Hillsborough Results!

Fiscal Year 2019

Hillsborough, North Carolina

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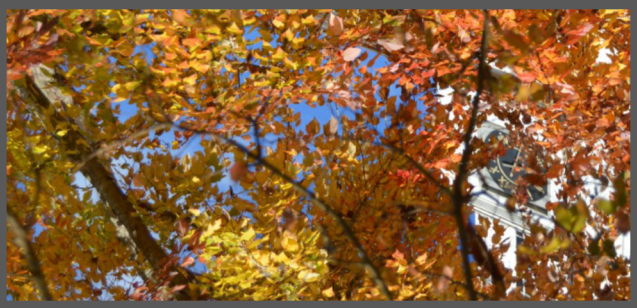
A Report to Our Citizens

Town of Hillsborough, North Carolina



Vision: *We envision Hillsborough as a prosperous town, filled with vitality, fostering a strong sense of community, which celebrates its unique heritage and small-town character.*

Mission: *We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources and services that enhance the quality of life for the living beings and land within our town.*

"Report Card" points to key accomplishments

The town's system of linking the board's top priorities, departmental actions, and performance measures to achieve the desired results is called Hillsborough Results. The town strategy map, scorecards, top departmental priorities and budgetary information are blended together to better align the town's time, money, and resources with its top priorities. In essence, this annual report is both a "report card" and "strategic learning tool" that should be used to assess how well the town is doing in pursuing its key objectives. One of the main purposes of the report is to generate discussion, like a post-game analysis, to determine whether or not particular strategies being used to accomplish objectives and initiatives should be 1) changed, 2) abandoned or 3) maintained (i.e., "stay the course"). The first opportunity to analyze results and discuss possible changes to current strategy will happen at the town board's regular meeting on January 13th. At this meeting, the board will discuss results from the FY19 Annual Hillsborough Results Report.

The willingness to experiment by using new or innovative ideas is critical to continuously improving operations. At the same time, a learning organization has to be able to identify both potential successes and failures early enough to adjust accordingly to changing conditions. This is a major benefit of this system– it provides a reality check, accommodates changes in direction, helps everyone make well informed decisions, and creates accountability by sharing the results (whether good or bad) with the citizens, media, elected officials, and town employees.

In instances where it appears the town is being successful, the board, staff and public should still be willing to challenge the status quo and suggest strategies that may allow an even higher standard of service to be delivered. This is key to avoiding complacency. On the other side of the coin, just because an initiative missed its target does not necessarily mean a change in strategy is needed. As the old saying goes, "the devil is in the details." Hence, asking probing questions to gain an understanding of the many factors affecting outcomes compared to the desired target can help clarify the performance picture and uncover a greater ability to assess what (if anything) should be done in response. It's also important to remember that departments often set "stretch targets" that are multi-year goals intended to help make a breakthrough by encouraging creative thinking, results-oriented problem solving or escape the comfort zone.

Please don't hesitate to contact Assistant to the Town Manager Jen Della Valle or Budget Director Emily Bradford if you have any questions, suggestions, concerns, or ideas related to this report. Most importantly, we look forward to listening and participating in the discussions of this report that will help us take the next steps in shaping Hillsborough's future.

Sincerely,

Eric J. Peterson

Eric Peterson

Town Manager

Organizational Perspectives

Community – Managers must know if the town is meeting citizen needs. They must determine the answer to the question: Is the organization delivering the services the community wants?

Internal Business – Managers need to focus on those critical operations that enable them to satisfy citizens. Managers must answer the question: Can the organization improve upon a service by changing the way a service is delivered.

Financial – Managers must focus on how to meet service needs in an efficient manner. They must answer the question: Is the service delivered at a good price?

Learning & Growth – An organization's ability to improve and meet citizen demands ties directly to the employees' ability to meet those demands. Managers must answer the question: Is the organization providing employees with the training, technology and proper work environment to enable them to succeed and continuously improve?

A Report to Our Citizens

How the Town Operates

The Town of Hillsborough has used a council-manager form of government since 1989. Legislative and policy making authority rest with the mayor and a five-member Board of Commissioners. The mayor is elected every two years. Each commissioner serves a four-year term. Elections are non-partisan, staggered and held during old-numbered years. The board hires a town manager to carry out its policies, as well as to manage and direct the town's daily operations. The town provides many services including police protection, street maintenance, and water and wastewater system operations.

Town Characteristics

The Town of Hillsborough, Orange County and Research Triangle Park area continue to experience growth and are considered to be among the most desirable areas of the country to live and work according to several national surveys. The economy of the town is diversified with manufacturing and a mix of wholesale and retail businesses as well as numerous service providers. Approximately 40% of Hillsborough's tax base is commercial in nature.

The Orange County unemployment rate has historically been below the state and national rates. This trend continued during the last year in which the county's unemployment rate as of May 2018 was 3.1% while the state and national rates were 4.2% and 3.6% respectively.

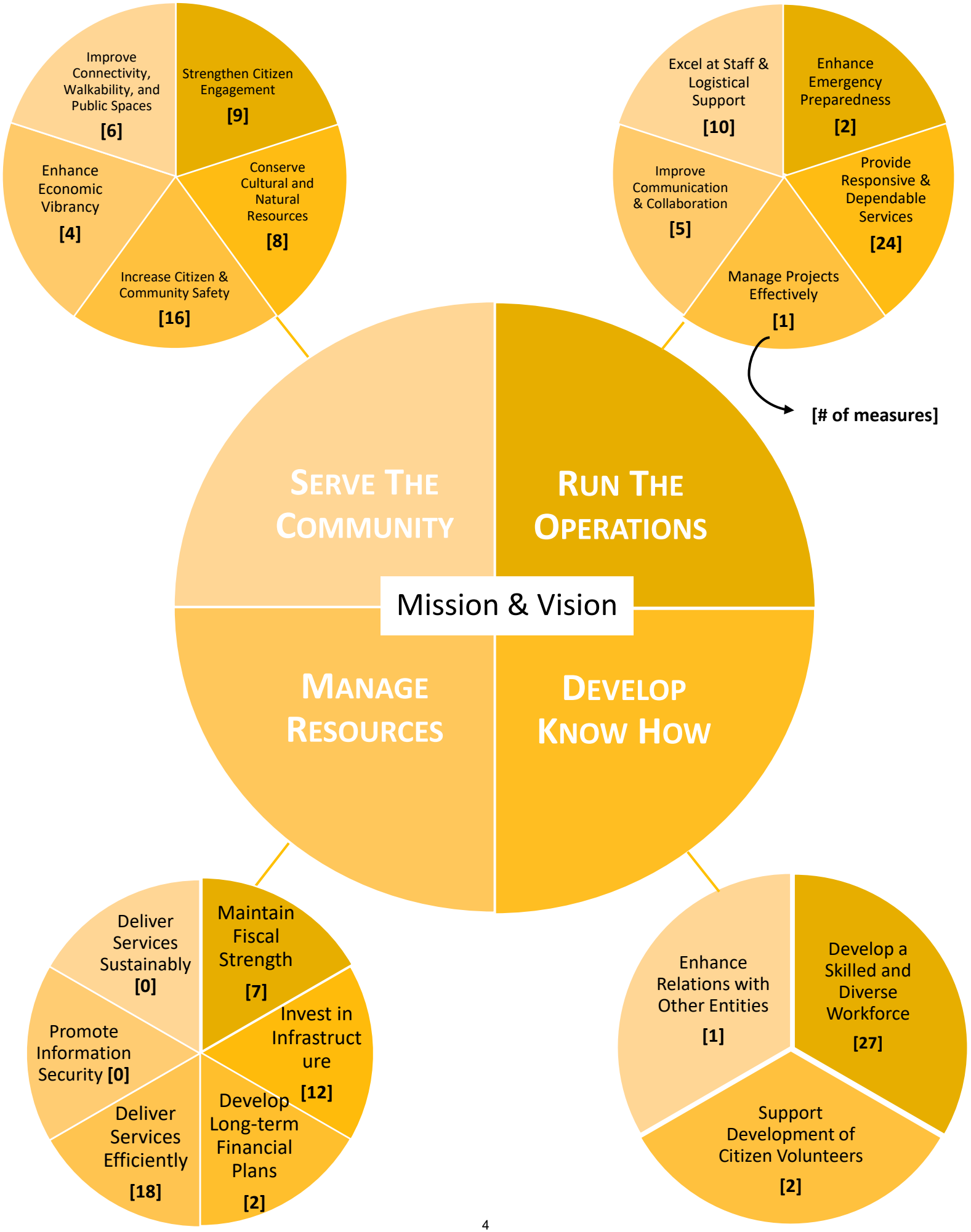
The town is served by Interstate Highway 85 and Interstate Highway 40. It is also home to a Durham Tech Community College satellite campus and a UNC Hospital facility.

Note: *Results are not audited for accuracy*

Town of Hillsborough

	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Target Met or Exceeded
Serve the Community					
% of sidewalks rated in good or better condition	98%	99%	99%	99%	✓
Part I violent crimes per 1,000 population	5.6	3.7	<5	4.2	✓
Part I property crimes per 1,000 population—excluding large retail shoplifting	44.9	35.4	<50	31.9	✓
Complaints against officers as a % of calls for service	0.17%	0.13%	<1%	0.12%	✓
% of violations brought into voluntary compliance within 60 days	73%	85%	85%	77%	⚑
Run the Operations					
Clearance rate for Part I offenses - violent crimes	82%	75%	>65%	57%	✗
% of garbage routes completed on schedule	100%	100%	100%	100%	✓
% of brush routes completed on schedule	99%	99%	95%	99%	✓
# of State issued "Notices of Violation" - Water Services	0	0	0	0	✓
# of State issued "Notices of Violation" - Wastewater Services	0	0	0	0	✓
Sewer back-ups as a % of sewer accounts (per calendar yr.)	0.01%	1.4%	<2%	0.7%	✓
Manage Resources					
# of water line breaks on 6" or larger lines	16	11	<20	6	✓
% of streets rated in good or better condition	95%	98%	92%	98%	✓
% of lane miles resurfaced	5%	7%	5%	2.5%	✗
Water bills as % of median household income (MHI)	1%	0.96%	<1%	1.02%	✓
Sewer bills as % of median household income (MHI)	1.50%	1.45%	<1	1.52%	✗
Develop Personnel					
% of HPD sworn offices to have attained at least an Intermediate Law Enforcement Certificate	72%	65%	>70%	62%	✗
Average # of training hours per officer beyond state minimums	62	62	>40	50	✓
% of Town employees that have completed NIMS training	92%	90%	100%	92%	⚑
% of employees completing required training	N/A	75%	100%	75%	✗

Legend
✓ Met target within 2%
⚑ Missed target by <10%
✗ Missed target by >10%


Mission & Vision
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Run The Operations
Manage Resources
Develop Know How
Strengthen Citizen Engagement [9]
Conserve Cultural and Natural Resources [8]
Increase Citizen & Community Safety [16]
Enhance Economic Vibrancy [4]
Improve Connectivity, Walkability, and Public Spaces [6]
Enhance Emergency Preparedness [2]
Provide Responsive & Dependable Services [24]
Manage Projects Effectively [1]
Improve Communication & Collaboration [5]
Excel at Staff & Logistical Support [10]
[# of measures]
Develop a Skilled and Diverse Workforce [27]
Support Development of Citizen Volunteers [2]
Enhance Relations with Other Entities [1]
Invest in Infrastructure [12]
Develop Long-term Financial Plans [2]
Deliver Services Efficiently [18]
Promote Information Security [0]
Deliver Services Sustainably [0]
Maintain Fiscal Strength [7]

BALANCED SCORECARD – RATIONALE, OVERVIEW, & PROCESSES

What is the Balanced Scorecard?

A group of measures used to help implement an organization's strategy. It is a tool/system for the leaders to use in communicating to employees and the community the outcomes and performance drivers by which the organization will achieve its mission and strategic objectives.

Rationale and Benefits of the Balanced Scorecard

- *Clarifies and communicates organizational vision*. Translates your vision and strategy into a coherent set of measures, targets and initiatives that can be communicated throughout the organization and community by 1) more clearly describing the board's strategy by taking potentially vague policy directives (mission, vision, goals, and objectives) and making them easier to understand by defining them and choosing performance measures to gauge their progress; 2) sharing scorecard results throughout the organization and community gives employees and citizens the opportunity to discuss the assumptions underlying the strategy, learn from unexpected results, and deliberate on future modifications as necessary. Simply understanding an organization's strategy can unlock many organizational capacities, thus allowing employees and citizens, maybe for the first time, to know where the organization is headed and how they can contribute during the journey. The scorecard brings meaning and action to a vague objective like "provide superior service."
- *Better data for policy making*. The Balanced Scorecard promotes questions, dialogue, analysis, innovation, experimentation, adaptability, and accountability.
- *Helps let us know if we are getting closer or drifting further away from achieving our goals*.
- *Resource alignment and allocation*: 1) To successfully implement any strategy it must be understood and acted upon throughout all levels of the organization and ultimately be enacted during departments' day-to-day activities; 2) Establishing long-term "stretch targets" allows the organization to identify the key steps necessary to achieve its goals; and 3) Aligns resources (time, effort, and money) so the initiatives in all departments and levels share a common trait, their linkage to the town's strategic goals.
- *Strategic learning* – any strategy we pursue represents a hypothesis or your best guess of how to achieve success. To prove meaningful, the measures on the scorecards must link together to tell the story that describes what you are trying to achieve through your strategy.
- *Balance*: 1) between financial and non-financial indicators, 2) between internal and external constituents of the organization, and 3) between lag and lead indicators of performance (i.e., what we've done in the past and where we want to go in the future).

Improves likelihood of accomplishing key goals by not only helping to keep leadership, management, departments, and employees focused on top priorities, but also by improving communication between all interests thus making it easier to effectively troubleshoot and make logical "changes in course" that result in successfully delivering the type of services the community expects.

Using Strategy & the Balanced Scorecard to Get Results

Any strategy the town pursues represents a hypothesis or a best guess of how to achieve success. To prove meaningful, the measures on the scorecard must link together to tell the story of, or describe that strategy. For example, if the town believes that an investment in employee training will lead to improved quality, it needs to test the hypothesis through the measures appearing on the scorecard. If employee training does increase, but quality actually decreases, then it may <u>not</u> be a valid assumption. Instead, focus could turn to another possible factor, but more importantly, the town has information in which to act and make decisions. Strategy to achieve a desired outcome is often a new destination, somewhere the organization has not yet traveled to before. The Balanced Scorecard provides the town with a method to document and test assumptions inherent in the strategies it adopts. It may take considerable time to gather sufficient data to test such correlations, but simply beginning to question the assumptions underlying the strategy is a major improvement over making decisions based purely on financial numbers or subjective information.

A well-designed Balanced Scorecard should describe the town or department's strategy through the objectives and measures chosen. These measures should link together in a chain or cause-and-effect relationships from the performance drivers in the Develop Employees Perspective (Employee Learning and Growth) all the way through Serve the Community Perspective. Documenting our strategy through measurement, making the relationships between the measures so specific they can be monitored, managed, and validated. Only then can we begin learning about and successfully implementing our strategy.

Process Used to Develop the Balanced Scorecard

1. At the Jan. 22, 2007 Budgetary Goal-Setting Retreat, the board developed Vision and Mission Statements, Strategic Priorities, Perspectives, and Objectives for FY08.
2. The information from the Retreat was used to develop a Draft Strategy Map.
3. The town manager "wordsmithed" proposed definitions for each Focus Area and Objective, based on town board's discussions during the retreat.
4. Professor Bill Rivenbark from the UNC School of Government reviewed proposed initiatives, performance measures, and targets from the town departments. He also conducted a training session for the town's management team to assist them in making their first Balanced Scorecard submissions as part of the FY08 budget process.
5. Draft Strategy Map and Town-Wide Balanced Scorecard were distributed to departments.
6. Departments chose the Focus Areas and Objectives that they could influence and incorporated them into their own Strategy Map, Balanced Scorecard, and Action Plans.
7. Draft plans were reviewed with the town manager and necessary amendments were made.
8. Draft plans were presented to the town board at the March 26 Workshop for feedback, discussion, and guidance.
9. Balanced Scorecards were incorporated into the budget process as departments started work on preparing their FY08 budget and FY08-10 Financial Plan requests.
10. The first mid-year Balanced Scorecard/Town Performance Update occurred January 2008 and was reviewed during the board's FY09 Budgetary Planning Retreat.
11. The first annual Balanced Scorecard Report was presented August 2008.
12. With the development of the FY16 budget, departmental scorecards went through their eighth formal review and were updated as needed.

DEVELOPING DEPARTMENTAL STRATEGY

Departmental Balanced Scorecards

A good scorecard will do the following:

- Tell the story of the department's strategy.
- Shows that every objective selected is a linkage in the cause-and-effect relationships that compose the town's strategy.
- Drive performance by using a variety of measures and targets that look at short and long-term results to encourage proactive management.
- Involve the participation of division heads, key staff, and employees throughout the department.
- Is financially viable.
- Positively changes departmental behavior by developing strategic initiatives.

Step #1 – Town-Wide Objectives Selected to Build Scorecard & Map

Departments determine what they can do to support and respond to the town-wide strategy, Balanced Scorecard, and achieve the departmental mission. Departments select the objectives they can meet to help the town board in pursuing the achievement of the five Strategic Priorities, vision, and mission. The objectives selected from each of the four perspective areas are used to create the department's strategy map.

Step #2 – Developing Departmental Initiatives

These are the critical activities the department must pursue to achieve the town-wide objective and the department's mission.

- Initiatives detail what the department must do to achieve a town-wide objective or achieve the departmental mission.
- Initiatives identify the highest priority activities to show where resources are most needed to achieve the overall departmental strategy.
- Initiatives may apply to all divisions within a department or just one division.
- Initiatives describe how the department will responds to the town-wide objective.
- Initiatives are written so that divisions and employees can determine how they can respond to support the department's effort to achieve the objective and mission.

Step #3 – Developing Measures and Targets

Each departmental initiative does not have to have a measure, but there should be a way to evaluate the achievement of the initiative or whether it was accomplished. There are two goals for strategic measures: organizational motivation and strategic learning.

Organizational Motivation – Measures are a very effective tool in improving performance and/or accomplishing goals. A November 2001 article by Edwin Locke in Harvard Business Review titled "Motivation by Goal Setting" cites a survey of more than 500 studies, which indicates that performance increases an average of 16 percent in companies that establish targets. *A primary reason for this may be that measures give employees clear direction and guidance as to what they need to accomplish*. When employees focus their efforts on achieving key initiatives that are aligned with town-wide objectives and strategic priorities, then there is much greater probability that a well-coordinated effort is made in fulfilling the town's mission and the board's vision. The effort to clearly articulate the town's top priorities to assist employees compliments the old saying that "people do what you inspect, not what you expect."

Strategic Learning – Measures are a way to monitor departments' progress in achieving the town-wide objectives and their initiatives. Any strategy used to achieve initiatives, objectives, or strategic priorities represents a hypothesis of how to succeed. Strategy to achieve a desired outcome or solve a problem is often a new destination, a place that the town has not yet traveled to before. Measures and targets provide a way to test assumptions inherent in the strategies we select to pursue our goals. Documenting our strategy through measurement allows management, employees, elected officials, and the public to monitor, manage, validate, question, and/or deliberate possible adjustments to our strategy. If this can occur, then the town starts becoming a "learning organization" where being analytical, adaptive, and responsive to the hypotheses we've tested become keystones of the organizational culture that helps the town successfully implement its strategy.

Components of a good measure

- Measures should be specific. Stating that the Hillsborough Police Department will be the "best" police department or that the Billing & Collection Division will "maximize customer satisfaction" are more like vision statements and are difficult to measure.
- There are ways to measure less tangible goals. Surveys, if properly designed, can be used to measure the perception of service quality, awareness of issues, community satisfaction, etc.
- Does the measure really evaluate the initiative being pursued?
- Is the measure reliable?
- Is the measure easy to understand and explain?
- Are departments using a variety of measures in evaluating their initiatives (workload, results, efficiency, effectiveness, short-term v. long-term)?
- Does the measure clearly communicate the expected performance?
- It is important to know where you are and where you want to go. Ideally, departments should have a baseline measure for current performance in the form of last year's actual data, best practices or industry standards for comparison. When baselines do not yet exist a TBD (to be determined) is placed in the appropriate area to indicate the department is in the process of getting this data.

Guidelines for Setting Targets

1. Targets should be realistic, but challenging enough to motivate greater accomplishment.
2. Departments can be more aggressive when setting multi-year targets.
3. Provide a rational explanation as to why achieving a target is important, especially with stretch targets.
4. When setting a target departments should review the linkage (cause-and-effect relationship) of the "enabling" perspectives to make sure they have the ability to achieve the target, thus the following questions should be asked:
    - Do departmental personnel have the skills and tools necessary to get the job done?
    - Does the department have sufficient resources/funding?
    - Are internal operations adequate?

Stretch Targets – these are usually long-term or multi-year goals. Departments should only set one to two stretch targets per year. These are reserved for those initiatives that are critical in making a particular breakthrough. Stretch targets can be especially useful to help a department break from its comfort zone or traditional way of running operations to spark creative thinking and results-oriented problem-solving. Every department should have at least one stretch target.

BALANCED SCORECARD – STRATEGIC PRIORITIES

Quality of Life

The town is always searching for ways to add value to the community and individual citizen's lives by preserving Hillsborough's history and heritage (cultural, social, demographic, and economic); providing parks, recreation opportunities, sidewalks and greenways; improving transportation; making housing affordable for all citizens; protecting the environment; and supporting cultural activities and the arts.

Superior Services

Essential municipal services provided to the community should be a good value, customer-service focused, dependable, relevant (services that the community wants and needs), conducted in a professional, well-managed, and sustainable manner. The town will ensure that training opportunities are provided to employees, elected and appointed officials, and volunteers to create an environment of continual growth, learning, and a willingness to implement innovative strategies, technologies, processes, and approaches that result in more efficient and effective service provision to the citizens of Hillsborough.

Community Safety

Hillsborough will be the safest small town in the country. Citizens will feel safe wherever they may be in town, when driving or riding bikes on the streets, strolling on sidewalks, while playing in parks, safe from the threat of fire, and when drinking a glass of water. The Police Department will focus on crime prevention, enforcement, and convictions (when appropriate). Citizens will feel confident that when emergencies arise the town will be prepared to respond in a quick and effective manner.

Growth Management

Plan and manage growth in a manner that yields development which maintains Hillsborough's small-town character and improves the quality of life for citizens. The town will use forward-thinking planning to create policies, processes, requirements, and plans that address land use, transportation, environmental protection, recreation, public safety, financial, and other critical issues will be used to ensure new development enhances rather than detracts from the community. All new development, especially in areas requesting annexation, should clearly contribute to the financial sustainability of the town. Encourage and plan for economic development to promote sustainability, support current businesses, bring new businesses to town, stimulate economic prosperity through quality job creation, and serve as a catalyst for growth and development.

BALANCED SCORECARD – PERSPECTIVES

The "balanced" portion of the scorecard uses four perspectives to answer critical service delivery questions. This helps provide the balance organizations need to successfully plan, implement, measure, and evaluate performance.

Community Perspective:

Serve the Community – What is our mission and vision? What do our customers want?

Managers must know if the town is meeting citizen needs. They must determine the answer to the question: Is the organization delivering the services the community wants?

Internal Business Perspective:

Run the Operations - What internal processes must we excel at to provide valuable services to the community while achieving the mission and vision?

Managers need to focus on those critical operations that enable them to satisfy citizens. Managers must answer the question: Can the organization improve upon a service by changing the way a service is delivered?

Financial Perspective:

Manage Resources – How do we deliver quality services efficiently and remain financially sound while achieving the mission and vision?

Managers must focus on how to meet service needs in an efficient manner. They must answer the question: Is the service delivered at a good price?

Learning & Growth Perspective:

Develop Know-How – What skills, tools, and organizational climate do our employees need to meet the community's needs while achieving the mission and vision?

An organization's ability to improve and meet citizen demands ties directly to the employees' ability to meet those demands. Managers must answer the question: Is the organization providing employees with the training, technology, and proper work environment to enable them to succeed and continuously improve?

BALANCED SCORECARD – OBJECTIVES BY PERSPECTIVE

Serve the Community

What do our citizens want? What must be done to implement the vision and mission?

- ***Strengthen Citizen Engagement*** – Improve the quality and frequency of communication to enhance public access to information about town services, meetings, key issues, and emergency situations. Provide a variety of ways for citizens to meaningfully share ideas, concerns, and questions with Town officials.

- ***Conserve Cultural & Natural Resources*** – Protect the environment, historic district, landmarks, and intangible assets such as community and cultural events that bring Hillsborough's diverse citizenry together. Ensure that these resources are protected, conserved, celebrated and resilient to changing environmental conditions.

- ***Increase Citizen & Community Safety*** – Accomplish this by building relationships and problem-solving partnerships with citizens, businesses, and neighborhood watch groups and using policing strategies that target specific types of crimes and "hotspot areas." Increasing police presence, having police officers and town officials be accessible and approachable, improving community appearance, addressing nuisance conditions and approaching community safety across multiple departments will make Hillsborough a safer town.

- ***Enhance Economic Vibrancy*** – Achieve via diverse economic development, support of locally owned businesses, and promoting Hillsborough as a place to work, live, and play.

- ***Improve Connectivity, Walkability & Public Spaces*** – Provide recreation and pedestrian facilities to encourage healthy lifestyles, citizen interaction, and to offer a variety of transportation choices that link Hillsborough's neighborhoods together in an accessible manner.

Run the Operations

What internal processes must we excel to provide valuable services while achieving the vision and mission?

- ***Enhance Emergency Preparedness*** – Improve the ability to effectively anticipate and respond to emergency situations, from minor incidents to major disasters, through planning, training, collaboration with public and private agencies, and community education.

- ***Improve Communication & Collaboration*** – Increase the quality and frequency of communications throughout all areas of the organization to promote problem-solving partnerships within and outside of the organization. Good communication enables the vision to be implemented.

- ***Excel at Staff & Logistical Support*** – Ensure outstanding internal support is being provided to all departments, employees, elected officials, advisory board members, and volunteers that deliver services or directly serve the community. Use technology, where practical, to improve service delivery and save taxpayer dollars.

- ***Provide Responsive & Dependable Services*** – Provide quality services to citizens in a courteous, responsive, and reliable manner that is effective in achieving desired results. Excel at the technical aspects of providing services to the community.

- ***Manage Projects Effectively*** – Ensure projects are well planned, include contingency plans for reasonably anticipated complications, stay on course, meet goals, and come in on or under budget.

Manage Resources

How do we deliver quality services efficiently and remain financially sound while achieving the vision and mission?

- ***Maintain Fiscal Strength*** – Support fiscal policies and controls that keep the Town government in a financially strong position, thereby allowing it to respond to unforeseen problems, emergencies, as well as opportunities. Continually look for opportunities to diversify revenue sources and leverage outside funding opportunities.

- ***Invest in Infrastructure*** – Prioritize funding for infrastructure maintenance to avoid excessive deterioration while minimizing long-term operational and capital costs. New infrastructure investments help achieve key priorities and optimize the use of current assets.

- ***Develop Long-Term Financial Plans*** – Build upon current financial planning instruments to provide a longer-term view of what Hillsborough's finances and operations may look like in the future. These plans are intended to identify potential challenges, opportunities, and proactive response options.

- ***Deliver Services Efficiently*** – Ensure citizens are receiving a good value from their investments by delivering cost efficient services. Maximize the use of public funds through service optimization, innovation, process improvement, competition, and other means.

- ***Promote Information Security*** – Establish policies and procedures to protect the confidentiality, integrity and accessibility of the town's digital information. Ensure compliance with applicable data protection laws, regulations and standards. As the data security environment rapidly evolves, anticipate and prepare for emerging cybersecurity threats.

- ***Deliver Services Sustainably*** – Be a leader in setting policies and providing services that promote environmental sustainability. Transition from fossil fuel-powered operations to 100 percent clean/renewable energy by 2050 and 80 percent by 2030 to build a more resilient community, promote environmentally sustainable economy and protect our local community and Earth for current and future generations.

Develop Know-How

What skills, tools, and organizational climate do our employees, elected officials and advisory board members need to meet the community's needs while achieving the mission and vision?

- ***Develop a Skilled & Diverse Workforce*** – Create a work environment that allows the Town to hire and retain a diverse workforce of skilled employees who are capable of meeting the community's needs. Focus on career development and succession planning.

- ***Support Development of Citizen Volunteers*** – Provide opportunities for volunteers to develop the technical and leadership skills that enable them to achieve the community's needs and understand the role of the advisory boards in town government.

- ***Enhance Relations with Other Entities*** – Build relationships with others involved in the governing process, including governmental organizations, non-profits, and the private sector.

BALANCED SCORECARD – KEY DEFINITIONS & COMPONENTS

Mission: Why we exist.

Core Values: What we believe in, guiding principles.

Vision: Word picture of the future.

Focus areas: Themes on which the organization will concentrate efforts, dedicate resources, and strive to achieve significant improvements. The focus areas reflect what the town's Board of Commissioners believe must be done to succeed.

Perspectives: The four different views that are used to create a "balanced" way of establishing objectives and measurements to assist the organization in accomplishing the vision and strategic priorities. The traditional four perspectives used in corporate strategic planning and program evaluation are 1) Financial, 2) Internal Business Process, 3) Community, and 4) Innovation, Learning, & Growth. While the names and definitions of these perspectives are frequently modified to meet different organization's specific needs, the original intent of these four traditional perspectives usually remains intact.

Objective: A concise statement describing the specific things the organization must do well in order to execute its strategy. Objectives often begin with action verbs such as "increase," "reduce," "improve," "achieve," and similar words. Examples: Reduce Crime, Enhance Customer Service, Maintain Adequate Water Pressure, Promote Learning & Growth, Invest in Infrastructure, Deliver Competitive Services, Maintain Fiscal Strength, Maintain a Skilled & Diverse Workforce, Create Unity Between Neighborhoods, Provide Affordable Services, Protect the Environment, Enhance Walkability, etc.

Measure: A standard used to evaluate and communicate performance against desired results. Reporting and monitoring measures help organizations gauge progress toward effective implementation of strategy. Example: Percentage of water customers with an average pressure of 30 PSI or greater.

Target: The desired result of a measure that communicates the expected level of performance. Example: 98% of customers will have average water pressure of 30 PSI or greater. A "stretch target" is a challenging target that may not be met. It may be a multi-year goal with milestones.

Initiative: The specific programs, activities, projects, or actions the town will undertake to meet performance targets. This is generally a one-time activity that goes away once you do it. Examples: A) Install Maple Avenue water main connector to increase pressure in the western pressure zone, and B) Develop and implement Water Booster Pump Cost Sharing Policy for service connections with pressure below 30 PSI.

Cascading: The process of developing "aligned" scorecards throughout an organization. Each level of the organization will develop scorecards based on the objectives and measures it can influence from the group to which they report. For example, Police Patrol aligns/connects with the Police Department, who aligns/connects with the town-wide scorecard by developing their own objectives and measures based on how they influence the town-wide objectives and measures.

Cause & Effect: The concept of cause and effect separates the Balanced Scorecard from other performance management systems. The measures on a scorecard should link together in a series of cause-and-effect relationships to tell the organization's strategic story.

Strategy Map

Vision for Hillsborough

We envision Hillsborough as a prosperous town, filled with vitality, fostering a strong sense of community, which celebrates its unique heritage and small-town character.

Mission of Town Government

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.

STRATEGIC OBJECTIVES

Serve the Community

Strengthen Citizen Engagement	Conserve Cultural and Natural Resources	Increase Citizen and Community Safety	Enhance Economic Vibrancy	Improve Connectivity, Walkability and Public Spaces

Run the Operations

Enhance Emergency Preparedness	Provide Responsive and Dependable Services	Manage Projects Effectively	Improve Communication and Collaboration	Excel at Staff and Logistical Support

Manage Resources

Maintain Fiscal Strength	Invest in Infrastructure	Develop Long-Term Financial Plans	Deliver Services Efficiently	Promote Information Security	Deliver Services Sustainably

Develop Know-How

Develop a Skilled and Diverse Workforce	Support Development of Citizen Volunteers	Enhance Relations with Other Entities

Town Board Strategic Priorities

Quality of Life

Superior Services

Community Safety

Growth Management

We Value

Equity & fairness

High quality services and high quality customer service

Hillsborough's small town nature and sense of community

Serving as a catalyst for change

Sustaining Hillsborough's unique "sense of place" including its history, architecture, citizens, river, and mountains

Maintaining and celebrating our community's diversity

Inclusion of all neighborhoods and areas of our town—Hillsborough is for everyone

Affordability — keeping the cost of services and living within reach of people who live and work here

Vibrancy — fostering a "Happening Hillsborough" that is alive, growing, and filled with positive energy.

TOP DEPARTMENTAL PRIORITIES – BACKGROUND

What are Top Departmental Priorities?

The town's top departmental priorities represent the top one or two priorities that each department identifies to tackle in a fiscal year. In the inaugural year, the Board of Commissioners identified its top 3 town priorities. In subsequent years, only departmental priorities are identified.

Rationale and Benefits of Identifying Top Priorities

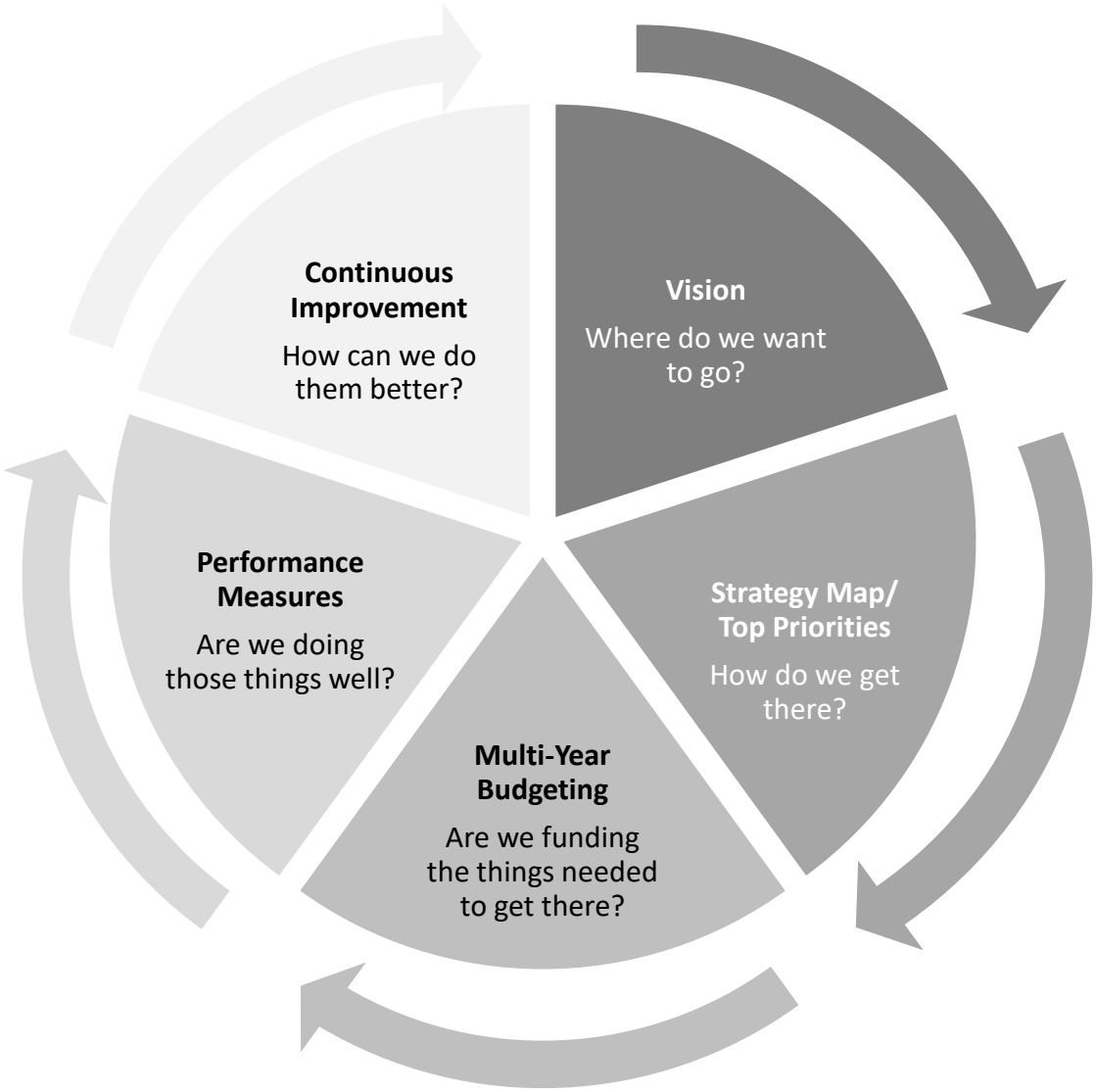
This prioritization system was implemented to ensure that the town maintains the levels of services that Hillsborough citizens expect and to reduce the chance that distractions derail its efforts toward our priorities. This is the town's attempt to refine its focus and answer the question, "If every other area of our operations remained at its current level of performance, what is the one area where change would have the greatest impact." Multiple areas within an individual department's operations may need attention, but teams only have the capacity to focus on the top one or two priorities at a given time given the energy it takes to sustain the day-to-day operations.

Some of the benefits listed below overlap with those identified for the balanced scorecard.

- *Improves focus*. While departments will always face the day-to-day crises, the town can improve the likelihood on moving the needle on top goals by defining the plan for achieving it and limiting the number of goals chosen.
- *Better data for policy making*. Top Departmental Priorities promote questions, dialogue, adaptability, and accountability.
- *Helps let us know if we are getting closer or drifting further away from achieving our top goals*.
- *Resource alignment and allocation*: departments identify budget requests that align with their top priorities.
- *Improves likelihood of accomplishing key goals* by not only helping to keep leadership, management, departments, and employees focused on top priorities, but also by improving communication between all interests thus making it easier to effectively troubleshoot and make logical "changes in course" that result in successfully delivering the type of services the community expects.

Process Used to Develop Top Departmental Priorities

1. Department directors work with employees to map out the departments' top priorities for the fiscal year, identifying the components and sequence necessary to achieve the priority. While there are many details involved in executing the plan, the top priority document focuses on the critical steps.
2. Departments perform a pre-mortem analysis, evaluating the potential threats most likely to impede the department from achieving its priority and developing strategies to mitigate those threats. To do this, departments envision a future in which the department was unable to achieve the top priority within the identified timeframe. Departments then brainstorm what went wrong and what derailed the team from achieving success. Departments then evaluate the severity of impact if the threat occurs, the likelihood that the threat will occur, and level of control over the threat. The top threats identified are those that would have a severe impact, are likely to happen, and of which the department has control.
3. Departments also identify all the resources that are needed to achieve success. Resources may include additional personnel, equipment, software, time etc. For each resource request, the department indicates whether the request has been funded in the budget.
4. Departments submit top departmental priority maps to the Board of Commissioners for feedback.
5. Departments provide an update at the end of the fiscal year with accomplishments, challenges and next steps.


Continuous Improvement
How can we do them better?
Vision
Where do we want to go?
Strategy Map/ Top Priorities
How do we get there?
Multi-Year Budgeting
Are we funding the things needed to get there?
Performance Measures
Are we doing those things well?

Administration

FY2018-2019

Top Administration Priority

Develop a Skilled and Diverse Workforce

The Administration Department's FY19 top priority addresses the board's strategic objective of developing a skilled and diverse workforce. It builds upon initiatives that began with the department's FY17 top priority. Four components will be fulfilled in FY19. A renewed focus will be placed on diversity and inclusion and succession planning, current learning initiatives will be expanded, and the second leadership academy will be offered.

Diversity and Inclusion

HR Director and HR Analyst, Fall 2018

- Strategic recruitment
  - Job fairs, targeted visits, job ads, etc.
- Positions
  - Internships (including minority schools), apprenticeships (such as work first), and overhires
- Policy—recruitment and overhires
- Branding
  - Work with PIO and hiring departments to create coordinated town recruitment message and materials

Succession Planning

HR Director and HR Analyst, Spring 2019

- Workforce analysis
  - Identify key positions and potential retirees
- Gap analysis/tools
  - Evaluate positions, people and skills and develop tools, such as overhires, to address future needs
- Internal assets/selection process
  - Recruitment policy and employee development plans
- Opportunities to restructure
  - Evaluate evolving trends and other organizations

Employee Learning and Development

HR Director, Safety Officer, and HR Analyst

- Safety
  - Expand safety orientation, required safety training by position, and general employee safety training
- Intro/101
  - Offer refresher training for employees and supervisors and general employee development opportunities and add topics identified in annual program evaluation
- Advanced/201
  - Offer general employee development opportunities and add topics identified in annual program evaluation

Hillsborough University: Leadership Academy

HR Director

- Offer quarterly development program for prior graduates (July—December)
- Offer second bi-annual leadership academy (January—June)
- Incorporate additional content, such as 360 Evaluation—Leadership Practices Inventory (LPI), team-building, professional development projects, and a mentor program

Top Threats

- Large time commitment— HR: delay lower priority initiatives; employees: offer a variety of scheduling options and lunch
- Maintaining momentum/sustainability/consistency — create an annual training calendar and focus on enhancing it each year
- Meeting organizational/departmental/employee needs — conduct annual program evaluation

Resources Requested in Budget

- New position—administrative support specialist, provides administrative support for human resources, town clerk, and safety operational areas (Y1)
- Hillsborough University operational line item, includes training supplies and snacks/lunch (Y1, Y2, and Y3)

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

Human Resources staff attended one job fair and one elementary school career exploration event. Staff utilized additional advertising sources, including Indeed.com, which may account for increases to the number of applications received by approximately 300%.

The trainee designation was utilized in recruitment for police officer, equipment operator, and water plant operator. Trainees were hired in each of these positions.

In addition, the town implemented a $15 minimum wage, effective July 8, 2019, and was re-certified as an Orange County Living Wage Employer.

The human resources director completed the IPMA-HR 2019 Spring Workforce and Succession Planning Course.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

As anticipated, the large time commitment on the part of human resources staff was unsustainable when a vacancy occurred in January 2018. In addition, two other organizational initiatives became priorities that took precedence over the previously established top departmental priority. In the first half of the fiscal year, the human resources director dedicated approximately 10% of her time to the ERP project, which was eventually put on hold. In January, the management team identified the performance management program as a focus area for applying LEAN principles. The human resources director worked on developing and implementing a revised performance management policy, including a common July 1 evaluation date for all employees and an updated evaluation form and procedures that went into effect in July 2019.

WHAT'S NEXT:

Do you have any remaining steps or actions?

Now that the vacancy and new position are filled and new staff has been trained, there should be adequate resources to make additional progress on the departmental top priority. Momentum will need to be regained with the learning and development program, and a renewed focus will need to be directed to diversity and inclusion. Succession planning is in the initial phase of development and progress will be made over the coming months.

ADMINISTRATION – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Strengthen Citizen Engagement	Enhance public access to information about town services, meetings, key issues, and opportunities to provide feedback to town officials FY19 Action Steps • Public and internal promotional campaign of information methods • Shorter meeting summary videos • Infographics and videos on development and public hearing processes	"Town efforts to keep you informed about local issues" – % of Citizen Survey respondents who feel "Satisfied" or "Very Satisfied"	72%	N/A Biennial Survey	75%	66%	Biennial Survey U.S. Average Benchmark – 43%
		Conduct biennial survey to measure citizen satisfaction on a variety of key town services	"Overall quality of services provided by the town" – % of Citizen Survey respondents who feel "Satisfied" or "Very Satisfied"	82%	N/A Biennial Survey	85%	86%	Biennial Survey U.S. Average Benchmark – 48%
Run the Operations	Improve Communication & Collaboration	Engage with employees on the town's strategy map and departmental balanced scorecard FY19 Action Steps • 10% of employee evaluation scores are based on individual goals linked to the town's strategic objectives	"The town's strategy map and my department's balanced scorecard have been shared with me" – Average rating of Employee Survey respondents	7.53	N/A Biennial Survey	8.00	N/A Delayed	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
Manage Resources	Maintain Financial Strength	Develop a fiscally responsible annual budget & 3-year financial plan, and 7-year capital improvement plan	"Overall value received for your local taxes and fees" – % of Citizen Survey respondents who feel "Satisfied" or "Very Satisfied"	51%	N/A Biennial Survey	55%	53%	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree U.S. Average Benchmark – 37%
			Unassigned fund balance as a % of total annual expenditures	53%	48%	≥ 33%	TBD	Policy to maintain between 20-60%, with target of 33%.
	Deliver Services Efficiently	Replace equipment according to replacement schedule	% of computers & servers less than 5 years old	100%	C – 99.2% S –100%	100%	TBD	If replacement was ordered prior to 7/1, it was considered replaced.
"Develop Know-How	Develop a Skilled & Diverse Workforce	Maintain an educated dedicated, productive, and diverse workforce FY19 Action Steps • Administration Department top priority Writing workshop	Town Turnover Rate: *Police* *Non-Police*	12.2% *13.1%* *11.7%*	17.3% 19.5% 16.2%	<10.0% *<15.0%* *<7.0%*	11.7% *16.0%* *9.8%*	National average for state and local gov't, excluding education: 2018 – 20.0%
			Average length of service (years)	8.9	8.1	>10	7.87	
			# of employee appeals and grievances per 100 FTE	3.07	0.99	<2	1.90	

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
			"The town is a 'great' place to work" – Average rating of Employee Survey respondents	8.69	N/A Biennial Survey	8.75	N/A Delayed	Biennial Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			Workforce Diversity *Gender and/or Race* *Gender* *Race*	35% 27% 13%	34% 26% 14%	>45% *>30%* *>25%*	39% *30%* *14%*	
			Minorities in Management / Supervisory Roles *Gender* *Race*	19% 10%	23% 11%	>30% >15%	30% 10%	
			% of vacancies filled by internal promotions/ transfers	27%	19%	>33%	33%	
			% of vacancies filled by Leadership Academy graduates	N/A	10%	>20	0%	FY18 – New Measure
			% of employees completing required training	N/A	75%	100%	75%	FY18 – New Measure
			% of positions that have had a salary review in the last 3 years	100%	100%	100%	100%	
	Support Development of Citizen Volunteers	Focus on recruitment and retention of citizen volunteers	% of "town zones" represented via volunteers	N/A	N/A	N/A	N/A	 "Under Construction"
			% of volunteers who are satisfied with the volunteer experience	N/A	N/A	N/A	N/A	 "Under Construction"

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

Regarding actions steps planned for enhancing public access to information, the Public Information Office changed its priority from a public and internal promotional campaign of communication methods to providing information explaining water and sewer services. It met all goals for this, including:

- Creating videos on FY19 water and sewer rates, the reservoir expansion, and backflow prevention.
- Overhauling the online FAQs on water and sewer rates with the addition of charts showing comparisons between Hillsborough and other systems and with additional resource materials, such as explanations on the cost of water and sewer service, efforts to provide rates relief, a history of the reservoir, an evaluation of partnering with another system, and the effect of debt management, pump stations and the Falls Lake Rules.
- Promoting the Water Assistance Program, with quarterly promotions in the citizens newsletter and on social media and a news release prior to the holidays.
- Promoting water and sewer services monthly via social media.

Human Resources

- In FY19, employees added goals to their performance evaluations and linked them to the strategic objectives on the town strategy map for the second year. All new employees were required to complete new employee orientation where the strategy map and balanced scorecard were discussed. This approach should improve employee engagement on the town's strategy map and departmental balanced scorecard and tie individual performance to organizational performance goals.
- Employees submitted 1.90 appeals and grievances per 100 FTE. This is below the target of two. Employees and supervisors utilized alternative approaches to work through and resolve problems outside of formal procedures.
- All positions have been reviewed in the last three years. In FY19, staff completed a market analysis for all positions and recommended classification and pay adjustments, effective July 8, 2019. In addition, the town implemented a $15 minimum wage, effective July 8, 2019, for all regular positions. This will enable the town to remain a competitive employer in a job market with very low unemployment rates.
- 33% of all vacancies were filled by internal promotions/transfers. Excluding police officers, which are rarely filled internally, the percentage increases to 37%. No vacancies were filled by Hillsborough University Leadership Academy graduates.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Regarding action steps planned for enhancing public access to information, it was decided to end the meeting summary videos due to amount of time involved and low viewership. The project to create infographics and videos on development and the public hearing process also was not started due to lack of time and due to the priority in explaining water and sewer services. Regarding the action step to offer a writing workshop for staff development, there was lack of time on the public information officer's part and the development program was scaled down due to human resources staffing.

Human Resources

- Turnover was lower this year but still exceeded the target of below 10%. Approximately half of total turnover was voluntary for both police and non-police employees. Less than half of the voluntary turnover was related to employees leaving town employment for other jobs in the immediate area. The remaining turnover was related to retirements, relocations, and involuntary resignations and terminations. Overall, turnover rates were below the national average of 20% for state and local governments, excluding education. The top priority of succession planning will be an important strategy in reducing and preparing for future turnover. In addition, efforts to increase diversity and inclusion should help to reduce this rate.
- The average length of service is 7.87 years and has dropped due to the higher turnover in FY18. This is below the target of greater than 10 years.
- Overall workforce diversity increased by 5%. Females in the workforce increased by 4% while employees of a minority race stayed the same. Within the management team and supervisory roles, the percentage of females increased while racial diversity decreased slightly. These measures are still below the established targets.
- One hundred percent of employees have not completed required training. Internal training was put on hold due to a vacancy in human resources. Limited staff resources did not allow for the continuation of internal learning and development opportunities in FY19.

Accounting

FY2018-2019

Top Accounting Priority

Review and Revise Processes and Procedures

The top priority for the accounting division this year is to review and revise all processes and procedures to align with best practices, revise the chart of accounts, implement ERP software, and efficiently organize the workplace.

Review of all Processes and Procedures

- Work within planning and implementation project teams to:
  - Develop processes and procedures that are in line with best practices.
  - Determine how to implement the new processes and procedures.
- Determine how to ensure and maintain compliance with the new processes and procedures.

Revise the Chart of Accounts

- Develop a new chart of accounts to provide more meaningful reporting and analysis. Determine reporting structure by identifying:
  - Departments and Divisions
  - Programs and projects
  - Funding sources
- Determine all revenue, expense, asset and liability codes required.
- Define account segments.
- Create a map linking old and new accounts.

Implement ERP Software

- Change Management— Provide training regarding new processes and procedures and emphasize why it is important and beneficial to migrate to an ERP system.
- Data Migration.
- Technology & Knowledge Transfer—Training staff to use the new software.
- Software Testing.
- Go Live (July 1, 2019).

Workplace Organization

- Implement the 5S methodology for workplace organization:
  - Sort
  - Set in order
  - Shine/Sweeping
  - Standardize
  - Sustain

Top Threats

- Threat 1 — Difficulty implementing organization-wide change (Provide reasons for and benefits gained by changing the process.)
- Threat 2 — Implementation challenges—technology, unforeseen issues, staff training and staff time spent on the project. (Diligent planning, careful vendor selection and possible need for temporary employees to assist with the workload.)
- Threat 3 — The second law of Thermodynamics—everything in our universe, when left to itself, tends toward more and more disorder. The most difficult aspect of the 5S methodology is the sustain step. (The workplace will be reviewed on a monthly basis by a different staff member every month and a compliance report shared at the monthly staff meeting.)

Resources Requested in Budget

- Purchase an ERP system (Unfunded)
- Temporary staffing (Unfunded)

ACCOUNTING – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

The Financial Services Department moved to the new Town Hall Annex September 2018. The entire department used the 5S Methodology for workplace organization during the moving process and have continued to maintain workplace organization.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

Three out of the four top priorities were developed to prepare for the implementation of new ERP software. During FY19, this project was put on hold and was included in the capital improvement plan for FY22 implementation.

WHAT'S NEXT:

Do you have any remaining steps or actions?

The department does not have any remaining steps or actions.

ACCOUNTING – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Run the Operations	Provide Responsive and Dependable Services	Ensure appropriate cash control	Conduct bi-monthly audit of cash drawers	0%	100%	100%	33%	Ensures operating cash is secure and errors are identified early. This goal was not met due to being short staffed for over half the fiscal year.
	Excel at Staff & Logistical Support	Update financials in a timely manner	% of monthly closings completed no later than 10 business days after month end	N/A	100%	100%	60%	FY18 – New Measure Ensures ledger is up-to-date to help manage workflow. This goal was not met due to being short staffed for over half the fiscal year.
		Produce timely financial statements	Distribute financial statements by the 15th of each month	100%	100%	100%	100%	Assist management team/supervisors to monitor budget expenditures.
Manage Resources	Maintain Financial Strength	Maintain liquidity and cash flow in order to meet short-term obligations	Quick Ratio: Governmental Activities Water/Sewer Fund	 4.11 3.45	 4.79 3.63	 >4.52 >3.50	 3.09 4.28	A high ratio suggests a government can meet its short-term obligations. Targets are the average of benchmark cities: Cherryville, Oxford, King, Roxboro & Mebane).
		Maintain service flexibility by determining the amount of total expenses committed to annual debt service.	Debt Service Ratio: Governmental Activities Water and Sewer Fund	 0.13 0.26	 0.10 0.23	 <0.17 <0.20	 0.13 0.31	Formula: Annual debt service divided by total expenses Targets are the average of benchmark cities
		Measures the extent to which total assets are financed with long-term debt	Debt-to-Assets Ratio: Water and Sewer Fund	 0.32	 0.29	 <0.32	 0.36	Total liabilities as a percentage of total assets and deferred outflows of resources.
		Present timely and accurate CAFR	Submit CAFR to the Local Government Commission within 4 months of yr end	N	N	Y	N	Two out of the three auditors working on the audit resigned which caused a substantial delay in submitting the audit.
Develop Know-How	Develop a Skilled & Diverse Workforce	Provide on-going classes on existing software, computer usage, writing and supervisory workshops to ensure best practices and promote growth	% of employees that have attended at least one class, workshop, seminar or conference within the fiscal year	100%	100%	100%	33%	Ongoing encouragement is provided to all employees to obtain professional education. This goal was not met due to being short staffed for over half the fiscal year.

ACCOUNTING – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

Two targets were met in FY19 – producing timely financial statements and the quick ratio for the Water and Sewer fund. Timely financial statements provide financial information to department heads and supervisors, and a high quick ratio demonstrates the fund's ability to meet short-term obligations. These goals will continue to be achieved by providing financial statements before the 15th of the month and maintaining high water and sewer revenue collection rates while minimizing costs.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)

The Accounting Division was fully staffed for two months in FY19, and during those two months, 40% of the staff consisted of new hires in training. Due to this challenge, the division did not meet the targets related to cash controls, updating the financials and attending training. The department is now fully staffed, and a plan is in place to meet these goals for FY20.

The governmental activities did not meet the quick ratio goal due to the refunding of an overpayment in property tax.

The CAFR was submitted late due to a turnover in staff at the accounting firm.

Planning

FY2018-2019

Top Planning Priority

Update development review processes to improve effectiveness and efficiency

The town implemented a Technical Review Committee in 2008 to improve the review of detailed construction drawings. The process has remained largely unchanged since implementation. Since the process allows multiple looks at the same plans, applicants and committee members are not being diligent in reviews and the total review time is becoming excessive and exhausting for staff and applicants.

Institute more formal review process and consistent deadlines for TRC-reviewed plans

- Review applications for full completeness and stop reviewing incomplete/partial submittals.
- Hold firmly to the submittal deadline.
- Insist on clarity from applicants on the desired review process – site plan or construction drawing or combination.

Invite TRC members and applicants to discuss the process and look for improvements

- Create a checklist for construction drawings.
- Review site plan checklist to ensure the right items are required.
- Discuss whether a second monthly meeting could be scheduled for the review of resubmittals only.

Evaluate 6 subsections of Unified Development Ordinance to address vagueness and consistency

- Block out time on calendar to focus on the following sections in detail: permitted uses, buffers, lighting, signs, steep slopes, and tree protection.
- Work with Planning Board, Board of Adjustment, and attorney to prepare needed text amendments for the April and July public hearings.

Assign more resources to plan review and construction site monitoring

- Have sufficient staff resources so that each development project has two reviewing planners.
- Conduct construction site monitoring visits prior to Certificate of Occupancy inspections to build rapport with builders and ensure sites comply with approval conditions.

Top Threats

- Overwhelming work volume/pace. If the phone calls are any indication, staff expects increased non-residential activity in the coming year. The need for additional staff is reaching a critical juncture.
- Distractions with special projects or studies. Staff will continue to resist work on special projects unless more staff resources are available.
- Tangential but critical projects are likely to start this year – absorbing any slack in the director's schedule. This includes North Campus construction and coordinating with NCDOT on TIP project. This will limit the ability to influence task 3 and 4 above without additional staff resources.

Resources Requested in Budget

- Additional Planner position (unfunded): This is modified from last year's request to clarify the work needed in the first 3-5 years.

PLANNING – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

We completed updates to three of the six priority sections. Updates to signage are not comprehensive. There was a vague ruling by the Supreme Court related to signage a few years ago. On the advice of the town attorney, we are waiting for additional guidance to clarify the court's ruling before making significant updates to the sign chapter.

We have been "holding the line" so to speak on deadlines and that has helped minimize frustration with reviewing incomplete applications.

We have been able to bring more staff into the plan review process. On larger projects, either the planner or planning technician are reviewing different components to assist the senior planner and to become comfortable with the process.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

The workload of construction projects requiring review by the Technical Review Committee was too heavy to allow us to feel comfortable to test out alternatives or ask members to attend additional meetings. In discussing alternatives, larger shifts and changes that might be more successful were suggested and staff is evaluating the potential impacts and advisability of those changes. This task has been rolled over to FY20.

WHAT'S NEXT:

Do you have any remaining steps or actions?

While not completed in the fiscal year, staff have significant re-writes to the buffers, lighting, and tree protections in preparation. These sections should be completed within FY20, although not formally in the top priorities for FY20.

We will continue and expand involving multiple staff in plan reviews.

PLANNING – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Strengthen Citizen Engagement	Encourage participation by a wide cross-section of area residents on advisory boards	% of neighborhoods with representation on at least one of the 3 standing advisory boards (Planning Board, Board of Adjustment & Historic District Commission)	57%	73%	80%	67%	"Neighborhoods" based on the 15 parks districts that cover the city limits & ETJ. # of neighborhoods has increased and # of boards tracked has decreased.
	Enhance Economic Vibrancy	Monitor economic diversity of town by maintaining statistics on housing costs and incomes	Average reported construction cost of new single-family dwelling Average tax assessed value of all dwellings in town	$182,485 N/A	$163,000 $227,748	$150,720 N/A	$145,778 $218,918	Construction values are impacted by dwelling type. The value calculation is more precise this year due to data availability.
Run the Operations	Provide Responsive & Dependable Services	Provide timely response to complaints and violations	% of violations brought into voluntary compliance within 60 days	73%	85%	85%	77%	Measures the effectiveness of the first notice sent to property owners. This year's caseload included significantly more zoning violations (work done without permits), which take longer to resolve as those in violation have longer to respond than in nuisance cases.
Develop Know-How	Develop a Skilled and Diverse Workforce	Promote professional development through certification	% of planners certified by the American Institute of Certified Planners	66%	66%	100%	100%	This national certification requires experienced planners to pass an exam and pursue continuing education.

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

Planner Justin Snyder achieved his American Institute of Certified Planners designation this year by passing the exam on his first attempt. There are minimal experience requirements before a planner can take the test. This is the first time since there was more than one full-time staff in the Planning Department that all staff designated as "planners" had achieved the American Institute of Certified Planners (AICP) designation. The designation is on-going so long as planners maintain required continuing education that is reported every two years. The town's support for training, enrollment fees and professional dues all contributed to Justin's success.

The cost of new residential construction and per unit assessed value were both lower than recent years. This was not due to a specific town policy to increase affordability, but the town's willingness to approve more attached housing (townhomes) did contribute to this decrease. Townhomes are generally less expensive to build because of the shared walls. This helps bring the units to market at a lower price point. Additionally, Habitat for Humanity is constructing its senior neighborhood and their price points are lower.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Diversity in volunteer residency can be stable or dynamic in any year. This year was a fairly stable year with few new appointees to the Planning Board, Board of Adjustment, and Historic District Commission. The town has a long history of re-appointing volunteers, so in some years there are very few opportunities to increase diversity by appointing new people. Our applicant pool remains strong and the policy now allows us to consider geographic diversity in appointments, so I expect this percentage to rebound next year when more seats are open for new appointments.

Code enforcement for nuisance situations (overgrown yards, junk cars, etc.) are generally complaint-driven. The town received 24 actionable (verified violations) complaints this year and 21 were resolved within the 60-day mitigation period. This was above the target.

Zoning violations can be complaint based or staff initiated. We like to operate on a complaint basis to not appear to target any person or neighborhood, but we do initiate action on problematic violations like work without permits and signs. We had 20 actionable situations this year, which is higher than normal. Thirteen of those were able to be resolved within the mitigation window. This is below the target. The ordinance mandates a 30-day response window rather than the 10-day window that is more common for nuisances. This can impact the effectiveness of our notices as human nature is to procrastinate.

Staff considers response to the nuisance complaints a priority and is more concerned with the response to those being timely as they are always complaint driven and impact quality of life.

Public Space

FY2018-2019

Top Public Space Priority

Refine Division Processes and Operations

The Public Space Division is still a relatively new division in the Town of Hillsborough. The main focus in the year ahead will be to refine processes and operations within the division in order to increase efficiency and effectiveness. The key focus areas for improving productivity will be personnel, project management, plan implementation, and processes (the Four P's).

Personnel

- Public space manager— manage projects and oversee division initiatives, plan and develop public spaces and parks, provide technical review and staff advisory boards.
- Parks and Facilities Repair Coordinator — identify maintenance issues and oversee repairs, including contract labor for maintenance at town facilities and parks.
- Senior Administrative Support Specialist (part-time) — provide support for Public Space Division.

Project Management

- CMAQ Sidewalk Connections Project
- Town Barn and Annex Renovations
- Public Works Facility
- NCDOT projects - Orange Grove Road & Churton Street
- Connectivity/Park projects
  - Latimer Boardwalk — design/build
  - Exchange Park — acquisition and development

Plan Implementation

- Kings Highway Park Master Plan improvements
- Turnip Patch Park Master Plan improvements
- Murray Street Park Master Plan improvements
- Old Town Cemetery and Town Cemetery repairs
- Master Plan development
  - Cates Creek Park

Processes

- Work order tracking
- Job duties clarification
  - Public Space and Planning
  - Public Works and Cemetery
- Office organization
- File storage

Top Threats

- Lack of time
- Lack of organization/communication
- Lack of funding

Resources Requested in Budget

- Parks and Facilities Repair Coordinator
- Work order software and tablets
- Strategic implementation of master plan recommendations and routine maintenance of parks and facilities

PUBLIC SPACE – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

Project Management and Plan Implementation, both listed as top priorities in FY19, were accomplished successfully. All town parks and cemeteries now have adopted master plans that will help guide funding and project priorities in the years to come. The West Hillsborough Sidewalk Connections Project was completed successfully and well within the designated budget. Town Barn and Annex renovations were completed with improvements to the plans made along the way. Both sites are occupied and functioning as needed. We continue to work with North Carolina Department of Transportation (NCDOT) on the South Churton Street widening and alternatives to Orange Grove Road extension. These are both multi-year projects that require ongoing communication and coordination with funding partners and the public. Responsibilities for the public space manager and administrative support specialist continue to be clarified and developed as needs arise and as town goals change. Processes and personnel, also listed as top priorities, are much more organized now with the additional office space and better filing systems that were implemented after Utilities Administration moved to the Town Hall Annex. We have also successfully developed and implemented a shared excel spreadsheet for tracking work orders between public space and public works.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

We continue to struggle with facility maintenance and oversight in general. Each year it is more apparent that the town needs a facility coordinator. Facility Management is still decentralized across departments and is tasked to employees who may not have specific training in facility management.

WHAT'S NEXT:

Do you have any remaining steps or actions?

Public Space will continue to lobby for a facility coordinator position to alleviate issues that arise due to facilities and vendors being managed by many different employees and departments. There is much room for improvement as centralized management of facilities will lead to more efficiency and more constant routine maintenance. This position will also be necessary as we embark on climate action planning regarding building efficiency and retrofits.

PUBLIC SPACE– BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Strengthen Citizen Engagement	Encourage participation by a wide cross-section of area residents on advisory boards	% of neighborhoods with representation on at least one of the 3 standing advisory boards (Parks & Rec Board, Tree Board & Cemetery Committee)	64%	57%	75%	64%	"Neighborhoods" are based on the 14 parks districts that cover the town limits and ETJ.
	Increase Citizen and Community Safety	Conduct biennial survey to measure citizen satisfaction on a variety of key town services	"How safe do you feel on Riverwalk and in town parks"	84%	N/A Biennial Survey	80%	90%	Community Survey Percent of respondents who feel 'safe' or 'very safe'
	Improve Connectivity, Walkability and Public Spaces	Monitor sidewalk connections throughout town and assess the feasibility of additional connections	% of high priority sidewalks that have been constructed	N/A	5.2%	20%	9.7%	FY18 – New measure High priority sidewalks are defined in the Connectivity Plan.
		Citizen survey to measure citizen satisfaction on a variety of key town services	"How satisfied are you with availability of greenways and trails?"	86%	N/A Biennial Survey	80%	87%	Community Survey Percent of respondents who are 'satisfied' or 'very satisfied'
			"How satisfied are you with availability of parks?"	87%	N/A Biennial Survey	80%	89%	Community Survey Percent of respondents who are 'satisfied' or 'very satisfied'
			"How satisfied are you with condition of parks?"	86%	N/A Biennial Survey	80%	88%	Community Survey Percent of respondents who are 'satisfied' or 'very satisfied'
			"How satisfied are you with condition of greenways?"	84%	N/A Biennial Survey	80%	88%	Community Survey Percent of respondents who are 'satisfied' or 'very satisfied'
	Manage Projects Effectively	Monitor Construction Projects	% of construction projects completed within 10% of budgeted cost	N/A	100%	80%	100%	This compares contract cost with final costs.

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

All major construction projects were delivered within 10% of budgeted costs. Most were delivered under budget and on time even with improvements made. The plumbing leak at the Town Hall Annex caused the schedule to be extended but repairs were made quickly, and the building was occupied in a reasonable amount of time.

The Churton Street Access Improvements Project and West Hillsborough Sidewalk Connections Project added key connections to our sidewalk network and greatly improved accessibility in our central commercial areas. The target for FY19 of 20% of high priority sidewalk constructed was unreasonable. These types of projects span multiple fiscal years and are dependent on outside funding. We usually know a year or more in advance what public sidewalk projects are scheduled, and we have no control of which private sites develop. We will continue to work with private developers and North Carolina Department of Transportation (NCDOT) to make sure that high priority sidewalks are included in development projects and in the Transportation Improvement Program (TIP).

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

We continue to work to recruit volunteers to advisory boards that represent the various neighborhoods in town. The Cemetery Committee was put on hiatus in FY19, which caused the percentage of neighborhoods represented to drop. There were few appointments to the Parks and Recreation Board or Tree Board in FY19. However, there will be a large turnover on the Parks and Recreation Board in FY20 due to multiple terms ending. We hope to recruit volunteers from neighborhoods not yet represented.

Safety & Wellness

SAFETY & WELLNESS – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Strengthen Citizen Engagement	Improve responsiveness to claims made by citizens	% of citizen claims processed within 1 business day	100%	100%	100%	100%	FY18 – Reduced from 5 business days to 1
Run the Operations	Improve Communication & Collaboration	Conduct annual health fair to provide employees with resources to improve health and wellbeing	% of employees attending annual Health Fair	70%	57% (estimate)	75%	N/A	No health fair in FY19
	Excel at Staff & Logistical Support	Process incident documentation received from departments in a timely manner.	% of Workers' Compensation and Property & Liability claims processed w/in 1 business day	100%	100%	100%	100%	Incident reviews typically handled within 1-day of receipt from dept.
		Perform safety inspections of all town-owned facilities (9) to ensure compliance with OSHA standards	% of parks inspected monthly	100%	100%	100%	100%	Public Works staff trained
			% of park facilities brought into compliance w/in 30 days	100%	100%	100%	100%	Any non-compliant play feature is repaired immediately or removed from service.
			% of town facilities inspected monthly	100%	100%	100%	100%	FY18 – reduced from annually to monthly
			% of town facilities brought into compliance with applicable safety guidelines and procedures w/in 30 days	100%	100%	100%	100%	FY18 – Reduced from 60 to 30 days
		Encourage health risk assessments for all employees.	% of employees who completed health risk assessments	96%	98%	100%	98%	
Manage Resources	Deliver Services Efficiently	Minimize impact of Workers' Compensation claims	% of workforce that have lost work days due to work-related injuries	N/A	0.94%	0%	TBD	Will update when data is available
		Develop policies and procedures to assist in lowering Property and General Liability Insurance premiums	Town's Experience Modifiers: *Workers Compensation* *Property Liability*	*1.02* *0.74*	*1.02* *0.75*	*<0.90* *<0.75*	*0.98* *0.78*	Experience modifiers used by NCLM to determine town's risk and premiums. Modifier is capped at 1.25 (riskiest). Range: 0.75 – 1.25
		Control cost and limit unnecessary expenditures in town's operations due to preventable accidents	Total costs of at fault accidents per FTE	$63	$60	<$50	TBD	Will update when data is available
			# of Worker's Compensation claims per 100 FTE	3	2	<2	2	
			# of OSHA recordable injuries: Town Total *General Government* *Public Safety* *Public Works* *Water/Sewer*	3 0 3 0 0	2 0 2 0 0	0 0 0 0 0	2 1 1 0 0	Calendar year
			# of preventable vehicular accidents per 100,000 miles driven	2.4	1.54	<2	TBD	Will update when data is available
Develop Know-How	Develop a Skilled and Diverse Workforce	Provide annual employee safety and health training	% of workforce that have completed mandatory safety training	N/A	40%	100%	TBD	FY18 – New Measure Enhanced training program w/mandatory requirements
			% of employees attending at least one "wellness" education program annually	N/A	N/A	75%	19%	
			% of employees who have received AED/CPR Training	68%	68%	95%	67%	(calendar year)

SAFETY & WELLNESS – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

All parks and town facilities were inspected monthly via site visits, with 100% of park facilities brought into compliance within 30 days and 100% of town facilities brought into compliance with safety guidelines within 30 days.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

There were a few measures that the Safety & Wellness division did not meet:

- The town did not have a health fair in FY19 due to being short staffed. The annual health fair was resumed in FY20, with an estimated 47% of employees attending.
- Safety & Wellness did not meet its target for the percentage of employees attending at least one "wellness" education program annually. The town held two lunch and learn events in FY19, with 19% of employees attending.
- Did not meet the target of 100% of workforce that have completed mandatory safety training, with only 40% meeting mandatory requirements.

Police

FY2018-2019

Police Department

Build "Policing at its Best" Culture

Our top priority is to build a "Policing at its Best" culture to support the vision we have for Hillsborough Police. We will do this through focusing on our ***People***, improving and challenging our ***Processes***, ensuring that our ***Product*** (serving and protecting our community) is the best it can be, and by making a ***Positive*** difference in our community.

People

- Recruit and hire the best employees.
- Provide top-quality training to our employees—develop more instructors.
- Set up regular communication and surveying of personnel so they have a voice in the future.
- Set up a system of feedback and coaching/mentoring at all levels.
- Develop and mentor supervisors.
- Continue emphasis on fitness— establish fitness standard and explore healthy innovations.

Processes

- Review and update all general orders.
- Use lean concepts to examine our current processes and make improvements.
- Set up a system of training and reinforcement of critical policies and procedures.
- Pursue additional training to better use PowerDMS.
- Clean up internal drives and get rid of old/redundant forms.

Product

- Focus on constant internal review based on improvement.
- Improve how we track what we do:
  - Revise monthly reporting
  - Consistent focus on crime/clearance numbers
- Seek community feedback.
- Develop after-action peer-review system of significant incidents.
- Place emphasis on problem solving and community service.

Positivity

- Work with our community groups to find new ways to connect and replace the "community watch" concept.
- Continue our social media presence and continue to push out positive stories and information.
- Incorporate positive community interactions into both recognition and evaluation systems.
- Find ways for employees to build social comradery and interact outside of work.

Top Threats

- Threat 1 — Staffing
- Threat 2 — Getting all personnel on the same page
- Threat 3 — Technology needs and gaps

Resources Requested in Budget

POLICE – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

- Recruited and hired several employees who are anticipated to be valuable additions.
- Developed and got 4 new instructors certified.
- Established a feedback system through Guardian tracking that has been well received.
- Continued emphasis on fitness. The entire department passed the Police Officer Physical Abilities Test (POPAT).
- Increased focus on internal reviews and established a new tracking process
- Continued to push out a positive social media presence.
- Incorporated positive community interactions into our recognition and feedback system.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

- Staffing has continued to be a challenge. We had significant middle-management turnover, which caused us to refocus our priority on filling those vacancies.
- We have several things in progress such as revising the General Orders (GOs) and monthly reporting; increasing our emphasis on community problem solving; finding ways to better use PowerDMS; cleaning up our internal drives; and creating a development and mentoring system for supervisors. These items in progress simply have had to be shuffled due to other priorities and are not yet complete.
- Changes in the financial management system have also contributed to our incomplete achievement of the top priority. New systems and regulations around purchasing have drained a significant amount of our staff time and made it more difficult to do purchasing, requiring more time and attention, which takes away from other priorities.

WHAT'S NEXT:

Do you have any remaining steps or actions?

We are continuing to work on the incomplete items as they are all still important to our future. As we are starting to prepare for the FY21 budget process, we will be looking at these items and our FY20 top priority to see what needs to be carried over.

POLICE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Strengthen Citizen Engagement	Consistently interact with Neighborhood Watch groups	Average number of weekly social media posts	N/A	N/A	2	13	
		Treat all citizens with dignity and respect and treat every interaction as an opportunity to leave a positive impression	Complaints against officers as a % of calls for service	0.17%	0.13%	<1%	0.12%	
			"Overall quality of police protection"	87%	N/A Biennial Survey	>75%	91%	Community Survey % of Citizen Survey Respondents who feel "Satisfied" or "Very Satisfied" Benchmark – 68%
	Increase Citizen and Community Safety	Utilize high visibility and proactive patrols, thorough follow up investigations and partnerships to reduce crimes against persons and property	"How safe you feel in Hillsborough overall"	88%	N/A Biennial Survey	>75%	92%	Community Survey % of Citizen Survey Respondents who feel "Safe" or "Very Safe"
			% of patrol shifts with at least 1 downtown foot patrol	33%	N/A	75%	85%	Measure not reported in FY18
			Part I violent crimes per 1,000 population	5.6	3.7	<5	4.2	Replaces the total Part I crimes used previously to provide better information.
			Part I property crimes – excluding large retail shoplifting - per 1,000 population	44.9	35.4	<50	31.9	Factors out impact of big-box theft (i.e. Walmart)
Run the Operations	Provide Responsive & Dependable Services	Utilize a comprehensive approach for reviewing and investigating all Part I and II crimes to improve clearance rates	Clearance rate for Part I offenses – Violent Crimes	82%	75%	>65%	57%	Department has reevaluated how cleared cases are reported and have better aligned our procedures with national standards.
			Clearance rate for Part I offenses – Property Crimes	46%	52%	>30%	53%	
		Monitor police activity to ensure officers have adequate time to focus on activities beyond responding to dispatched calls	Ratio of self-initiated activities to dispatched calls for service	N/A	1.54:1	>1:1	1.88:1	FY18 – New measure
Develop Know-How	Develop a Skilled and Diverse Workforce	Provide continuous training in different areas and strive to make every day a training day	Average # of training hours per officer beyond mandated state minimums	62	62	>40	50	State minimum is 24 training hours.
			% of patrol shifts in which officers do roll-call or other squad level training	87%	N/A	90%	94%	Measure not reported in FY18
		Encourage officers to enhance their professional skills	% of HPD sworn officers to have attained at least an Intermediate Law Enforcement Certificate	72%	65%	>70%	62%	

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

As a department, our crimes per 1,000 population numbers were within our targets for both violent crime and for property crime (excluding big-box theft). In addition, our clearance rates for property crimes also exceeded our target. Overall, we feel this shows we are having an impact on crime through our proactive efforts, and we are working to solve the crimes that do happen. Another area that we feel is connected is our ratio of self-initiated calls to dispatched calls. We exceeded our target here, meaning that our officers had more activities that they generated – typically proactive activities – than activities where they were simply responding to something that already happened.

Our social media efforts have been a huge success. We have significantly exceeded our target, and we have received positive feedback from the community about our efforts.

What we consider a "complaint" is very broad, and even so, our target for complaints against officers as a percentage of calls for service is another target that we continue to exceed. We feel that overall satisfaction with our services is high and this speaks to the quality of the officers we have and the positive efforts they make.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

While we are still in line with national averages, our clearance numbers for violent crimes did not meet our target. We have had some turnover in our investigations staff, which could have contributed to this. We also have several cases in which a perpetrator has been identified but issued warrants have not been served yet, so they are still open. Typically, these numbers will continue to improve as time progresses.

We did not meet our target of the percentage of staff who have at least an Intermediate Law Enforcement Certificate. This is largely driven by staff turnover and the number of new officers we have hired. The Intermediate Certificate requires a certain amount of service time before an officer becomes eligible for it. As our new officers continue to develop, they will become eligible for this certificate.

Fire Marshal & Emergency Mgmt.

FIRE MARSHAL & EMERGENCY MGMT. – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Results
Serve the Community	Increase Citizen & Community Safety	Ensure that occupancies are in compliance with the NC Fire Prevention Code	% of annual inspections completed	100%	100%	100%	100%	32 due each year.
			% of biennial inspections completed	87%	90%	100%	100%	10 due each year.
			% of triennial inspections completed	95%	74%	100%	88%	110 due each year.
		Increase the inspection frequency of occupancies on the biannual and triennial schedules to reduce need for re-inspections	% of inspections for occupancies conducted on a more frequent basis	0%	0%	5%	2%	Eliminate problem facilities in a timelier fashion.
			% of inspections requiring a re-inspection	12%	14%	<20%	15%	
		Provide fire prevention education within the town's jurisdiction Action Steps • Teach fire prevention class to 4th graders • Conduct Disaster Preparedness Fair and/or TV event • Continue posting on Fire Marshal's Office Facebook	# of fires started by juveniles	0	1	0	0	
			# of persons injured or killed by fire	0	0	0	0	The Fire Marshal Facebook page was taken down due to the frequency of post requirements in the Social Media Policy
		Investigate suspicious fires within the Town's jurisdiction	# of accidental fires investigated	10	5	On Demand Basis	12	
			# of fires due to or suspected of arson investigated	3	3	On Demand Basis	2	
Run the Operations	Enhance Emergency Preparedness	Ensure the authorized operators launch Everbridge practice calls quarterly	% of quarterly calls launched by operators	5%	<10%	100%	100%	Merged with OC Alerts, fewer operators required.
Develop Know-How	Develop a Skilled and Diverse Workforce	Ensure town employees trained to meet National Incident Mgmt. System (NIMS) requirements	% of employees that have completed NIMS training	92%	90%	100%	92%	
		Attend training to stay current and maintain certifications Action Steps • Attend Fire & Life Safety Conference bi-annually • Attend Arson Investigators School annually	# of hours of continuing education attended annually	12 hrs.	6 hrs.	12 hrs.	18 hrs.	Not required for Fire & Life Safety Educator Certification.

FIRE MARSHAL & EMERGENCY MGMT. – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

- The Fire Marshal & Emergency Management Office mastered the Hanndy invoicing system for collecting fire inspections, permits and plan review fees. This was a new process that began halfway through FY18.
- We transitioned to the county's new permitting system.
- We completed all acceptance tests and final inspections for any new construction or systems installations in a timely manner.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

- This year, we once again were unable to meet the state mandated inspection schedule for occupancies in the triennial frequency categories. The 8 hour per week part-time fire inspector did not work out.
- FY20 budget request for 16 hours a week for a part-time fire inspector was approved.
- Increased commercial and residential development has kept staff busy trying to keep up with the application, review and approval process. It is our policy to review and approve or deny plans submitted within five work days. This includes special event plans, site plans, building construction plans, fire alarm, sprinkler, fire suppression systems, tank installations for flammable and combustible liquids and other hazardous chemicals.
- The Fire Marshal Facebook page was taken down due to requirements on posting frequency in the Social Media Policy.

Public Works

FY2018-2019

Top Public Works Priority

Prepare for Anticipated Growth

As Hillsborough grows in the upcoming years it will be necessary to strategize how the Public Works Department will be able to provide consistent services as the demand increases. The impact on collection routes, equipment needs, staffing levels, and facilities will need to be analyzed.

Prepare for Anticipated Growth

- Construct Public Works Facility (completed in FY19/20)
  - Advertise the Request For Proposals to select a building contractor
  - Begin permitting process
  - Begin construction of new facility

#1 Continued

- Equipment
  - Purchase equipment as needed to maintain reliable solid waste operations
- New garbage truck may be needed in FY19/20 depending upon new housing construction rates. When approximately 500 units are built, a route optimization plan will be conducted to indicate when the purchase of a new garbage truck will become necessary.

Personnel/Staffing

- Invest in staff training:
  - Attend ITRE (Institute for Transportation Research and Education) classes, with training focusing on road maintenance. Staff will increase their knowledge of street maintenance, drainage maintenance, snow and ice removal, work zone safety, and other Public Works related topics.
  - Heavy equipment training.
- Evaluate separate staffing for solid waste and street divisions in two to three years.

Top Threats

- Threat 1 — Funding for Public Works Facility
- Threat 2 — Funding for personnel expansion
- Threat 3 — Rate of solid waste service increase due to residential housing development
- Threat 4 — Time spent on service requests and complaints

Resources Requested in Budget

- Public Works Facility
- Personnel expansion
- Garbage truck

PUBLIC WORKS – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

The Public Works Department invested in staff training by attending ITRE classes and providing the opportunity for staff to learn how to operate heavy equipment used in Public Works. The town purchased a replacement backhoe to perform work for the streets and the stormwater operations.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

Funding was not available to construct a new Public Works facility so alternatives are being explored that have a reduced cost. A new garbage truck will not be needed in FY20 due to slow development, but a replacement truck is due to be purchased in FY21.

WHAT'S NEXT:

Do you have any remaining steps or actions?

Continue to monitor growth to plan for future expansion of services and to continue staff training.

Fleet Maintenance

FLEET MAINTENANCE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Run the Operations	Excel at Staff & Logistical Support	Manage an efficient and effective preventative maintenance program	% of services performed on schedule (within 250 miles of when it is due)	94%	96%	95%	96%	Fuel records used to send reminders that service is due.
		Minimize the percentage of vehicles requiring follow-up repair	% of vehicles returning for same repair within 30 days	N/A	3%	5%	2%	FY18 – New Measure
	Enhance Emergency Preparedness	Monitor vehicles and equipment used during weather emergencies.	% of inclement weather – related equipment and vehicles experiencing failure	N/A	25%	25%	27%	FY18 – New Measure Equipment availability is vital for department success.
Manage Resources	Deliver Services Efficiently	Determine replacement of vehicles and equipment replacement by using a rating system, with 1 being new and 12 being excessively worn.	% of vehicles and equipment rated: 1 to 9 10 to 12	N/A N/A	N/A N/A	>85% <15%	N/A N/A	FY18 – Front-line vehicles and equipment only 1 – 6: Low priority 7 – 9: Medium priority 10 – 12: High priority Have not been able to update replacement schedule.
		Monitor the amount of vehicles and equipment for which mechanics are responsible	Equipment to Mechanic Ratio	N/A	63 to 1	60 to 1	63 to 1	FY18 – New Measure

FLEET MAINTENANCE – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

The Fleet Maintenance Department met the goals of percentage of services performed on schedule and the percentage of vehicles returning for the same repair within 30 days. The percentage of services goal is important for the department to be able to maximize the usefulness of our equipment. Regular, on-time service is the most important way of making a vehicle's engine last. This is accomplished by using the mileage data from our fueling service and entering the data into our fleet management software. We exceeded our target for the measure that monitors what we refer to as "comebacks" (when a vehicle comes back for the same repair or when an issue is not fixed correctly the first time). This helps keep the mechanics from getting behind and helps us turn around repairs faster.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Fleet Maintenance did not meet the goal of percentage of inclement-weather related equipment experiencing failure. The goal was 25% and our actual was 27%. That rating is more than acceptable considering that it is nearly impossible to accurately predict mechanical failures. The department already maintains every system on the town's inclement weather vehicles prior to the season, so the department does not see a need to change our approach to seasonal preparedness.

The department did not achieve its goal of 60 pieces of equipment to each mechanic. We are currently at 63. The fleet maintenance supervisor has done research on industry standards for this measure. There are many things to consider, such as how many heavy-duty trucks, trash trucks, and police vehicles are in the fleet, and how long the organization retains their vehicles. Research will continue to be done for a formula that works for the town. In the meantime, the department is doing well in terms of the current fleet size and the number of fleet mechanics.

Streets

STREETS & POWELL BILL – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Expand Recreation, Walkability, & Connectivity	Maintain/repair current sidewalks for public safety	% of sidewalks rated in good or better condition	98%	99%	99%	99%	Summer interns completed assessment
Run the Operations	Provide Responsive & Dependable Services	Utility cuts are repaired on a consistent basis	% of utility cuts repaired within four weeks	20%	30%	50%	90%	Staffing level increase improved scheduling of repairs
Manage Resources	Invest in Infrastructure	Provide annual street resurfacing per plan	% of lane miles resurfaced	5%	7%	5%	2.5%	A 5% resurfacing target translates to streets being resurfaced on a 20-year cycle
		Provide annual street resurfacing per plan	% of streets rated in good or better condition	95%	98%	92%	98%	Improved street conditions due to increase in resurfacing
Develop Know-How	Develop a Skilled and Diverse Workforce	Invest in Employee Training to Increase Skill and Experience	% of department promoted above Equipment Operator I	17%	17%	25%	29%	Requires equipment proficiency and completion of Roads Scholar Program

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

All targets were met except the percentage of lane miles resurfaced. Meeting or exceeding targets is indicative of the efforts of Public Works staff to provide excellent customer service. Fleet maintenance also plays a role in public works service delivery by keeping equipment operating so schedules are met. To continue success, attending the ITRE Roads Scholar classes will enable staff to increase their skills and knowledge to be promoted above the Equipment Operator I level.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

The percentage of lane miles resurfaced did not reach the 5% target this year. This is because road conditions have steadily improved and Hillsborough's streets are in good condition or better. Next fiscal year, Public Works will investigate other methods besides resurfacing that will prolong the life of the streets. Funding may present challenges due to the unexpected road repair that is needed on Valley Forge Road, and it may be necessary to divert funds from resurfacing.

Solid Waste

SOLID WASTE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Run the Operations	Provide Responsive & Dependable Services	Complete work orders in a timely manner	% of work orders completed within 2 business days	95%	96%	90%	94%	
		Ensure that residential refuse collection routes are serviced on a consistent basis	% of garbage routes completed on scheduled day	100%	100%	100%	100%	Does not include delays due to inclement weather
			% of brush routes completed on scheduled day	99%	99%	95%	99%	
Manage Resources	Deliver Services Efficiently	Emphasize route productivity for residential refuse collection	Costs per collection point	$280	$200	<$275	$186	
		Seek out sources to compost leaves and minimize trips to the landfill	% of leaves composted via delivery to farms and other sources	100%	100%	100%	100%	

SOLID WASTE – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

All scorecard targets were met. Customer service is a high priority for the department, which translates into work being completed on schedule. By using the equipment replacement schedule to replace older equipment, trucks do not need repairs as frequently, so equipment stays in service.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Future challenges will be due to expansion of services as new developments are built in Hillsborough. Collection routes were modified to plan for future growth.

Economic Development

ECONOMIC DEVELOPMENT – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Increase Citizen and Community Safety	Improve and enforce special event permit ordinances and policies to make public events more safe and enjoyable for visitors and residents	% of public events that provide porta potties, handwashing stations, and/or first aid tents.	N/A	91.7%	80%	N/A	Did not track for a portion of the year
			# of special event permits issued	N/A	40	25	36	Number of Special Event Permits issued expected to increase as town and tourism program grows
	Enhance Economic Vibrancy	Make it easier to start, expand, and relocate a business in Hillsborough	% of business inquiries to start/expand/relocate responded to within 1 business day	N/A	94.7%	95%	96.3%	1 of 27 inquiries was not returned the same business day
			# of businesses that start/expand/relocate in Hillsborough	N/A	16	20	10	
		Actively attract and recruit businesses that will fill gaps in the current market and create diversity in our market as it grows	# of businesses that come to Hillsborough as a result of active recruitment	N/A	1	3	0	
Develop Know-How	Develop a Skilled & Diverse Workforce	Stay up-to-date on current economic development trends, area forecasts, and case studies	# of economic development-related workshops, courses, or trainings attended each year	N/A	1	3	1	
	Enhance Relations with Other Entities	Represent the town's economic development interests locally and regionally	# of local and regional economic development meetings and boards attended	N/A	24	15	11	

ECONOMIC DEVELOPMENT – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

Special Event permitting remained strong for FY19, which is important because our event organizers are likely getting used to the process of obtaining a permit as well as considering items such as ticketing, parking, restrooms, handwashing, and other public safety concerns at events.

Business inquiries were returned at a faster rate, but the number of business inquiries was down overall as were the number of new businesses that ended up opening/expanding/relocating in town. These 10 businesses included Fork in the Roof, Carolina Hemp Hut, Volume, Hillsborough Pediatric Dentistry, House at Gatewood, Indycare (Hillsborough Pharmacy expansion), Parlour on King Street, Nugget Comfort, Los Altos Restaurant and Yonder Southern Cocktails. Part of this may be due to the large success in FY18, leaving vacant space scarcer. Additionally, there are several tenant upfits that are under construction and due to open during FY20. These businesses are occupying space and meeting with town staff but those are not captured in FY19.

Active recruitment efforts did not see any lasting results and were impacted by key staff being unavailable for part of the fiscal year.

This is the second year that Economic Development has had scorecard measures and it may be beneficial to revisit whether these measures are indicative of accomplishments and/or challenges or if they are simply data that informs the climate of the current fiscal year and decision making for the next fiscal year.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Number of businesses opening/expanding/relocating was down as well as number of regional meetings attended and staff trainings. Some of this is due to key staff being unavailable for part of the fiscal year and some of this may be indicative of a slowdown or holding pattern in the market.

Utilities

FY2018-2019

Top Water & Sewer Dept. Priority

Keep Total Nitrogen Discharge as low as possible

Total Nitrogen is the most critical factor determining when the Wastewater Plant will have to begin the Phase 2 Upgrade, which will be a significantly expensive project. Since we are still paying for the Phase 1 project (until FY34), delaying the next upgrade will enable us to avoid steep rate increases, and spread the cost to more customers through system growth. This priority will be a multi-year effort (beginning FY18).

Key Focus Area # 1—WWTP Treatment Optimization

- Continually optimize nitrogen removal at WWTP
  - FY18—Complete reaeration project to allow Nitrogen removal at the de-Nitrification filters. (completed)
  - FY18—Add additional Nitrate probe to head of de-Nitrification filters. Begin optimizing filters performance. (in progress)
  - FY20—Complete Holistic Masterplan to determine best course of action (i.e. Phase 2 Upgrade alternatives.).

Key Focus Area # 2—WTP Waste Disposal

- Minimize filter waste (backwash) to the extent possible.
- Keep sludge storage levels at ponds below overflow outlets, to minimize sludge sent to WWTP.
  - Have ponds cleaned out before they exceed manageable levels
- Promote customer water conservation to reduce water production and customer discharge to WWTP.

Key Focus Area # 3—Collection System Optimization

- Reduce Inflow/Infiltration
  - Frequent inspections—TV, smoke, etc.
  - Clean at least 10% of system annually
- Utilize Vactor truck at least 300 hours annually.
- Develop priority list of manholes and pipes to be relined or replaced annually.

Key Focus Area # 4—Distribution System Water Loss

- Quick response to water system leaks, to minimize waste.
- Minimize water needed for flushing hydrants
  - Reduces production load on WTP, in turn reducing waste produced.

Top Threats

- WW Collections—personnel shortage— we are currently understaffed for the work that is being expected out of the department and need additional staff to be pro-active and obtain the goals in focus area #3.
- WW Collections—TV inspection Equipment—we will need to keep our TV inspection equipment up-to-date, and have requested replacement system in FY19.
- WTP—Promoting water conservation reduces sales revenues. As we add customers, conservation will eventually be needed, but the point that it should be stressed is difficult to determine.
- Reduced flushing could cause issues in distribution system.

Resources Requested in Budget

- WTP—Alum Sludge Removal (annual request).
- WW Collection—Sewer I/I Repair & Rehab (annual request).
- WW Collection—CIP request for significant rehab/repair project (every 5 years or so, likely next will be in FY22).
- WW Collections—Create hydraulic model of system to effectively prioritize list for repairs/replacements.
- WW Collections—Replace TV Inspection system to provide more detail of sewer system more efficiently (FY19).
- WWTP—Add additional automation/control.

UTILITIES – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

Utilities solicited a consultant to perform the collection system hydraulic modeling project. This model will help identify areas of the sewer system that have hydraulic deficiencies due to dry weather capacity and wet weather capacity. The wet weather capacity results will indicate areas of inflow and infiltration into the sewer system. Subsequent plans to address these areas can then be developed. Staff has continued to perform televising, smoking and dye testing on the collection system to identify and correct areas of inflow. Pump station runtimes are the driver for where to focus these field efforts. The new sewer televising rig was procured.

Quotes were also obtained for cleaning out the alum ponds, but the work could not be completed in FY19. At the Water Treatment Plant, the filter runtimes were increased from 72 hours to 90 hours, which allowed backwashing the filters to be reduced, saving unaccounted for water. On flushing, staff experimented with reducing the number of hydrants flushed. Lastly, staff is excellent in identifying leaks and repairing them promptly. Often for a large main break, the water treatment plant staff notice it on the SCADA system due to a tank level drop and alert the distribution crew to the general area where they can find it and initiate repair. This is excellent coordination between utilities divisions in this area.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

The experiment with the hydrant flushing did not result in a reduction of water use, however staff time was slightly reduced. As a benefit, we learned more about how water travels through the system.

WHAT'S NEXT:

Do you have any remaining steps or actions?

Await the results of the sewer modeling effort to identify potential problem areas. Perform actual flow monitoring in the system to calibrate the model and then prepare capital projects to rehabilitate or replace pipes to reduce inflow and infiltration. More televising of the mains will also be part of this effort.

Administration of Enterprise

ADMINISTRATION OF ENTERPRISE – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Run the Operations	Provide Responsive & Dependable Services	Respond to citizen requests in a timely manner	% of work orders completed within 48 hours	60% (est.)	100%	100%	100%	Measure assesses Water Distribution & Wastewater Collection
		Utilize the citizen survey approval ratings to improve customer satisfaction	"Overall quality of water and sewer services"	70%	N/A Biennial Survey	70%	72%	Community Survey Percent of respondents who were either "satisfied" or "very satisfied" U.S. Average Benchmark – 64%
			Satisfaction with what you are charged for water and sewer services	37%	N/A Biennial Survey	37%	38%	Community Survey Percent of respondents who were either "satisfied" or "very satisfied"
	Improve Communication & Collaboration	Utilize the Employee Survey results by increasing awareness and communication with employees	"Management listens to employee ideas" – Average rating of Employee Survey respondents	7.35	N/A Biennial Survey	7.35	N/A Delayed	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"Information and knowledge are shared with employees" – Average rating of Employee Survey respondents	7.88	N/A Biennial Survey	7.88	N/A Delayed	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
			"Communication is encouraged between departments" – Average rating of Employee Survey respondents	6.82	N/A Biennial Survey	6.82	N/A Delayed	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
Manage Resources	Develop Long-Term Financial Planning	Maintain or retained earnings >25% of total annual expenditures	Retained earnings as % of total annual expenditures	70%	66% (est.)	>33%	TBD	Target Range: 20-60%
Develop Know-How	Develop a Skilled & Diverse Workforce	Provide ongoing training opportunities	"I receive the training I need to do my job well" – Average rating of Employee Survey respondents	8.47	N/A Biennial Survey	8.47	N/A Delayed	Bi-Annual Survey 10 point rating scale: 1 = strongly disagree 10 = strongly agree
		Encourage professional development	% of employees that have obtained higher, or additional certifications, or have reached the maximum certification level for their department	60%	77%	75%	73%	Most employees have the highest level in their field and opportunities for further certifications are limited and time restricted

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

The Utilities Department strives to respond to customer service calls in a timely manner. For a small town such as Hillsborough, we can respond quickly to customers.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

The department fell just short of meeting our goal of 75% of employees obtaining a new certification or having a higher certification. We are trying to time school attendance and higher certifications appropriately, so this measure is probably becoming more difficult to meet each year as most employees have higher certifications already and we cannot send several employees to schools at one time. Schools and certification exams are only offered two to three times per year.

The employee survey results are not available yet.

Billing & Collections

FY2018-2019

Top Billing & Collections Priority

Convert to a New Utility Billing Software

The Billing & Collection division's FY19 top priority is to successfully convert to new utility billing software, and transition customer service from a third party vendor back to the Billing & Collections staff. Staff is also prioritizing making the workplace more efficient.

Key Focus Area #1— Utility Billing Software Conversion

- The system Go Live date is July 1, 2018.
- Maintain internal and external communication regarding software issues, especially within the first month after Go Life.
- Plan for short-term and long-term training for staff.

Key Focus Area #2—Customer Service Transition

- Customer Service will transition to Town staff on July 1, 2018.
- This transition will be communicated to customers prior to July 1, 2018, however, communication should continue for several months.
- All staff will attend a customer service training to sharpen their skills.

Key Focus Area #3— Workplace Organization

- Implement the 5S methodology for workplace organization.
  - Sort
  - Set in order
  - Shine/sweeping
  - Standardize
  - Sustain

Key Focus Area #4—N/A

- N/A

Top Threats

- Implementation challenges—technology, unforeseen issues, staff training and staff time spent on the project. Avoidance measures include: diligent planning, careful vendor selection and possible need for temporary employees to assist with the workload.
- The second law of Thermodynamics—everything in our universe, when left to itself, tends toward more and more disorder. The most difficult aspect of the 5 S methodology is the sustain step. The workplace will be reviewed on a monthly basis by a different staff member every month and a compliance report shared at the monthly staff meeting.

Resources Requested in Budget

- No monetary resources are needed.

BILLING & COLLECTIONS – FY19 YEAR-END TOP DEPARTMENTAL PRIORITY OVERVIEW

ACCOMPLISHMENTS:

What accomplishments did you achieve on your top departmental priority?

The Billing & Collections Division achieved all three of its top priorities. Two were related to a utility billing system conversion and one was related to workplace organization.

CHALLENGES:

What difficulties did you encounter in working toward your top departmental priority?

The utility billing software implementation was delayed seven months and was challenging, but went well overall.

WHAT'S NEXT:

Do you have any remaining steps or actions?

There are no outstanding actions.

BILLING & COLLECTIONS – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Run the Operations	Provide Responsive & Dependable Service	Answer customer calls in a timely manner	% of customer contacts addressed within 60 seconds, per Fathom SLA standards	N/A	58%	80%	N/A	Unable to track this information
		Provide quality service as perceived by utility customers	% of customers reporting: Excellent service Good customer service	23% 36%	N/A Biennial Survey	30% 40%	25% 38%	Community Survey
		Ensure that every utility customer has a current phone number on record for emergency notification. Staff will verify phone numbers each time a customer is assisted.	% of accounts with updated contact information	100%	N/A	100%	N/A	Unable to track this information
Manage Resources	Deliver Services Efficiently	Expand the use of technology for receiving utility payments	% of utility customers on automatic bank draft, and recurring debit/credit	21.3%	26%	30%	33%	This goal was set with the assumption that operations would be in-house and customers would be more likely to sign up for recurring payments
		Expand the use of technology for receiving utility payments	% of utility customers using online payment portal (incl. check, credit/debit)	37.2%	39%	45%	44%	
	Maintain Financial Strength	Collect Delinquent utility accounts	% of bad debt collected (cumulative)	42%	1.35%	50%	1.24%	Collection methods: Debt setoff, online collection agency (30% commission), & Fathom collection agency (15% commission) The measurement focus has changed to include all outstanding debt, which encompasses write-offs. This lowered the % collected substantially.
Develop Know-How	Develop a Skilled and Diverse Workforce	Provide training on an annual basis	% of employees that have completed customer service training within the last year	100%	100%	100%	100%	

BILLING & COLLECTIONS – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

The Billing & Collections division exceeded the goal to get 30% of utility customers on automatic bank draft or recurring debit/credit card payments. The town now has 33% of utility customers using some form of automatic recurring payments. This method of payment ensures timely and accurate payments with minimal staff involvement. The division met the goal to provide training to all members of the division during the fiscal year.

Currently, we do not have a method of tracking the answering of customer calls or ensuring accurate phone numbers. The new system does not provide this capability.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

The division just missed the goal for the percentage of utility customers using the online payment portal. Our goal was 45% and we have 44% utilizing online payments. The collection percentage metric should be adjusted to reflect the new measurement focus.

Water Services

WATER SERVICES – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Run the Operations	Provide Responsive & Consistent Services	Consistently and reliably provide safe drinking water	# of State issued "Notices of Violation"	0	0	0	0	Great progress has been made on TTHM levels
		Improve customer satisfaction	# of complaints about water quality per 1,000 meters	0.9	1.5	1.5	1.02	There are 6,797 meters in the system
Manage Resources	Invest in Infrastructure	Increase the emphasis placed on water services infrastructure	# of water line breaks on 6" and larger lines	16	11	<20	6	Hope to show decrease in main breaks with replacement and upgrades to distribution system
		Replace and/or rehabilitate pipes in a sustainable manner	Rolling 5-year average of linear feet of water mains replaced/rehabilitated	N/A	906 ft.	9,900 ft /year	306 ft replaced	FY17 – New Measure Replace/rehab all pipes every 80 years = 9,869 ft/year
	Deliver Efficient Services	Optimize efficiency of water services provided	Billed potable water as % of finished water	87%	84%	90%	90%	Metered
			AWWA water infrastructure leakage index	1.9	1.34	<3	<3	Target range: 1-3 (1= exceptional, >8 = poor)
		Provide customers with quality services at an affordable cost	Water bills as % of Median Household Income (MHI)	1%	0.96%	<1%	1.02	Per UNC School of Government, affordability becomes a concern once indicator surpasses 1%.

WATER SERVICES – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

We continue to take pride in meeting all federal and state water quality standards with no violations and that we have very few complaints about our water quality. Main breaks were well below the target, yet they are dependent on so many factors (weather, age, bedding under pipe, water pressure) and somewhat unpredictable. Staff is very responsive to water leaks and we have worked to tighten up metering or estimating non-revenue water (water that is not billed due to town use, hydrant flushing, firefighting, sewer cleaning, etc.). Water leakage is manageable and not atypical.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

It is very difficult to meet our target of "Replace and/or rehabilitate pipes in a sustainable manner" as the staff focuses on many different tasks throughout the distribution and collection system. Replacing pipes due to a main break or other necessary point repair (i.e., replace just a small section) due to a leak or other issue is natural for crews to handle in house. Full-fledged rehabilitation and replacement of water mains is typically outsourced through informal or formal bidding. The adjustment in strategy will be to identify aged, undersized, and galvanized pipes and pipes with a history of multiple main breaks to identify some methodical replacement or rehabilitation strategies that will hopefully result in approval of annual CIP projects.

Water rates as compared to the median household income was exceeded and that is because we have a small customer base with large capital expenditures. We continually work to be efficient and cost-conscious to keep costs down and see where we can defer projects lower on the priority list. However, taking care of what we have is one of the town strategies that must be adhered to for sustainable and reliable services. Unfortunately like all other things, costs are rising in labor and materials and infrastructure is aging and beyond its useful life in some cases due to deferrals to keep costs down.

Wastewater Services

WASTEWATER SERVICES – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Conserve Cultural & Natural Resources	Protect the water quality of the Eno River	% of permitted nitrogen discharged to the Eno River	44.78 (CY16)	52.73 (CY17)	<80	61.7 (CY18)	The allowable Nitrogen and Phosphorous discharge is significantly reduced in CY16. The 80% target is a trigger for the next plant upgrade.
			% of permitted phosphorous discharged to the Eno River	65.6 (CY16)	60.2 (CY17)	<80	44.2 (CY18)	
			Wastewater biochemical oxygen demand removal efficiency	99.6 (CY16)	99.2 (CY17)	>99	99.8 (CY18)	>95% = Excellent 95-90% = Good <90% = Poor
			Wastewater suspended solids removal efficiency	99.9 (CY16)	99.5 (CY17)	>99	99.7 (CY18)	>95% = Excellent 95-90% = Good <90% = Poor
			# of sanitary sewer overflows	5 (CY16)	1 (CY17)	<3	2 (CY18)	These are "reportable" spills that meet certain NCDEQ criteria
Run the Operations	Provide Responsive & Dependable Services	Proactively work to reduce sewer back-ups	Sewer back-ups as a % of sewer accounts	0.01 (CY16)	1.4 (CY17)	<2%	0.7 (CY18)	The 2% target is the industry average.
		Consistently and reliably protect water quality of the Eno River	State issued "Notices of Violations" for wastewater discharge	0	0	0	0	
		Minimize sewer system odors	# of odor complaints at pump stations	2	0	<5	0	
			# of odor complaints at the WWTP	0	0	0	0	
Manage Resources	Invest in Infrastructure	Increase the emphasis placed on wastewater services infrastructure	Peak monthly demand as % of wastewater treatment capacity	43.6 (CY16)	43.0 (CY17)	<80	52.8 (CY18)	When 80% of permit capacity is reached, design of the next upgrade must begin (state requirement).
		Replace and/or rehabilitate pipes in a sustainable manner	Rolling 5-year average of linear feet of sewer mains replaced/rehabilitated	N/A	3,762	6,400 ft./yr	3,245	Replace/rehab all pipes every 80 years = 6,352 ft./year
		Perform routine inspection and cleaning of the sewer system for defects, roots, grease and debris	% of gravity sewer mains inspected by CCTV camera	1.82	9.3	>5	5.5	Although not required, 5% of the gravity sewer should be inspected by camera annually
			% of gravity sewer mains inspected by smoke	2.2 (CY16)	12 (CY17)	>5	1.7 (CY18)	Although not required, 5% of the gravity sewer should be inspected by smoke testing annually
			% of gravity sewer mains cleaned by water jetting	3.8 (CY16)	16.1 (CY17)	>10	15.6 (CY18)	10% of the 82.7 miles of gravity sewer must be cleaned or televised every year per state requirement
	Deliver Services Efficiently	Provide customers with quality services at an affordable cost	Wastewater bills as % of Median Household Income (MHI)	1.5	1.45	<1	1.52	Per UNC School of Government, affordability becomes a concern once indicator surpasses 1%
			Costs of process chemicals per million gallons treated	$181.16	$173	<$190	$197	Inventive or frugal operations can sometimes result in chemical cost reductions.

WASTEWATER SERVICES – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

- Although calendar year 2018 and early 2019 produced record rainfall amounts, the wastewater plant did not exceed any permit limits and continued to produce excellent water quality. Additionally, the collection system only had one related sanitary sewer overflow, which was due in part to debris clogging the pipe. Most North Carolina communities did not fare as well. Hillsborough's success is due to our constant diligence in equipment and asset maintenance and our staff's high level of expertise.
- Maintenance crews cleaned more than 7 miles of sewer lines and inspected another 5 more miles of lines.
- Completion of a holistic master plan for the Wastewater Treatment Plant was delayed due to the successes of the current plant in nutrient removal.
- A project to complete a system-wide computer model of the collection system began with selection of a consultant. The model will help staff to identify hydraulic deficiencies for current and future growth scenarios in the collection system.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

A measure that was not met was "Wastewater Bills as % of Median Household Income (MHI)." This is in part due to the excessive rainfall and capital improvements in both the wastewater plant and the collection system. However, staff strives to reduce operating costs wherever possible.

Stormwater

STORMWATER – BALANCED SCORECARD

Perspective	Town-wide Objective	Initiative	Measure	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Status/Result
Serve the Community	Strengthen Citizen Engagement	Increase citizen engagement in stormwater and environmental issues	# of volunteer clean-up, planting, maintenance opportunities provided	2	4	2	4	Engage citizens by providing opportunities to improve the environment
		Increase citizen awareness of stormwater pollution and environmental issues	# of outreach/educational campaigns and associated survey conducted	N/A	0	1	1	Stormwater pollution prevention campaign through CWEP and ChillKids
	Conserve Cultural & Natural Resources	Identify and resolve illicit discharges	% of stormwater outfalls (discharge points) inspected/screened annually	N/A	2%	3%	21%	New protocols in place allowed for improved efficiency
		Conduct visual stream assessment of Eno River	# of assessments conducted annually	N/A	2	2	2	New initiative to conduct "health" assessment of the Eno River ecosystem. Assessments will be made at various locations along river.
		Inspect active construction projects (both public & private) to ensure environmental compliance	% of active construction projects inspected at least monthly	95%	100%	100%	95%	Staff time constraints allowed for most construction sites to be visited monthly
Run the Operations	Provide Responsive & Dependable Service	Provide public assistance regarding stormwater and environmental issues	% of inquiries investigated within 3 days	100%	100%	95%	100%	Includes drainage assistance, illicit discharge complaints, stream buffer issues, etc.
		Review development plans in an accurate and timely manner	% of plans reviewed within 1 month of receipt	100%	100%	100%	100%	30-day review time is typical within other agencies.
		Inspect public and private Stormwater Control Measures (SCM) to ensure proper installation and function	% of SCMs inspected annually	7%	40%	30%	43%	New SCM recognition program and having a spring intern allowed more to be inspected this year
Manage Resources	Invest in Infrastructure	Maintain municipal facilities and operations in accordance with pollution reduction measures	% of town facilities passing Good Housekeeping inspections	100%	100%	100%	95%	One facility was non-compliant at the time of inspection, but corrective measures are in place now.
		Maintain stormwater system	% of town storm drainage system inspected annually to determine maintenance needs	5%	1%	5%	2.1%	While this is Public Works' responsibility, stormwater staff is assisting in developing a systematic approach to meet targets
			% of stormwater system maintained annually (i.e. ditches, pipes, catch basins, etc.)	N/A	2.5%	5%	2.1%	The intent is to complete maintenance by "neighborhood" as identified through inspection noted above (Public Works responsibility)
	Develop Long-Term Financial Plans	Manage Stormwater Utility	Under Construction					

Develop Know-How	Develop a Skilled & Diverse Workforce	Provide continuing education for division staff	# of training workshops and conferences attended	2	4	2	2	Attend at least 2 workshops, training sessions and/or conferences to maintain certifications
		Enhance division capabilities by cross-training employees on stormwater and environmental issues	# of training opportunities conducted by stormwater and environmental services division staff	0	0	1	0	Staff did not have time to finalize new training materials but that is currently in process for FY20

STORMWATER – FY19 YEAR-END BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

Which targets did your department meet and/or exceed? What is the significance of meeting these targets? How did the department meet/exceed these targets? What will be done to ensure continued success?

Stormwater staff updated both the illicit discharge inspection procedures and the stormwater control measure inspection/audit procedures, which has improved efficiency. The division also had a spring intern in FY19 that assisted with stormwater control measure (SCM) inspections/audits. The division has had recent success building relationships with local universities and expects interns and other student projects to continue, allowing for continued productivity.

CHALLENGES:

Which targets did your department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

The most significant target missed was employee cross-training. While staff has drafted new training materials, there was not enough time to finalize them. That coupled with recent renovations of meeting spaces kept staff from making this a top priority. Since this is a stormwater permit requirement, finalizing training materials and hosting training sessions is one of the division's top priorities.

For Public Works, inspecting and maintaining town-owned stormwater infrastructure was again below targets. Part of the reason was simply due to weather conditions. FY20 has already seen more work completed. Stormwater staff has also included development of a systematic, structured approach to inspection and maintenance as part of its "stormwater business plan" project. Currently, staff is evaluating software and other options to make this process electronic to improve efficiency. That work continues through FY20.