terminal for Allegiant Airlines.

Q: What has been your favorite part about serving as Concord's Aviation Director?

A: Our Team. We have a great group of professionals serving the aviation community, but also the City of Concord. Every day is different, you don't know what challenges you face, it makes life very interesting.

Q: Have you seen any large changes due to the COVID-19 pandemic?

A: Yes, our industry has been greatly affected by the pandemic on all fronts, general and corporate aviation along with the commercial airline operations.

Q: Final thoughts about this year?

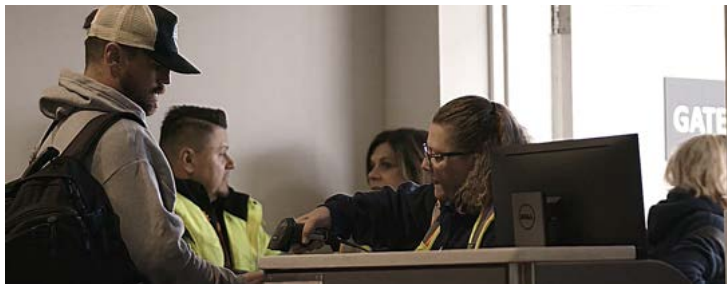
A: It has been challenging, yet at the same time very promising with what the future holds for Concord-Padgett Regional Airport. Can't wait to see what next year brings.



Want to learn more about the history of the airport?

Check out our video celebrating the airport's anniversary:

<https://youtu.be/toeTOqmwIBI>



Strategic Plan Highlights

What is a Strategic Plan?

- Goals and Objectives adopted by City Council to guide the city's decision making processes.

Why have a Strategic Plan?

- This plan allows City Council to prioritize the needs and wants of the citizens they represent by creating a plan for current and future years.

How is a Strategic Plan Implemented?

- Once Goals and Objectives are established, City Staff uses them as a guide when putting together their yearly budgets. Staff tracks progress of goals and objectives through performance measures. Highlights are included in the list to the right.

General Government

Emphasis on data driven decisions, competitive compensation packages, \$15/hr minimum wage implementation, T.E.A.M meetings, and Stay Interviews

Public Works

Master Plans for Water, Sewer, & Stormwater were funded, Spring-Fall litter sweep, and a Solid Waste fee implemented (\$2.24).

Public Safety

\$51 million in funding for FY 20, Tower relocation has been completed.

Recreation & Culture

Implementation of an internal "Connectivity Committee", adoption of the Open Space Connectivity Analysis, and budgeted \$1.7M for the acquisition of land and design of the NW Park.

Transportation

Council passed a resolution supporting light-rail into Concord, and acquired \$875K RMG hangar for additional hangar capacity.

Economic Development

Partnership with Habitat for Humanity, Annual funding to Cabarrus EDC (\$84K), and the RCG- acquisition/development of the former City Hall Annex.



COVID-19



Left to right: President/Co-Founder El Puente Hispano Sandra Torres, City Manager Lloyd Payne, & Emergency Manager Ian Crane.

To ensure everyone's well-being, Team Concord is working hard to deal with the impacts of the pandemic.

FY 20 Impacts

Governor Cooper issued a State of Emergency on March 10, 2020. Executive Orders 124 & 142 prohibited utility disconnects for non-payment from March 19 through July 29, 2020.

By June 2020, the City reduced fund revenues by the following:

General Fund: \$1.74 million

Electric: \$4.0 million

Aviation: \$1.54 million

Water/Stormwater/Sewer: \$1.10 million



CARES Act Funding

The City received \$7.0 million in CARES Act (Coronavirus Aid, Relief, and Economic Security Act) funding from the Federal government in 2020. By department, these funds were:

Rider Transit: \$4,152,243

Concord-Padgett Regional Airport: \$2,149,846

Public Housing & Housing Choice Vouchers: \$276,221

Emergency Management: \$1,252,112

Police: \$34,597



Safety Measures

Contact-free Payments: Installed a bill payment kiosk at City Hall & paused bus fare collection.

Social Distancing: PPE for visitors, plexiglass barriers, virtual meetings, hand sanitizer stations, & spacing markers on floors.

Building Closures: City facilities closed to the public from March through October 2020.



FY 21 Impacts

The annual budget was developed during a period of uncertainty at the extent of Covid-19's fiscal impact on the upcoming fiscal year. FY21's budget anticipates revenue losses of **\$7.5 million**.

Some of the actions taken:

- Reduced property tax collection rate from 99% to 96% (approximately \$1.47M)
- Reduced Investment Earning revenues to \$0
- Projected 11% decline in Sales Tax collections
- \$10.8 million in Capital Reserves designated for one-time capital items

Community Efforts

Distributed nearly **8,000** free face coverings at **19** drive-thru events between July and October 2020.

Allocated **\$400,339** in CARES Act funding to area non-profits in April 2020.

Awarded additional **\$604,865** in CDBG funding in November 2020 for continued community relief efforts.



To learn more, visit www.concordnc.gov/Resident/COVID-19-Resource-Guide

What's happening for FY 21?

Planned Tax Rate Dedications*

1 penny of the tax rate = \$1,351,665



Affordable Housing



Parks & Recreation: Dedicated to the expansion of City parks & greenways.



Transportation: Additional half penny allocation added for FY 21.

*Newly dedicated pennies are presented at full value, but were budgeted at half value. Staff anticipates revenues will be received to fully fund these mandates by the end of the FY 21.

General Fund Highlights



General Government: New Assistant City Manager to enhance support of City departments, Compensation Study phase 1 of 4, Centralized Video Production Services for citizen outreach, and \$30,000 in Neighborhood Matching Grant funds.



Fire: Fire Station #12 Construction, 21 new Fire positions to start in April 2021, and Technology updates to improve performance.



Parks & Recreation: Baseball and Softball merger with Odell Youth Athletics, new Athletics position, \$967,000 in needed maintenance to existing facilities, Teen Room supplies at Recreation Centers, and Automated Basketball Goal replacements phase 1 of 2.



Planning & Neighborhood Development: New Urban Planner to assist with Small Area Plans such as Weddington Rd, the Downtown Master Plan, and \$25,000 for Public Art.



Police: Seek CALEA Accreditation, 1 new Professional Standards Lieutenant for oversight, 1 new West Cabarrus High SRO, and 6 new Police Officers.



Public Works: No changes to the Solid Waste Fee, \$2.7 million for Street Resurfacing, new Executive Assistant in Transportation, new Signal Tech, and a Fiber Splicing Trailer.

FY 21 Budget Summary

Overall Budget = \$268,897,885

General Fund Budget = \$102,168,959

External Agency Funding

For years, the City of Concord has collaborated with community partners to help contribute to the City's cultural, social and economic vitality. This year, **Concord is committing \$219,500 to external agencies** - which will be split across 23 different agencies. Some agencies included are: Cabarrus Meals on Wheels, Multicultural Community Student Union, Opportunity House, Salvation Army, Habitat for Humanity, and more. To see the full list of agencies and learn more about this process, please visit: concordnc.gov/Departments/Finance/Budget/External-Agency-Funding.

Enterprise Fund Highlights



Electric: No rate increase, 2 new Tree Trimming positions to increase services levels and reduce reliance on contract crews, and a small-scale lift for accessing tight spaces.



Water Resources: No rate increase, Water Treatment Plant studies, 1 new Utility Systems Technician to assist with advanced metering infrastructure, and security enhancements for City facilities.



Aviation: Revenues are projected cautiously as the impacts of COVID-19 on air travel continue to be unknown. Aviation revenues are budgeted assuming a 30% decline related to the current crisis.



Housing: Work continues to advance the availability of Affordable Housing in Concord through the Concord Family Enrichment Association and a partnership with Planning to administer the newly dedicated 1¢.

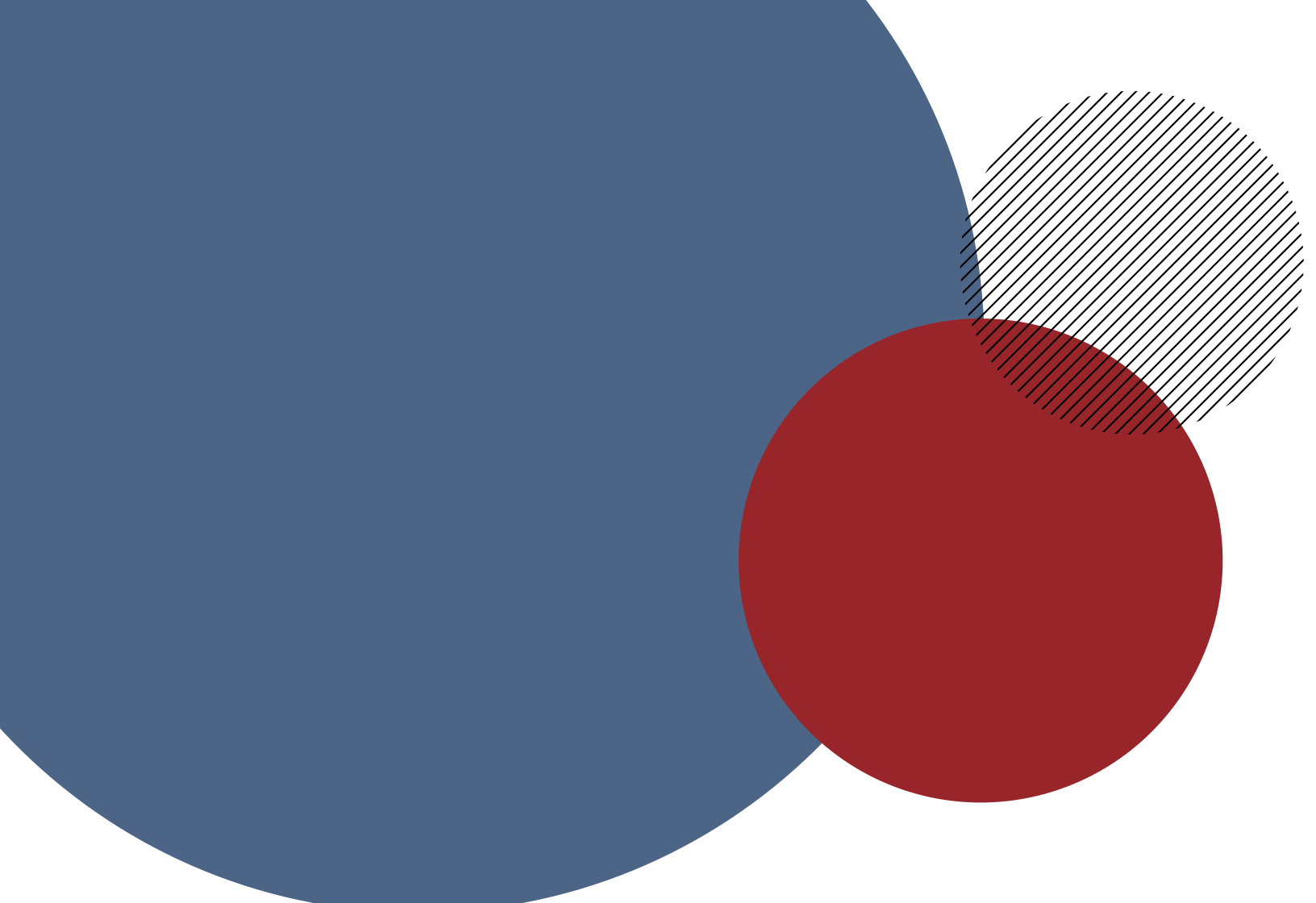
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Here are some of the most popular platforms to stay connected with the City of Concord.



This popular annual financial report is intended to provide information on the city's financial condition in a clear and easy to understand format. Comments or suggestions for improving the document should be addressed to the City of Concord, Finance Department, 35 Cabarrus Ave. W, Concord NC, 28026.

