



Office of the City Manager

July 30, 2012

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Dear Mayor Joines and Members of the City Council:

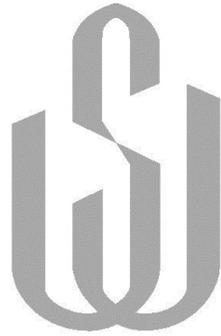
I hereby transmit to you the adopted budget for fiscal year 2012-2013, as recommended by the Finance Committee and adopted by City Council on June 18, 2012. The budget for 2012-2013 is balanced with a property tax rate of 49.1¢, which represents an increase of 1.6¢ per \$100 of assessed property value. The tax rate increase includes .9¢ for one-time streets and sidewalks projects in 2012-2013 and to replace State reimbursement funds that are scheduled to expire after August 2012, as well as .7¢ for transit operations. In addition, 0.8¢ is to be reallocated from the general fund portion of the property tax rate for a total property tax rate increase of 1.5¢ for transit overall.

On May 24, 2012, the City Manager's proposed budget was distributed to the Mayor and City Council. Copies of the proposed budget were made available for public inspection at all city branches of the public library and at City Hall and the Bryce A. Stuart Municipal Building. The Finance Committee held four workshop sessions and a public hearing on the budget in May and June. At its final workshop session on June 12, 2012, the Finance Committee recommended that the City Manager's proposed property tax rate be reduced from 51.7¢ to 49.1¢ per \$100 of assessed property value. To reduce the tax rate increase, the Committee made a series of cuts in the proposed budget, including \$2.67 million in personnel costs, \$900,000 in support to economic development and parking funds, \$845,000 in operating costs, and \$255,000 for equipment replacements. A summary of all changes to the City Manager's proposed budget is provided on the pages following this transmittal message.

The fiscal year 2012-2013 budget reflects the appropriations and program information as recommended by the Finance Committee and adopted by the City Council on June 18, 2012. The City Manager's Message and its attachments, however, are included as originally proposed on May 24, 2012.

Sincerely,

Lee D. Garrity
City Manager



Winston-Salem

**CITY COUNCIL ADOPTED
CHANGES TO THE PROPOSED FY 12-13 BUDGET
JUNE 18, 2012**

General Fund

General Fund Expenditure Changes:

Reduction in employee pay increase from 1.5% (with a minimum of \$500) to \$250 per qualified employee	-\$1,050,740
Deletion of selected vacancies and the elimination of selected management and professional positions during FY 12-13	-1,000,000
Elimination of the appropriation for one Police recruit class.	-569,440
Decrease in lease payments for vehicle replacement	-199,250
Deletion of the fuel contingency	-250,000
Reduction in Information Systems charges for computer replacements	-47,170
Deletion of Information Systems charges for new computer application development, except for the City Website improvements and the Master Addressing System development	-47,490
Reduction in the appropriation for employee travel	-50,000
Reduction in non-personnel operating expenses for supplies and services	-539,210
Decrease in the transfer to the off-street parking fund	-499,820
Reduction in the transfer to the economic development project fund to reimburse Dell funds paid back from Caterpillar, Inc. property taxes	-400,000
Reduction in the transfer of one-time funds to the capital projects fund for streets and sidewalks projects	-154,000
Reduction in the transfers to the cemeteries and Lawrence Joel Veterans Memorial Coliseum funds, due to decreased personnel and operating expenses in those funds	-29,460
TOTAL	-\$4,836,580

General Fund Resource Changes:

Reduction in property tax revenue, equivalent to -2.6¢ on the property tax rate	-\$5,440,270
Increase in sales tax revenue, assuming 1.5% growth compared to current year estimated actual receipts	+362,460
Increase in utilities franchise tax revenue, based on current year-to-date receipts.	+76,310

Reduction in Forsyth County contributions to City-County operations, due to reduced personnel and operating expenditures in those departments	-19,480
Increase in support for recycling from the Solid Waste Disposal Fund	+200,000
Decrease in interfund revenue and transfers to other funds, due to reduced personnel and operating expenditures overall	-15,600
TOTAL	-\$4,836,580

Other Funds

Other Funds Expenditure Changes:

Special Revenue Funds

<u>Economic Development Project Fund</u> : Reduction in funding for economic development incentive grants	-\$400,000
<u>Mass Transit Tax Fund</u> : Net increase related to deletion of Sunday service expenditures and increased transfer to WSTA to cover the loss of the fare increase	+66,880
<u>Sales Tax Fund</u> : Increase in transfers to general and debt service funds	+171,830
<u>Emergency Telephone Fund</u> : Reduction in travel appropriation	-250
TOTAL	-\$161,540

Debt Service Fund

Reduction in travel appropriation	-\$510
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Enterprise Funds

<u>Solid Waste Disposal Fund</u> : Reduction in salaries, travel, and IS charges	-\$17,600
Increase in transfer to general fund for recycling	+\$200,000
<u>Water and Sewer</u> : Reduction in salaries, travel, and IS charges	-171,090
<u>Off-Street Parking</u> : Reduction in salaries and travel	-1,780
<u>Trans-AID</u> : Reduction in salaries, travel, and Sunday service	-172,620
<u>Mass Transit</u> : Reduction in salaries, travel, and Sunday service	-295,000
<u>LJVM Coliseum</u> : Reduction in salaries, travel, and IS charges	-28,980
<u>Fair</u> : Reduction in salaries, travel, and IS charges	-6,220
Reduction in transfer to the LJVM Coliseum	-2,100

<u>Stormwater Management</u> : Reduction in salaries, travel, and IS charges	-22,500
Reduction in transfer to general fund for leaf collection	-2,970
<u>Cemeteries</u> : Reduction in salaries, travel, and IS charges	-1,860
TOTAL	-\$522,720

Internal Service Funds

<u>Warehouse</u> : Reduction in salaries and IS charges	-\$2,010
<u>Fleet Services</u> : Reduction in salaries, travel, and IS charges	-15,090
<u>Information Systems</u> : Reduction in salaries, travel, leasing expenditures for capital projects, and computer licenses for deleted projects and equipment	-194,980
<u>Benefits Funds</u> : Reduction in salaries, travel, and IS charges	-4,710
Reduction in transfer to Employee Safety from workers' comp	-1,220
TOTAL	-\$218,010

Capital Projects

<u>Capital Projects</u> : Decrease in street and sidewalk construction	-\$154,000
<u>Leasing Capital Acquisition</u> : Decrease in capital equipment purchases	-996,270
<u>Information Systems Capital Projects</u> : Reduction in capital project expenditures	-172,000
TOTAL	-\$1,322,270

TOTAL OTHER FUNDS EXPENDITURE CHANGES	-\$2,225,050
GRAND TOTAL (ALL FUNDS) EXPENDITURE CHANGES	-\$7,061,630

Other Funds Resource Changes:**Special Revenue Funds**

<u>Economic Development Project Fund</u> : Reduction in general fund transfer in	-\$400,000
<u>Mass Transit Tax Fund</u> : Increase in fund balance appropriation	+66,880
<u>Sales Tax Fund</u> : Increase in sales tax revenue based on 1.5% projected growth	+171,830
<u>Emergency Telephone Fund</u> : Increase in addition to fund balance	-250
TOTAL	-\$161,540

Debt Service Fund

Increase in transfer from sales tax fund	+\$64,070
Reduction in fund balance appropriation	-64,580
TOTAL	-\$510

Enterprise Funds

<u>Solid Waste Disposal Fund</u> : Decrease in revenue from Forsyth Co. for recycling	-\$34,780
Increase in fund balance appropriation	+\$217,180
<u>Water and Sewer</u> : Increase in addition to fund balance	-171,090
<u>Off-Street Parking</u> : Reduction in transfer from general fund	-499,820
Increase in fund balance appropriation	+498,040
<u>TransAid</u> : Reduction in transfer from Mass Transit Tax Fund	-172,620
<u>Mass Transit</u> : Reduction in farebox revenue due to deleted fare increase	-533,000
Increase in transfer from Mass Transit Tax Fund	+238,000
<u>LJVM Coliseum</u> : Reduction in transfer from general fund	-27,600
Reduction in transfer from fair fund	-2,100
Increase in transfer from Bowman Gray Stadium fund	+720
<u>Fairgrounds</u> : Reduction in fund balance appropriation	-8,320
<u>Stormwater Management</u> : Increase in addition to fund balance	-24,660
Reduction in revenue from Forsyth County for erosion control	-810

<u>Cemeteries</u> : Reduction in transfer from general fund	-1,860
TOTAL	-\$522,720

Internal Service Funds

<u>Warehouse</u> : Reduction in charges to departments	-\$2,010
<u>Fleet Services</u> : Reduction in charges to departments	-15,090
<u>Information Systems</u> : Reduction in charges to departments	-149,900
Reduction in fund balance appropriation	-45,080
<u>Benefits Funds</u> : Reduction in fund balance appropriation	-5,930
TOTAL	-\$218,010

Capital Projects

<u>Capital Projects</u> : Decrease in transfer from the general fund	-\$154,000
<u>Leasing Capital Acquisition</u> : Decrease in revenue from N.C. Municipal Leasing Corporation	-996,270
<u>Information Systems Capital Projects</u> : Reduction in revenue from N.C. Municipal Leasing Corporation	-172,000
TOTAL	-\$1,322,270

TOTAL OTHER FUNDS RESOURCE CHANGES	-\$2,225,050
GRAND TOTAL (ALL FUNDS) RESOURCE CHANGES	-\$7,061,630



Winston·Salem

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Winston-Salem

INTRODUCTION

The City of Winston-Salem's Annual Budget is designed to provide detailed information about the services provided by the city, how much is spent on those services, and how they are funded. This document is divided into several sections each of which presents a different aspect of the budget.

City Manager's Message - The City Manager's message explains how the budget adopted by the manager in May meets the City Council's strategic budget objectives. These objectives, the Council's fiscal policies, and the budget review schedule are also included in this section.

Total Budget Summary - The total budget summary provides expenditures by service area and department and resources by type for all City funds. In addition, the summary provides information on the structure of city government and the number of full-time employee positions in each of its departments.

Fund Summaries – Expenditure and revenue information is provided for each budgeted funds of the City. The largest fund is the general fund, which receives the bulk of the property and sales taxes. This fund covers the cost of basic city services such as police, fire, garbage collection, recreation, and transportation. The general fund summary explains how much money is spent from the general fund on these services and explains any changes in service and spending that will occur as part of the budget. The summary also provides information on the sources of money coming into the general fund.

In addition to the general fund, the city has a number of funds that are used to account for money received by the city. Special revenue funds are used to account for money that can only be used for specific purposes, such as housing, transit, and streets. The debt service fund makes payments on debt owed by the city. Enterprise funds are used for services, such as water and sewer, that pay for themselves out of charges for services. Capital project funds account for funds spent on large one-time purchases of items such as land, buildings, and equipment.

Service Area Summaries - A separate section is provided for each of the city's nine service areas: community and economic development, environmental health, public safety, transportation, recreation and culture, fiscal management, human resources management, interdepartmental services, and general government. Each section includes information on the departments within that service area, including a description of the programs provided by the department, the service goals for the department, spending on those services, the sources of funds for the department, and descriptions of major changes in the services to be provided by the department or the amount to be spent by it.

Debt Management - The debt management section includes listing of all the debt owed by the city and shows what sources of funding will be used to pay off that debt. This section also includes the debt payments budgeted in the city's equipment leasing fund.

Capital Plan - The Capital Plan will be provided as a separate document later in FY 12-13. The Capital Plan is the city's six year plan for improving water and sewer plants, roads, sidewalks, bus systems, parks, recreation centers, low-income housing, and city buildings and equipment. The spending shown for the first year of the plan is included in the annual project budget ordinance, and the remaining four years represent planned expenditures in those years. The Capital Plan includes a description of each of the projects planned for the next six years, the amount to be spent on the project in each year of the plan, and the expected source of funding for the project. The expenditures and resources in the planning years have not been approved by the City Council.

INTRODUCTION

Supplemental Information - This section includes a description of the budget process, an illustration of the budget preparation calendar and background information about the City of Winston-Salem, the approved cash and lease purchased capital outlay listings, the index, and a glossary of budget terms.

The information in this document was prepared by the City of Winston-Salem Budget and Evaluation Office. For additional information, please contact Ann G. Jones, Budget and Evaluation Director, at P. O. Box 2511, Winston-Salem, NC 27102, by calling (336) 727-8000, or through electronic mail on the Internet at annj@cityofws.org. The document is also available in its entirety on-line at <http://www.cityofws.org>, click on Departments, then Budget.



Office of the City Manager

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May 24, 2012

Dear Mayor Joines and Members of City Council,

In accordance with North Carolina law, I hereby submit the fiscal year 2012-2013 balanced budget proposal for your consideration. The proposed budget totals \$398.2 million, a 1.9% increase compared to the budget for fiscal year 2011-2012.

In the face of economic recession conditions over the past several years, we reduced all of our discretionary budgets. To accomplish this, we used many budget-balancing strategies, including position vacancy deletions, continued hiring freezes, employee pay increase deferrals, departmental expenditure cuts, and capital equipment replacement limitations. As a result, our total estimated expenditures for the current year will be less than what we actually spent four years ago. However, we have more challenges ahead. Despite our success at holding down our expenses, we are looking at a significant shortage of resources. Over the next two years, we are facing the loss of Federal grant funds for police officers, the expiration of “hold harmless” reimbursement revenue from the State of North Carolina, and a reduction in our property tax base as a result of the four-year revaluation. In addition, for the last several years, in order to avoid raising taxes and fees, we have used our reserves to fund part of the cost of running the buses and part of our overall costs for employee health care. Those reserves are now depleted. To maintain core functions in the areas of public safety, transportation, and sanitation, we are forced to consider increases to the property tax rate.

BALANCING THE BUDGET

The proposed budget is balanced with a 4.2¢ increase in the property tax rate, bringing the current rate of 47.5¢ per \$100 of assessed property value up to 51.7¢, an 8.8% increase, as follows:

Recurring programs and services	+1.7¢
One-time capital (replacing State “hold harmless” funds)	+1.0¢
Mass transit services	<u>+1.5¢</u>
	+4.2¢

This 4.2¢ increase will cost a citizen with a \$100,000 home \$42 a year or \$3.50 per month. Underlying the proposed 4.2¢ property tax rate increase is the need for additional growth in recurring revenues to replace losses in current revenues and reserves. Specifically, a 1.0¢ increase is proposed to replace the loss of the State “hold harmless” reimbursement that is scheduled for expiration in August, 2013. Replacing this revenue loss a year early is intended to take pressure off the budget for 2013-2014, which promises to be particularly difficult year due to the revaluation of the property tax base and the termination of federal stimulus grant funding. For fiscal year 2012-2013, the revenue from this penny would generate \$2.1 million that would be allocated for one-time “ready-to-go” sidewalk construction and street resurfacing projects citywide.

The proposed 1.5¢ property tax rate increase for the mass transit is needed to offset the loss of transit reserves, to cover increases in fuel costs, and to help support expansion to Sunday service. The City subsidizes the mass transit system, using property tax revenue from 1.58¢ on the property tax rate. The annual revenue from this designated portion of the property tax rate has been supplemented each year by reserves built up from previous years. As of the end of the current fiscal year, there will be no reserves remaining. The proposed property tax rate increase of 1.5¢, in combination with a fare increase of 30¢ (up to \$1.30), would ensure continued support to the existing level of service plus the addition a new service on Sundays, from 6:00 a.m. to 6:00 p.m.

The 1.7¢ property tax rate increase for general operations responds to a combination of resource losses, as well as pressure from expenditure growth, as outlined below:

Loss of Revenues/Reserves	Amt. of Loss Projected
Expiration of Federal stimulus funds for 25 Police Officers	\$900,000
Depletion of health care reserves	2,000,000
Decreased support for recycling from Solid Waste reserves	900,000
Expenditure Increases	Increase in Expenditures
Increase in employee health care costs	1,000,000
Actuarial contribution to Police retirement system	700,000
Employee pay adjustment (up to +1.5%)	1,800,000
Fuel Price increases	900,000
Electricity rate increases	400,000
Total	\$8,600,000

The challenges listed above are balanced by various expenditure reductions, by revenue growth in property tax, utilities franchise tax, and other general purpose revenues, and by the addition of a 1.7¢ increase in the property tax rate.

Offsetting Expenditure Decreases/Revenue Increases	Offset Amounts
Cuts in departmental operating budgets	-\$500,000
Decrease in annual salary base (due to turnover)	-700,000
Decrease in workers' compensation & other benefits	-600,000
Drop off in lease payments	-400,000
Shift net Erosion Control costs to Stormwater Fund	-170,000
Reduction in recycling costs	-700,000
Growth of 1% in property tax base	-1,100,000
Growth in utilities franchise tax	-1,000,000
Levy an additional 1.7¢ in property taxes	-3,500,000
Total Offsets	-\$8,670,000

Property Tax Rate Comparison

In comparison to Raleigh, Charlotte, Greensboro, and Durham, Winston-Salem's proposed property tax rate of 51.7¢ per \$100 of assessed property value remains in the middle, with Greensboro and Durham higher and Charlotte and Raleigh lower. Once we have information on the impact of taxes and fees per typical household for each of these cities, we will provide a comparison graph at one of the budget workshop sessions. In the past, the Winston-Salem household has had the lowest tax/fee burden.

OTHER BUDGET HIGHLIGHTS

- Health Benefits.** Health care costs over the past three years have drawn down reserves by an average of \$1.4 million a year, with the result that reserves will be depleted by year-end. Due to the combined impact of depleted reserves, reduced investment income, and a spike in costs related to catastrophic cases, the budget proposal reflects an increase in the City's and the employees' contribution to cover health costs for employees, dependents, and retirees. A health benefits task force is currently meeting on a weekly basis to draft recommended changes in the city's health plan offerings, to reduce costs and improve employee wellness. Recommendations from this task force will include a suggested increase in employee health care premiums of 12.5%, an increase of \$11 per month for an employee in the basic plan, beginning January 1, 2013.
- Police Retirement.** An additional \$740,000 is included in the proposed budget to provide the actuarially required contribution to the Winston-Salem Police Officers Retirement System (WSPORS). Without changes to the WSPORS program, the city's required payments will continue to be in the range of \$1 to \$2 million or more per year. We will be bringing an item to Council this summer, which will recommend revisions to WSPORS, including the exclusion of future recruits from participation in the program. There will be no impact on current police officers. These changes will not help reduce the current budget, but will help to control future growth in the cost.
- Employee Compensation.** The budget proposal includes an employee pay adjustment of up to 1.5%, with a minimum increase of \$500 per qualified employee. This modest pay adjustment will allow our employees to cover the cost of the planned 12.5% health care premium increase, as recommended by the health benefits task force. The overall cost of the increase, including benefits, is \$1.8 million in the general fund and \$2.1 million, all funds. All major North Carolina cities are proposing employee pay adjustments for the coming year, ranging from 1.5% to 3%, as shown below:

City	Proposed Employee Pay Adjustment
Charlotte	+3% salary increase
Durham	+2% salary increase
Greensboro	+1.5% salary increase (on average)
Raleigh	+2% salary increase + one-time \$1,000 bonus
Forsyth County	+1.5% salary increase (on average)
Winston-Salem	+1.5% salary increase, with \$500 minimum

- Authorized Positions.** Total authorized, full-time position count is increased by a net of 6, for a total of 2,475. Added to the count are 8 school system-funded resource officers in the Police Department, to provide all middle and high schools within the City limits with professional security staffing and the deletion of 2 vacant positions in the parking decks that were approved for sale in April, 2012 (Cherry-Marshall and One Triad Park). A summary of position changes by department can be found in the Total Budget Summary section of the budget document, on pages 11 and 12.
- Non-Tax Revenue Adjustments.** On May 14, 2012, the City-County Utility Commission approved rate increases of 9.75% for water and sewer services, effective October 1. These rate increases will generate sufficient revenues to meet the net operating income-to-debt service ratios requirements of recently issued revenue bonds. The revenue bonds have been used to upgrade existing water and wastewater treatment plant infrastructure and to replace the oldest water distribution and sewer collection pipes in the system.

Even with the approved rate increases, Winston-Salem's rates will continue to be lower than those of other major systems in North Carolina. Other user fees have not been adjusted as a part of this budget proposal. Budget staff will continue to work with operating departments and bring suggested changes to Council for consideration during the year.

- Public Transit. Over the past several years, property tax support for transit services has not kept pace with growth in operating expenses, primarily due to increased fuel and vehicle maintenance expenses, and a reduction in state operating assistance for the current year. With the exception of fiscal year 2009-2010, when the City received federal stimulus funds, the City has drawn down mass transit reserves to ensure the continued operation of the needed public bus system. By the end of this fiscal year, the reserves will be depleted. To ensure the long-term financial sustainability of the transit authority and to respond to demand for additional transit service on Sundays, the proposed FY 12-13 budget includes the following measures:
 - Increase the mass transit tax rate by 1.5¢, from 1.58¢ to 3.08¢. Doing so would provide \$3.1 million in additional resources for the transit system.
 - Increase the public bus fare 30¢, from \$1.00 for a single ride to \$1.30. While increasing the bus fare may result in decreased ridership initially, City staff project that a 30¢ fare increase would generate \$533,000 in additional revenue. This estimate assumes a decrease in ridership of 12.6%.

Currently, the Winston-Salem Transit Authority does not provide public bus and Trans-AID services on Sundays. Winston-Salem is the only system among the large cities in the state that does not provide transit services on Sundays. Over the last few years, the City Council and the Winston-Salem Transit Authority Board of Directors have heard requests from citizens for Sunday service in order to provide improved access to their jobs, places of worship, and other needs. The proposed budget includes \$421,000 in additional expenses to implement a pilot Sunday service and citywide Sunday Trans-AID service.

- Solid Waste Disposal/Sanitation. To extend the life of the landfill reserves, the City Council implemented two measures starting in FY 10-11. First, the City and the County have agreed to increase the use of property taxes for residential recycling programs by 20% each year. Second, the City Council approved the issuance of \$10.5 million in special obligation bonds to spread the cost of planned capital improvements and avoid a substantial drawdown of unrestricted reserves. These measures will ensure that we do not run a deficit in landfill reserves and will help us to save for the cost of the next generation of solid waste disposal.

In April 2012, a new ten-year contract for recycling services was implemented, allowing for the transition from the weekly collection of 18-gallon bins to the bi-weekly collection of roll-out carts. Primarily due to increased efficiency achieved from these changes in service, operational savings in the recycling program are projected to total \$678,640 in 2012-2013, the first full year of the new contract. However, because of the City's commitment, support for recycling from landfill reserves will decrease from 60% to 40% (-\$861,370), the net impact on the general fund budget for the coming year is increased recycling costs of \$182,730.

- Public Assembly Facilities. General fund operating support for the M.C. Benton, Jr. Convention and Civic Center and the Winston-Salem Entertainment-Sports complex (WSESC) is projected to remain roughly the same as for 2011-2012. In keeping with the current management contract, the proposed budget includes an appropriation of \$250,000 for Convention Center improvements, lease-purchased over five years. The Fair continues to be self-supporting.

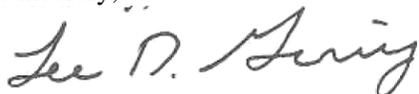
- Stormwater/Erosion Control. During 2011-2012, the Erosion Control program was transferred to Stormwater Management, in an effort to consolidate similar environmental services. There is a net savings to the general fund of \$172,400, as a result of the stormwater fund's assumption of the City share of the costs. Because Erosion Control is a City/County service, the cooperative financial agreement with the County needs to be revised to reflect the recent organizational change. The revised agreement will be reviewed and approved by Council as a part of the budget adoption process.
- Community Agency Grants. Community agency operating grants from the general fund remain at the same level as for 2011-2012, \$780,780. There are two proposed changes for agencies that are funded with occupancy taxes: an increase from \$19,000 to \$25,000 for the economic development work of the Piedmont Triad Film Commission to bring the Winston-Salem closer to the Greensboro support amount of \$27,000, and a one-time grant of \$12,500 to the Reynolda House Museum for the "Romare Bearden: A Black Odyssey" exhibit this coming fall/winter. (See pages 82 for a complete listing of grants from all local City funds. Also, attached to this message is a table that lists all proposed grants from general purpose funds and all previously approved grants from federal housing funds by funding source. The table also lists examples of community benefit provided by each of the community agencies.)
- Fuel. Budgeted expenditures for unleaded and diesel fuel are increased in the range of 20% to 27%, using projected tax free cost per gallon of \$3.30 for unleaded and \$3.65 for diesel fuel. In the general fund, the budget goes up \$630,000 for departmental fuel use and an additional \$250,000 in a contingency account should fuel cost substantially exceed the budget estimates. Built into the budget estimates is a citywide commitment to achieving a 5% usage reduction target by department. To ensure that each department is accountable for reaching the usage target, the budget staff will review usage data monthly, with quarterly reports sent to the City Manager's Office. These reports will be shared with City Council, as needed.
- Retirement of Debt Issued in 1992 for Post-Employment Benefits. As a part of a plan to ensure the full retirement of \$25.0 million borrowed in 1992, the budget proposal reflects \$8.5 million in transfers from reserves, as follows: \$2.0 million from the debt service, \$2.0 million from the employee benefits, \$3.5 million from the workers' compensation, and \$1.0 million from the general fund reserves. The need for the use of these reserves is based in large part on the use of the investment income from the borrowed funds to balance the general and debt service budgets during the late 1990's, when investment returns exceeded the expected 9% interest rate. Also, in 2001 and again in 2009, financial markets and equity investments suffered reversals that materially affected the city's post-employment benefit funds. Once the proposed transfers are added to the \$16.5 million that has been accrued in the post-employment funds, there will be sufficient to make the \$25 million debt repayment in November, 2012.
- Fund Balances. The budget proposal includes a listing of estimated 2011-2012 and projected 2012-2013 reserves in all funds on the final page of the Fund Summaries section of this document (page 58). For the general fund, the fund balance is expected to increase from \$32.2 million to \$33.3 million, or +\$1.1 million, as a result of conservative budget estimates at year-end, 2011-2012. After setting aside a 10% reserve of \$17.9 million per Council objective, there is \$3.0 million available for subsequent year appropriation and \$12.4 million unassigned reserves for one-time needs, as authorized by City Council. Of the \$3.0 million appropriated for subsequent year budget, \$1.0 million is allocated for repayment of the 1992 debt issuance for post-employment benefits funds, \$453,000 to match State transportation grants approved by the Transportation Advisory Committee (TAC), \$150,000 as a contribution toward the celebration of the City's centennial, should the Council so choose, and \$1.4 million to balance the upcoming budget. Based on prior years' experience, the \$1.4 million will not be needed at year-end because of projected under spending and excess revenues. As operating budgets are trimmed ever closer to the bone, the use of fund balance is more and more likely. For more information on the general fund balance, see page 34.

- Economic Development. The budget proposal includes a general fund transfer to the economic development project fund from property taxes of \$959,610 to be paid by Caterpillar in FY 12-13. According to the economic development agreement with Caterpillar, 33% of the property tax revenue, \$316,670, will go to Caterpillar as an economic development incentive payment. The remaining 67% of the property taxes, \$642,940 is authorized by City Council to be transferred to the City's economic development project fund to reimburse the City for its \$3.75 million up-front payment to Caterpillar, over a 5-year period. The transfer to the economic development project fund is taken from property taxes generated by Caterpillar only; there are no other general property tax revenues allocated for this purpose.
- Capital Projects. The six-year capital plan, from 2012-2013 through 2017-2018, will be provided in a separate companion document later in FY 12-13. The first year of the plan, 2012-2013, is incorporated in the project budget ordinance that is to be adopted by the City Council in June. The planning years are proposed as a guide for future appropriations. In 2012-2013, resources are not available from two-thirds bonds, which provide around \$3.75 million every other year for one-time capital expenditures. However, this budget package includes \$2.1 million from the proposed property tax levy of an additional 1.0¢ to replace the State's "hold harmless" reimbursement revenue that expires in 2013. The suggested use of these funds would be for citywide sidewalk construction and street resurfacing, where the easements are available and the projects can be readily completed. Also, there are \$1.2 million in combined State and local matching funds for bicycle and pedestrian projects, with the State portion already approved by the Transportation Advisory Committee (TAC). Other projects of interest include the continuation of playground replacements, in collaboration with Wake Forest Baptist Health providing \$100,000 in financial support, and ongoing greenway development using \$270,000 in motor vehicle privilege license revenues.
- Citizen Engagement in the Budget Process. This year, more than ever, there is a need to involve and educate the public concerning the challenges underlying the budget recommendations. With a 4.2¢ increase in the proposed property tax rate, the explanation of why this is considered necessary should be clearly communicated. We plan to provide a one-page "budget-in-brief" summarizing the highlights of the budget for distribution throughout the community. Also, we will work with you and the community assistants to schedule meetings in your wards, should you so desire.

Over the last several years of a severe recession, we have worked diligently to avoid tax increases or service reductions. Unfortunately, after depleting most of our reserves, we continue to face expenditure increases in pensions, health care, fuel, and electricity over which we have little, if any, control. To maintain our core functions and avoid service reductions to citizens, we must consider an adjustment to the property tax rate.

I look forward to discussing the 2012-2013 budget proposal with you at the upcoming budget workshops. I have attached the calendar of budget events beginning Thursday, May 31.

Sincerely,



Lee D. Garrity
City Manager

Community Agencies by Funding Source

Receiving Agency	CDBG	ESG	General Fund	HOME	HFAF	Occupancy Tax	Total
AIDS Care Service, Inc.	\$68,370						\$68,370
Arts Council			\$247,540				\$247,540
Bethesda Center		\$47,000					\$47,000
Children's Home			\$18,520				\$18,520
Consumer Credit Counseling Service	\$71,220						\$71,220
District Attorney Family Court			\$41,670				\$41,670
Experiment in Self-Reliance, Inc.	\$91,150		\$75,430		\$4,150		\$170,730
Family Services		\$20,510					\$20,510
Forsyth County Drug and Alcohol Coalition			\$9,260				\$9,260
Habitat For Humanity of Forsyth County, Inc.				\$157,700			\$157,700
HARRY Veterans Community Outreach Services					\$13,000		\$13,000
Housing Authority of Winston-Salem*			\$82,620	\$157,700			\$240,320
Liberty Community Development Corporation	\$8,820						\$8,820
Liberty-East Redevelopment Corporation					\$12,700		\$12,700
Mediation Services			\$6,600				\$6,600
National Association for Black Veterans					\$10,000		\$10,000
National Black Theater Festival			\$73,130				\$73,130
North Carolina Housing Foundation	\$12,450						\$12,450
Piedmont Triad Regional Council	\$12,000				\$100,000		\$112,000
Old Salem						\$48,750	\$48,750
Piedmont Triad Film Commission						\$25,000	\$25,000
Piedmont Triad Research Park			\$40,000				\$40,000
Reynolda House						\$12,500	\$12,500
RiverRun International Film Festival			\$36,570				\$36,570
Samaritan Ministries		\$13,000			\$249,000		\$262,000
SciWorks			\$170,630				\$170,630
The Salvation Army		\$8,000					\$8,000
Ujima Community Development Corporation					\$70,550		\$70,550
United Way of Forsyth County	\$12,450	\$105,510			\$8,300		\$126,260
Winston-Salem Foundation	\$58,520						\$58,520
YMCA - Youth Incentive Program			\$61,430				\$61,430
Total Funds	\$334,980	\$194,020	\$863,400	\$315,400	\$467,700	\$86,250	\$2,179,130

Some agencies receive funds for more than one program.

CDBG - Community Development Block Grant

ESG - Emergency Shelter Grant

HOME - Home Investment Partnership

HFAF - Housing Finance Assistance Fund

*General Fund amount includes PILOT re-grant \$48,210 & HOPE VI re-grant \$34,410

Examples of Community Benefits Provided by Funded Community Agencies

RECEIVING AGENCY	COMMUNITY BENEFITS
AIDS Care Service, Inc.	Housing assistance - annual average 212 individuals for past 9 years; Transitional housing - annual average 19 individuals participated
Arts Council	Funds 42 organizations and 26 individuals; grants distributed help support 226 full time and 119 part time positions in Winston-Salem and Forsyth County; goal of \$2.35 million for FY 11-12 fund campaign
Bethesda Center	Women's Shelter - Average 24 women/night; served average 235/year for past 3 years. Overflow (December to March)- average 127/season for past 2 seasons
Children's Home	Respite/Shelter Care - served 122 youth and families in FY 10-11 with a minimum goal of 45 served.
Consumer Credit Counseling Service	Home-buyers educated - annual average 313 individuals for past 9 years; One-on-one Counseling - annual average 349; Workshops - annual average 24; Estimated 450 participants served in FY 12-13
District Attorney Family Court	Conviction rate of domestic violence offenders increased from 30% in 1997 to 74% in 2011; dismissal rate of domestic violence cases due to victims not present in court decreased from 50% in 1997 to 20% in 2011
Experiment in Self-Reliance, Inc.	Transitional Housing – plan to serve an average 225 households out of an average 5300 requests for service in FY 12-13; Income Tax Preparation - annual average 2,000 served
Family Services	Battered Women's Shelter - Maximum 24 beds for women and children; FY 10-11 served 460 women and children for 6,420 nights of care
Forsyth County Drug and Alcohol Coalition	Plan to distribute 25,000 Family Day fliers, 732 Safe Celebrating guides/recipe books, and 500 Red Ribbon child/parent packets for FY 11-12
Habitat For Humanity of Forsyth County, Inc.	Plan to construct 5 and rehabilitate 6 homes, adding to 315 homes built in past 26 years
Harry Veterans Community Outreach Support Services	Helped 141 veterans/families receive benefits and 300 veterans receive ongoing services through workshops in FY 11-12
Housing Authority of Winston-Salem	New clients transitioned from homeless shelters to permanent subsidized housing - 11 ; clients that retained housing – 33, from July to December 2011
Liberty Community Development Corporation	Provided 41 individuals and agencies with technical assistance, financing and project collaboration, from July to September of 2011
Liberty-East Redevelopment Corporation	Plan to serve 43 households through the summer camp and after-school programs
Mediation Services	Managed 61 Family/Neighbor dispute cases (22.8% of total cases), July to December 2011
National Association for Black Veterans	Processed over 40 claims for veterans and counseled over 50 veterans on Post Traumatic Stress Disorder in FY11-12
National Black Theater Festival	Over 640,000 paid attendance FY 2011; \$200 million local economy impact over past 23 years
North Carolina Housing Foundation	Plan to provide temporary housing for up to 30 veterans for a maximum 2 years per veteran
Piedmont Triad Regional Council	Re-entry Program - annual average 239 post released served for past 5 years
Old Salem	Attracts average of 90,000 ticketed and 200,000 non-ticketed visitors annually from around the world; \$25-\$30 million spent in the local economy from out-of-state, in-state, and local visitors; employs about 200 people
Piedmont Triad Film Commission	Provides a \$185 return on every \$1 invested in film commission through wages, rental, sales and taxes
Piedmont Triad Research Park	Conducted approximately 25 promotional/advertising tasks July to December 2011
Reynolda House, Special Exhibit	Will provide community wide events with special opportunities for community members, children and youth, educators, young professionals and veterans (“Romare Bearden: A Black Odyssey”)
RiverRun International Film Festival	Film submissions - 850, 646% increase in 8 years; over 140 films accepted; FY 11-12 projected box office revenues over a 10-day period - \$71,000
Samaritan Ministries	Soup Kitchen - provides free daily lunch meals 365 days/year with an average daily max served over 400 (167,078 meals served in 2011); Shelter - 789 unduplicated men served in 2011
SciWorks	Serve 29 NC counties, 5 Virginia counties, 1 South Carolina County in FY 11-12; generates \$40,000 in tax revenue and has estimated \$3.4 million economic impact on the community
The Salvation Army	Only 24-hour food and shelter for families in Forsyth County (average over 550 individuals served per year for 4 years)
Ujima CDC	Planned addition of 24 subsidized/affordable units to an existing 1,422 units in the county
United Way of Forsyth County	Rapid Re-housing - served 313 individuals/159 households since 2009; Ten-year Plan - goal to create 15 additional supportive housing units to the 470 units developed since 2006
Winston-Salem Foundation	Neighbors for Better Neighborhoods - goal to serve 136 participants in FY 12-13; Funders Collaborative - assisted 6 Community Development Corporations that created homeownership for a low-income area of over 18,000 households (over 48,000 population)
YMCA - Youth Incentive Program	Youth and teen development - project 1,700 student participants FY 11-12; 97% students passing to next grade FY 10-11

Some agencies receive funds for more than one program.

Budget Review Calendar

For Fiscal Year 2012-2013

Thursday, May 24	Distribution of the City Manager’s Budget Proposal to the Mayor and City Council
Thursday, May 31 4:00 – 6:00 p.m.	Finance Committee Workshop Council Committee Room, 2nd Floor, City Hall <ul style="list-style-type: none">• Budget Overview and Highlights
Tuesday, June 5 4:00 – 6:00 p.m.	Finance Committee Workshop Council Committee Room, 2nd Floor, City Hall <ul style="list-style-type: none">• Continued Budget Discussion
Tuesday, June 5 7:00 p.m.	Finance Committee Public Hearing City Council Chamber, 2nd Floor, City Hall
Monday, June 11 4:00 – 5:30 p.m.	Finance Committee Meeting/Workshop Council Committee Room, 2nd Floor, City Hall <ul style="list-style-type: none">• Consideration of a recommended budget and property tax rate• Preview of a preliminary agenda for the budget items at the June 18 City Council meeting
Monday, June 11 5:30 p.m.	Public Safety Committee Council Committee Room, 2nd Floor, City Hall <ul style="list-style-type: none">• Review of Police, Fire, and Emergency Management Budgets
Tuesday, June 12 2:00-4:00 p.m.	Finance Committee Workshop, if needed Council Committee Room, 2nd Floor, City Hall
Monday, June 18 7:00 p.m.	City Council Meeting Council Chamber, 2nd Floor, City Hall <ul style="list-style-type: none">• Public Hearing• Consideration and Adoption of Budget Ordinance

City Council's Strategic Budget Objectives

The following list of objectives provides the framework for the preparation of the City Manager's budget proposal.

Services

Services that ensure the health, safety, and well-being of Winston-Salem residents will be delivered at the quality expected by the residents, at the least possible cost.

Property Tax

Property tax rate will be set annually at a level that reflects highly efficient and effective service delivery, maintains property tax rate stability, and compares favorably to the tax rates of other North Carolina municipalities with similar services and on similar revaluation schedules.

User Fees

Where appropriate, user fees for services will be developed and updated in order to achieve the expected level of cost recovery.

Balancing Current Expenses with Current Income

Budgets will be developed so as not to require the use of reserves to pay for recurring expenditures.

Fund Balance Reserve

Unrestricted fund balance equal to at least 10% of budgeted General Fund expenditures will be maintained to provide adequate working capital, produce investment income for debt retirement, and meet the highest possible standards of the national credit rating agencies.

Employee Compensation

Sufficient funds will be budgeted to maintain competitive compensation and benefits for city employees.

Economy of Operation

The City Manager is expected to review the cost of city operations continuously to determine ways to create savings, in order that such savings may be passed along to the taxpayers of Winston-Salem.

Expanding the Tax Base

A strong economic development program will be provided in the budget to attract new business investment and to encourage existing business growth in order to diversify and/or solidify the city's economic base.

Downtown Revitalization

The budget will reflect the Council's commitment to enhance the vitality of downtown, through the development of retail, office, entertainment, and residential projects in the downtown area. The eligible area for certain programs may be expanded to include areas outside the central core of the city, such as Waughtown/Parkview and East Winston.

City Fiscal Policies

Sound current and long-range financial policies are intended to 1) maintain relatively low property tax rates, 2) expand and diversify other revenues, 3) augment resources by astute cash management, and 4) facilitate funding for capital improvements by maintaining adequate resources and reasonable financing capability. The policies listed below reflect the City's commitment to maintaining its fiscal strength.

Credit Rating

The City shall achieve the highest credit ratings possible given prevailing local economic conditions. *The City is rated AAA by Fitch IBCA, Moody's Investors Service and Standard and Poor's Corporation.*

Revenue Projections

Revenue projections shall be sufficiently conservative to avoid shortfalls, but accurate enough to avoid a regular pattern of setting tax rates that produce significantly more revenue than is necessary to meet expenditure requirements. *Within the last 20 years, the city has experienced only four operating deficits as a result of a revenue shortfall, and these occurred during national recessions. In 2001, actions by the State of North Carolina, in which reimbursements of local revenues of approximately \$8 million were withheld, resulted in a year-end deficit of \$2.2 million. The City incurred a year-end deficit in 2008-2009 due to what has been described as the worst national recession since the "great depression" of the 1930's; however, this deficit was less negative than it could have been as a result of financial restraint measures implemented early in the fiscal year.*

General Obligation Debt

The City shall not allow the amount of general obligation debt per capita to exceed \$1,000. *Net bonded debt per capita as of June 30, 2011 was \$395.*

General Debt Service

Annual general debt service payments shall not exceed 20% of total general governmental expenditures. *For 2010-2011 debt service expense was approximately 13.4% of all expenditures.*

Unfunded Pension Liability

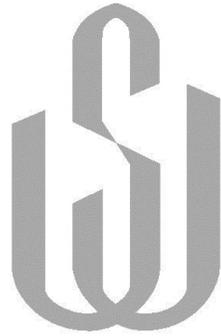
The city shall pay the annual amount of the normal costs of pension and other post-employment benefits, as determined by an independent actuary, to ensure that obligations to retired employees are met on a timely basis. *The City is meeting its actuarially determined required contribution to its pension and other post-employment plans on an annual basis.*

Revenue Sources

The city shall diversify its revenue sources to reduce reliance on property taxes. *Property taxes made up an estimated 50.3% of general fund expenditures in 2010-2011.*

Cash Management and Investment

Sound and astute management of cash and investments shall augment resources available to the city. *During 2010-2011, equity investments reported a 31.79% return. Fixed income investments during the same time period had a rate of return of 2.20%. Overall, the investment yield was 17.27%, due to fixed incomes investments being 71% of the total portfolio.*



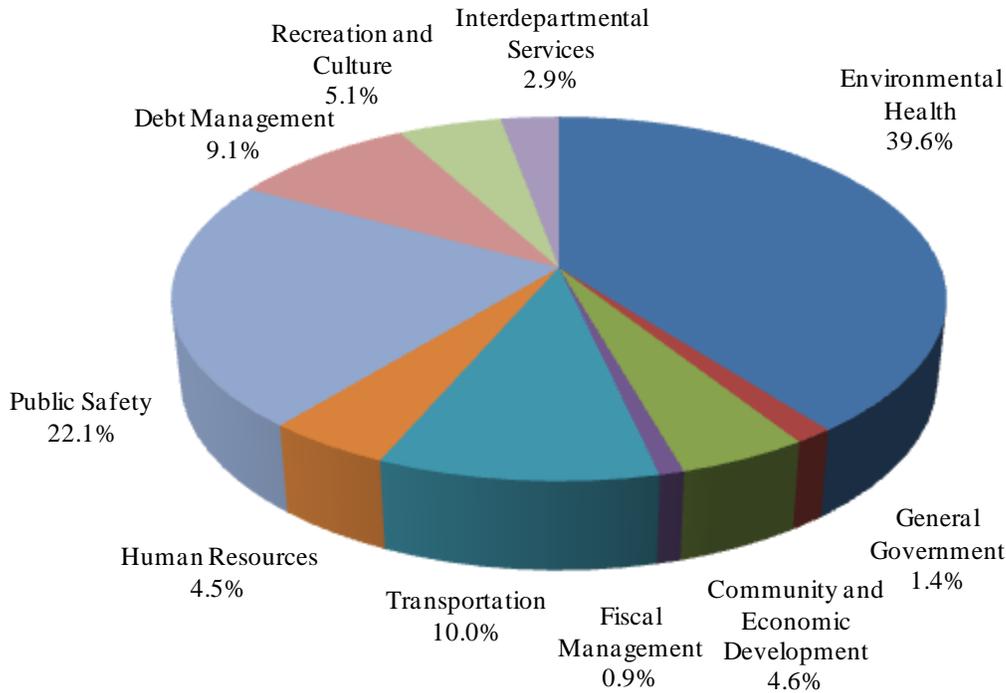
Winston-Salem

TOTAL BUDGET SUMMARY

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TOTAL EXPENDITURES – ALL FUNDS

TOTAL NET EXPENDITURES BY SERVICE AREA



Total \$392.0 Million

NET TOTAL EXPENDITURES BY SERVICE AREA

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Community and Economic Development				
City/County Planning	\$2,642,708	\$2,687,150	\$2,808,440	4.5%
City/County Inspections	4,130,741	4,262,340	3,900,650	-8.5%
Community and Business Development				
Business Development	12,722,246	2,225,220	1,860,510	-16.4%
Housing Development Administration	715,477	753,160	764,470	1.5%
Housing Development Operations	7,075,811	5,215,430	5,510,620	5.7%
Neighborhood Services	3,595,832	3,537,020	3,618,000	2.3%
Community Agencies	528,030	646,120	614,120	-5.0%
Non-Departmental	1,091,980	821,760	1,407,920	71.3%
Capital Projects	2,134,972	0	0	N/A
Subtotal	\$34,637,798	\$20,148,200	\$20,484,730	1.7%
Less Transfers	-\$12,947,005	-\$2,007,460	-\$2,528,550	26.0%
Less Interfund/Interdepartmental Charges	-40,753	-20,000	-20,000	0.0%
Net Total	\$21,650,040	\$18,120,740	\$17,936,180	-1.0%

TOTAL EXPENDITURES – ALL FUNDS

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Environmental Health				
Sanitation	\$18,799,027	\$19,578,400	\$18,401,090	-6.0%
Water and Sewer	65,764,470	76,340,810	80,920,530	6.0%
Solid Waste Disposal	11,700,565	13,398,420	12,484,370	-6.8%
Stormwater	6,029,425	7,068,760	7,541,120	6.7%
Capital Projects	50,782,660	50,728,040	44,584,700	-12.1%
Subtotal	\$153,076,147	\$166,696,200	\$163,931,810	-1.9%
Less Transfers	-\$6,609,447	-\$3,926,730	-\$3,130,150	-20.3%
Less Interfund/Interdepartmental Charges	-3,790,489	-3,616,870	-3,399,970	-6.0%
Net Total	\$142,676,211	\$159,152,600	\$157,401,690	-1.4%
Public Safety				
Police Department	\$62,641,772	\$61,451,600	\$61,642,450	0.3%
Fire Department	24,227,598	24,871,290	25,266,830	1.6%
Emergency Management	521,726	497,080	512,080	3.0%
Non-Departmental	79,300	0	0	0.0%
Capital Projects	6,997,562	535,000	0	-100.0%
Subtotal	\$94,467,958	\$87,354,970	\$87,421,360	0.1%
Less Transfers	-\$3,425,369	-\$11,950	-\$11,540	-3.4%
Less Interfund/Interdepartmental Charges	-1,483,429	-1,659,440	-943,810	-43.1%
Net Total	\$89,559,159	\$85,683,580	\$86,466,010	0.9%
Transportation				
Department of Transportation				
Transportation System Management	\$8,344,680	\$9,205,430	\$9,682,680	5.2%
Street Maintenance	4,809,869	5,527,320	5,377,660	-2.7%
Winston-Salem Transit Authority	12,801,728	12,958,460	13,502,890	4.2%
Off-Street Parking	3,683,628	3,339,100	3,009,890	-9.9%
Non-Departmental	12,551,532	12,595,400	14,781,970	17.4%
Capital Projects	16,418,533	4,968,640	8,291,460	66.9%
Subtotal	\$58,609,970	\$48,594,350	\$54,646,550	12.5%
Less Transfers	-\$13,500,371	-\$12,767,140	-\$14,940,610	17.0%
Less Interfund/Interdepartmental Charges	-1,371,347	-910,000	-960,000	5.5%
Net Total	\$43,715,253	\$34,917,210	\$38,745,940	11.0%

TOTAL EXPENDITURES – ALL FUNDS

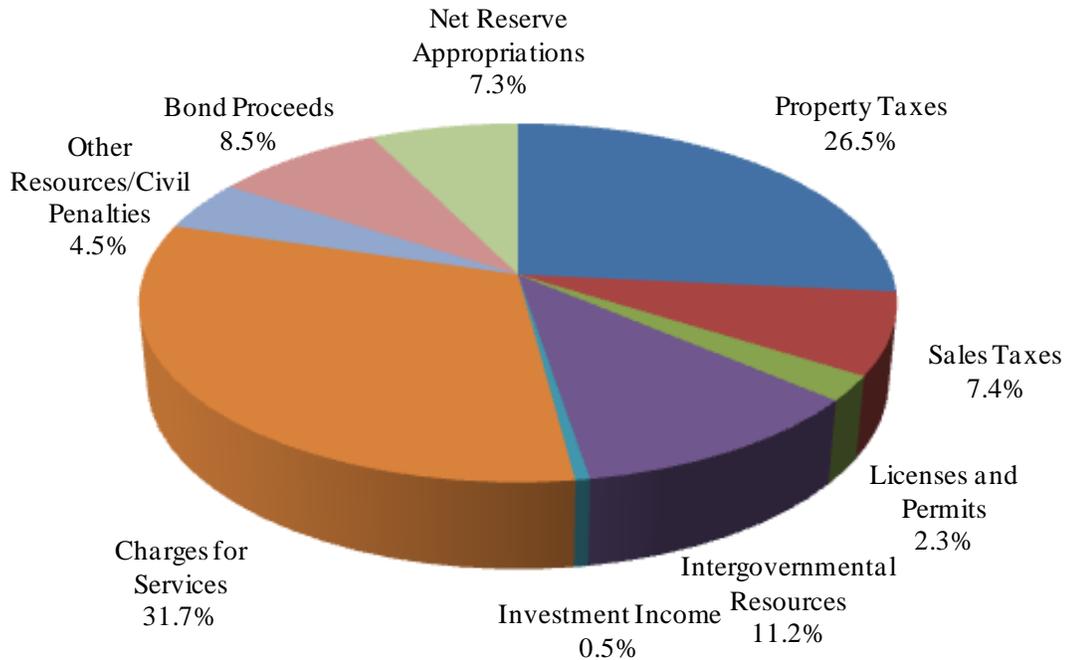
	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Recreation and Culture				
Recreation and Parks	\$8,836,348	\$9,423,200	\$9,406,470	-0.2%
Winston-Salem Entertainment-Sports Complex	5,093,839	5,309,160	5,270,740	-0.7%
M.C. Benton, Jr. Convention and Civic Center	806,549	818,990	818,990	0.0%
Fair	2,539,324	2,931,260	3,028,350	3.3%
Downtown Ballpark	990,034	1,275,400	1,437,080	12.7%
Non-Departmental	1,961,480	1,855,900	1,841,010	-0.8%
Capital Projects	2,584,628	2,431,400	620,000	-74.5%
Subtotal	\$22,812,202	\$24,045,310	\$22,422,640	-6.7%
Less Transfers	-\$2,499,956	-\$2,261,480	-\$2,280,760	0.9%
Less Interfund/Interdepartmental Charges	-43,878	-39,710	-40,920	3.0%
Net Total	\$20,268,368	\$21,744,120	\$20,100,960	-7.6%
Fiscal Management				
Financial Management Services	\$7,365,076	\$7,875,840	\$9,007,640	14.4%
Budget and Evaluation	\$686,830	\$659,840	\$660,380	0.1%
Claims for Damages	\$566,154	\$596,080	\$623,140	4.5%
Subtotal	\$8,618,060	\$9,131,760	\$10,291,160	12.7%
Less Interfund/Interdepartmental Charges	-\$6,575,726	-\$6,541,670	-\$6,871,840	5.0%
Net Total	\$2,042,334	\$2,590,090	\$3,419,320	32.0%
Human Resources Management				
Human Resources	\$1,683,777	\$1,816,490	\$1,830,130	0.8%
Employee Benefits	47,221,898	47,959,770	60,576,060	26.3%
Subtotal	\$48,905,676	\$49,776,260	\$62,406,190	25.4%
Less Transfers	-\$122,380	-\$124,050	-\$1,143,630	821.9%
Less Interfund/Interdepartmental Charges	-37,535,415	-40,166,710	-43,540,520	8.4%
Net Total	\$11,247,881	\$9,485,500	\$17,722,040	86.8%

TOTAL EXPENDITURES – ALL FUNDS

	<u>Actual</u> FY 10-11	<u>Budget</u> FY 11-12	<u>Adopted</u> FY 12-13	<u>Percent</u> Change
Interdepartmental Services				
Engineering	\$3,632,264	\$3,917,350	\$3,939,680	0.6%
Information Systems	8,187,439	9,434,150	9,622,830	2.0%
Mail and Printing Services	573,986	678,300	679,290	0.1%
Property and Facilities Management				
Fleet Services	9,127,222	8,493,380	9,602,330	13.1%
Facilities Management	4,601,181	4,884,920	5,846,870	19.7%
Central Warehouse	264,884	271,610	311,680	14.8%
Sustainability	292,267	226,220	123,930	-45.2%
Vegetation Management	4,204,937	4,950,790	4,514,730	-8.8%
Cemeteries	656,267	655,450	675,370	3.0%
Non-Departmental	0	101,620	56,090	-44.8%
Capital Projects	68,604	435,000	478,000	9.9%
Subtotal	\$31,609,051	\$34,048,790	\$35,850,800	5.3%
Less Transfers	-\$106,050	-\$221,620	-\$181,360	-18.2%
Less Interfund/Interdepartmental Charges	-21,390,669	-22,794,240	-24,743,830	8.6%
Net Total	\$10,112,332	\$11,032,930	\$10,925,610	-1.0%
General Government				
Policy Leadership	\$1,500,128	\$1,625,290	\$1,618,790	-0.4%
City Manager	1,065,947	1,089,210	1,234,450	13.3%
Office of Community Assistance	454,464	505,520	559,250	10.6%
City Link	1,773,308	1,912,650	1,864,960	-2.5%
City Secretary	374,800	372,000	379,570	2.0%
Marketing and Communications	891,492	823,430	841,160	2.2%
Human Relations	368,867	399,580	449,010	12.4%
Non-Departmental	1,151,195	-1,625,290	-2,130,580	31.1%
Capital Projects	1,588,734	0	0	N/A
Subtotal	\$9,168,930	\$5,520,620	\$4,816,610	-5.6%
Less Transfers	\$985,409	-\$500,000	-\$700,000	40.0%
Less Interfund/Interdepartmental Charges	-269,540	-264,540	0	-100.0%
Net Total	\$9,884,799	\$4,756,080	\$4,116,610	-5.1%
Debt Management				
Debt Service	\$17,095,585	\$16,050,770	\$18,101,160	12.8%
Leasing Equipment Acquisition Fund	5,188,302	6,518,020	6,173,760	-5.3%
Leasing Fund	5,475,008	22,871,690	23,779,490	4.0%
Subtotal	\$27,758,895	\$45,440,480	\$48,054,410	5.8%
Less Transfers	-\$2,527,147	-\$15,440	-\$6,340	-58.9%
Less Interfund/Interdepartmental Charges	-2,271,724	-2,263,950	-12,879,510	468.9%
Net Total	\$22,960,024	\$43,161,090	\$35,168,560	-18.5%
Total Net Expenditures By Service Area	\$374,139,399	\$390,643,940	\$392,002,920	0.3%

TOTAL RESOURCES – ALL FUNDS

TOTAL RESOURCES BY TYPE



Total: \$392.0 Million

TOTAL RESOURCES BY TYPE

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
Property Taxes				
Property Taxes - Current Year	\$100,836,540	\$98,444,680	\$102,737,520	4.4%
Property Taxes - Prior Year	258,831	1,150,000	\$1,250,000	8.7%
Subtotal	\$101,095,371	\$99,594,680	\$103,987,520	4.4%
Sales Taxes				
Sales Tax (1% Article 39)	\$11,865,709	\$12,304,150	12,949,550	5.2%
Sales Tax (1/2% Article 40)	5,148,026	5,079,880	5,472,350	7.7%
Sales Tax (1/2% Article 42)	5,705,294	5,865,160	6,268,900	6.9%
Sales Tax (1/2% Article 44)	4,143,474	4,260,440	4,355,470	2.2%
Subtotal	\$26,862,503	\$27,509,630	\$29,046,270	5.6%

TOTAL RESOURCES – ALL FUNDS

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Licenses and Permits				
Construction Permits	\$2,686,810	\$2,435,840	\$2,435,340	0.0%
Privilege Licenses	2,829,003	2,649,200	2,930,000	10.6%
Gross Receipts Tax	229,828	150,000	200,000	33.3%
Motor Vehicle License Taxes	2,372,535	2,443,330	2,443,330	0.0%
Cable Franchise	246,913	0	0	N/A
Other Licenses and Permits	1,384,172	878,080	879,950	0.2%
Subtotal	\$9,749,260	\$8,556,450	\$8,888,620	3.9%
Intergovernmental Resources				
Federal	\$21,724,275	\$9,252,340	\$13,415,980	45.0%
State				
Utility Franchise Tax	14,350,645	13,814,540	14,929,380	8.1%
Beer and Wine Tax	1,036,067	1,119,370	1,115,170	-0.4%
Gasoline Tax	6,159,094	6,181,290	6,241,410	1.0%
NC Department of Transportation	5,222,116	4,408,750	3,194,910	-27.5%
Occupancy Tax	480,000	488,250	536,250	9.8%
Other State Resources	2,929,935	1,045,750	828,390	-20.8%
State Reimbursements				
“Hold Harmless” Payment	2,694,521	2,336,010	2,336,010	0.0%
Other Intergovernmental Resources				
ABC Allocation	860,255	843,110	918,320	8.9%
Housing Authority Payment in Lieu of Taxes	76,784	76,760	48,210	-37.2%
Other Intergovernmental Resources	415,851	265,000	330,000	24.5%
Subtotal	\$55,949,543	\$39,831,170	\$43,894,030	10.2%
Investment Income	\$39,858,447	\$1,494,310	\$2,099,270	40.5%
Charges for Services				
Utilities Revenue	\$69,747,137	\$79,133,310	\$83,320,340	5.3%
Landfill Revenue	6,485,756	7,163,560	\$6,178,490	-13.8%
Stormwater Fees	9,765,706	10,000,000	\$10,000,000	0.0%
Fairgrounds Revenue	2,732,185	2,376,600	\$2,627,600	10.6%
Parking Services	3,040,498	2,760,590	\$1,992,500	-27.8%
Concessions	532,872	537,880	\$489,110	-9.1%
Mass Transit Fees	2,732,877	2,593,400	\$2,810,350	8.4%
Admissions Fees	183,283	236,450	\$198,450	-16.1%

TOTAL RESOURCES – ALL FUNDS

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Charges for Services - Continued				
Entry Fees	\$146,860	\$142,000	\$149,000	4.9%
Equipment Use Fees	189,946	237,530	193,680	-18.5%
Facility Use Fees	501,655	421,360	475,110	12.8%
Sanitation Yard Cart Fees	835,481	876,000	834,000	-4.8%
Sanitation Bulk Container Fees	1,614,490	1,674,040	1,555,040	-7.1%
Cemetery Fees	416,200	448,200	495,640	10.6%
Employee Benefits Premiums	5,716,747	6,304,800	6,400,000	1.5%
Other Charges for Service	2,447,863	2,418,300	2,340,980	-3.2%
Charges to the State	565,798	452,000	602,000	33.2%
Charges to Forsyth County	6,084,070	3,501,870	3,494,200	-0.2%
Charges to WS/FC School Board	125,000	125,000	125,000	0.0%
Charges to Other Municipalities	37,130	38,080	38,500	1.1%
Subtotal	\$113,901,555	\$121,440,970	\$124,319,990	2.4%
Civil Penalties				
Parking Tickets	\$364,325	\$350,000	\$230,000	-34.3%
Housing Code Violations	403,260	396,320	524,300	32.3%
Erosion Control Civil Penalties	18,686	15,000	15,000	0.0%
False Alarm Civil Penalties	85,435	165,000	148,000	-10.3%
Subtotal	\$871,705	\$926,320	\$917,300	-1.0%
Other Resources				
Rentals	\$1,275,940	\$1,515,730	\$1,536,390	1.4%
Sales of Property and Equipment	236,493	183,000	259,000	41.5%
Loan Repayments	-2,996,595	605,000	650,000	7.4%
NC Municipal Leasing Corporation	459,547	7,644,420	6,751,760	-11.7%
Contributions	2,767,112	2,052,260	1,033,030	-49.7%
Miscellaneous	5,152,046	6,056,210	6,652,400	9.8%
Subtotal	\$6,894,544	\$18,056,620	\$16,882,580	-6.5%
Bond Proceeds	\$32,909,861	\$52,602,250	\$33,207,820	-36.9%
Net Reserve Appropriations	-13,953,389	20,631,540	28,759,520	39.4%
Total Resources By Category	\$374,139,399	\$390,643,940	\$392,002,920	0.3%

PROPERTY TAX REVENUE DISTRIBUTION

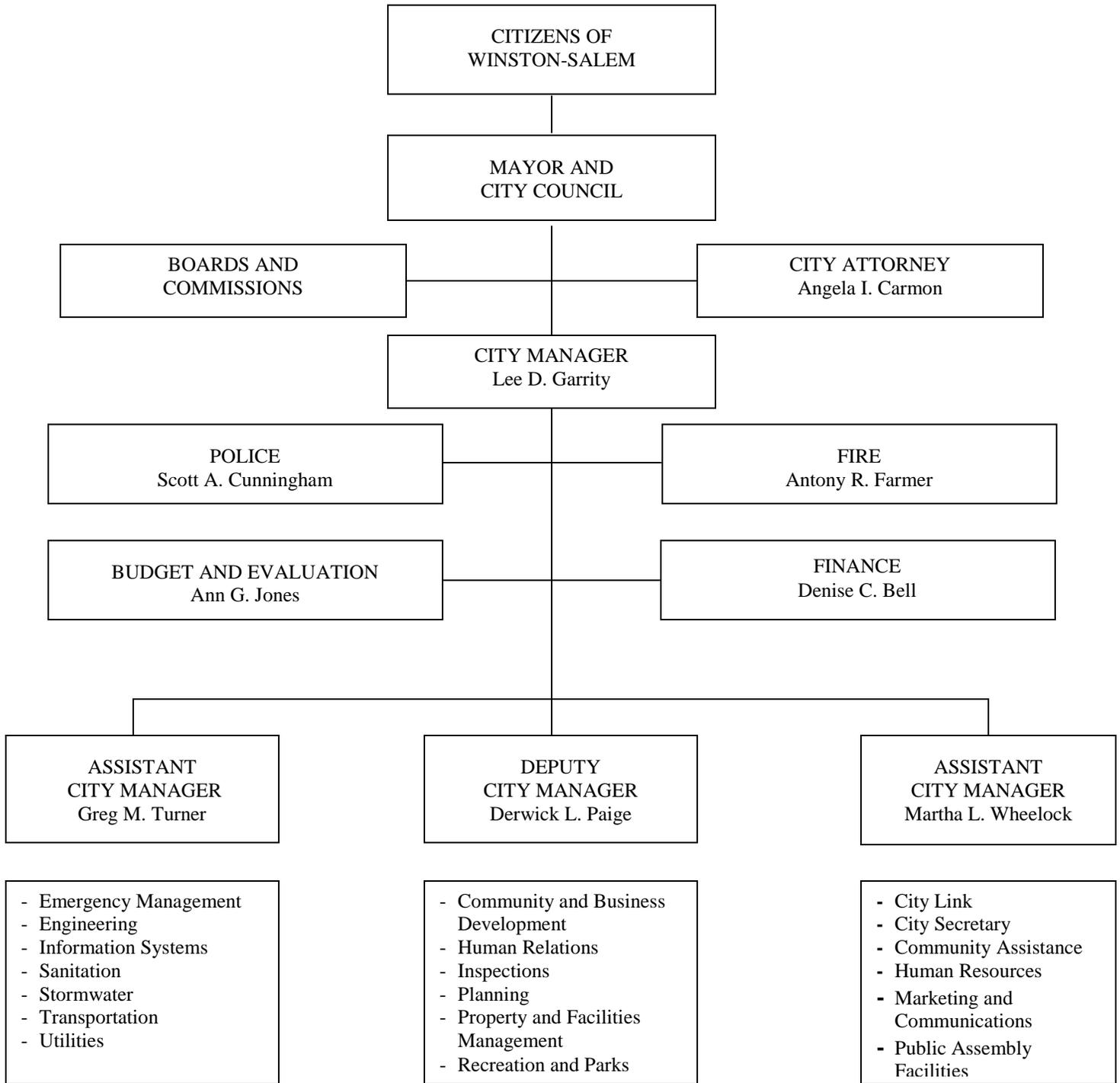
The 2012-2013 adopted property tax rate of 49.1¢ per \$100 of assessed valuation is levied on all real and personal property subject to *ad valorem* taxes within the city of Winston-Salem, North Carolina, and the revenue is allocated to the following funds:

- a) General: a tax rate of 49.1¢ per \$100 on \$478.9 million in assessed property representing the value of ten economic development projects (One West Fourth Street, Piedmont Triad Research Park, Wells Fargo Center Building, Caterpillar, Inc., Lowe’s Data Center, Exhibit Works, The Clearing House Payments Company, Smurfit-Stone Container Corporation, Hanes Geo Components, and Brookstown Development). Property tax revenue from these properties is distributed 100% to the general fund, where related economic payments are budgeted as transfers to the economic development projects fund, the parking fund and the general debt service fund.
- b) General: a tax rate of 41.28¢ per \$100 of assessed valuation on all property, except for \$478.9 million in assessed property representing the ten economic development projects listed above, for general purposes.
- c) Transit: a tax rate of 3.08¢ per \$100 of assessed valuation on all property, except for \$478.9 million in assessed property representing the ten economic development projects listed above, for the Winston-Salem Transit Authority operating and capital program purposes.
- d) General Debt Service: a tax rate of 4.74¢ per \$100 of assessed valuation on all property, except for \$478.9 million in assessed property representing the ten economic development projects listed above, for bond indebtedness purposes.

DISTRIBUTION OF 2012-2013 ESTIMATED PROPERTY TAX REVENUE

	General, Mass Transit, and Debt	Economic Development	Total
Property Tax Base	\$20,919,463,800	\$478,863,300	\$21,398,327,100
Property Tax Rate per \$100:			
General	41.28¢	49.10¢	
Mass Transit	3.08¢		
Debt Service	<u>4.74¢</u>		
Total	49.10¢		
Property Tax Levy	\$102,714,570	\$2,351,220	\$105,065,790
Estimated Collection Rate	97.73%	100%	97.78%
Collections			
General	\$84,476,300	\$2,351,220	\$86,827,520
Mass Transit	6,266,340	0	6,266,340
Debt Service	<u>9,643,660</u>	<u>0</u>	<u>9,643,660</u>
Total	\$100,386,300	\$2,351,220	\$102,737,520

ORGANIZATION CHART



TOTAL PERSONNEL

FULL-TIME POSITION CHANGES BY DEPARTMENT

<u>Personnel by Department</u>	<u>Amended FY 10-11</u>	<u>Amended FY 11-12</u>	<u>Adopted FY 12-13</u>	<u>Position Changes</u>
Community and Economic Development				
City/County Planning	27	26	26	0
City/County Inspections	55	44	44	0
Community and Business Development				
Business Development	2	3	3	0
Neighborhood Services	43	43	43	0
Housing Development	7	7	7	0
Subtotal	134	123	123	0
Environmental Health				
Sanitation	195	189	189	0
Water and Sewer	329	332	332	0
Solid Waste Disposal	35	35	35	0
Stormwater Management	44	49	49	0
Subtotal	603	605	605	0
Public Safety				
Police Department	714	727	735	+8
Fire Department	343	345	345	0
Emergency Management	5	5	5	0
Subtotal	1,062	1,077	1,085	+8
Transportation				
Department of Transportation				
Transportation System Management	48	48	48	0
Streets Maintenance	56	58	58	0
Winston-Salem Transit Authority	1	1	1	0
Off-Street Parking	17	17	15	-2
Subtotal	122	124	122	-2
Recreation and Public Assembly Facilities				
Recreation and Parks	101	91	91	0
Fair	2	2	2	0
Winston-Salem Entertainment-Sports Complex	36	36	36	0
Subtotal	139	129	129	0
Fiscal Management				
Financial Management Services	66	63	63	0
Budget and Evaluation	6	6	6	0
Subtotal	72	69	69	0

TOTAL PERSONNEL

<u>Personnel by Department</u>	<u>Amended FY 10-11</u>	<u>Amended FY 11-12</u>	<u>Adopted FY 12-13</u>	<u>Position Changes</u>
Human Resources Management				
Human Resources	13	14	14	0
Employee Benefits	<u>9</u>	<u>9</u>	<u>9</u>	<u>0</u>
Subtotal	22	23	23	0
Interdepartmental Services				
Office of the City Engineer				
Municipal Engineering	41	39	39	0
Capital Building Projects Engineering	2	2	2	0
Real Estate	5	5	5	0
Property and Facilities Management				
Fleet Management Services	33	32	32	0
Vegetation Management	66	62	62	0
Sustainability	1	1	1	0
Cemeteries	7	6	6	0
Central Warehouse	4	5	5	0
Facilities Management	38	49	49	0
Information Systems	<u>48</u>	<u>49</u>	<u>49</u>	<u>0</u>
Subtotal	245	250	250	0
General Government				
Policy Leadership				
Mayor	3	3	3	0
City Attorney	9	9	9	0
City Manager's Office				
City Manager	6	7	7	0
Office of Community Assistance	6	7	7	0
City Link	27	27	27	0
City Secretary	4	4	4	0
Marketing and Communications	7	7	7	0
Human Relations	<u>4</u>	<u>5</u>	<u>5</u>	<u>0</u>
Subtotal	66	69	69	0
TOTAL	2,465	2,469	2,475	+6

FULL-TIME POSITION CHANGES BY FUND

<u>Personnel by Fund</u>	<u>Amended 11-12</u>	<u>Adopted 12-13</u>	<u>Changes</u>
General Fund	1,899	1,907	+8
Internal Services	80	80	0
Grants	4	4	0
Enterprise Funds	477	475	-2
Fiduciary Funds	<u>9</u>	<u>9</u>	<u>0</u>
Total	2,469	2,475	+6

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FUND SUMMARIES

Fund Accounting. Local government activities are budgeted and accounted for in a number of separate fiscal entities known as "funds." In the Winston-Salem City government, funds have been set up to segregate activities or objectives in accordance with special regulations, restrictions, or limitations. The funds established by the City of Winston-Salem fall into three categories: governmental, proprietary, or fiduciary. The budget includes all funds in these categories except for the police retirement fund (in the fiduciary category), which may be excluded from the local budget ordinances according to the North Carolina General Statutes in the Local Government Budget and Fiscal Control Act.

Governmental Funds

General Fund. The general fund is the principal operating fund of the City, accounting for the expenses and resources for services to the public such as police, fire, sanitation, streets, transportation, and recreation. These services are supported by general purpose revenues such as property taxes, local option sales tax, intergovernmental revenues, charges for services, except for those that are designated by state law or local ordinance to be recorded in another fund group.

Internal Service Funds. Internal service funds provide budgetary accountability for governmental activities that serve other City departments. An internal service fund is similar to an enterprise fund in that it is supported entirely by user charges. Included in the internal service funds are information systems, fleet management services, warehouse services, and the funds for workers' compensation, current employee health benefits, dental, and flexible benefits plans.

Special Revenue Funds. Special revenue funds provide full budgetary accountability for restricted or limited resources (other than assessments and operating or capital grants to enterprise funds). Restrictions on resources may be federal, state, or local. A special revenue fund is established when required by legal mandate or sound financial management practices. These funds are as follows:

- Community Development Block Grant Fund
- Home Investment Partnership Fund
- Housing Finance Assistance Fund
- Real Estate Management Fund
- Economic Development Loan Fund
- Economic Development Project Fund
- Urban Development Action Grant Fund
- Powell Bill Fund (Gas Tax)
- Mass Transit Tax Fund
- Grants Fund
- Sales Tax Fund

- Occupancy Tax Fund
- Continuum of Care Grants Fund
- Police Forfeiture Funds
- Cable Franchise Fee Fund
- State Emergency Telephone System Fund

Debt Service Fund. The debt service fund accounts for the accumulation of resources for the payment of interest and current maturities of general obligations. Long-term obligations and related debt service for water and sewer, parking, and other enterprise programs are recorded in their respective funds.

Capital Project Funds. The capital projects fund provides budgetary accountability for financial resources used for the acquisition or construction of major capital improvements. Typically, projects are funded by two-thirds bonds, federal and state capital funds, general fund balance appropriations, and capital reserves. Also included in the capital funds category are three capital leasing funds: the leasing equipment acquisition fund that accounts for the full cash value of lease purchased items; the leasing capital projects fund that accounts for all projects funded through leases; and the leasing fund that accounts for the lease borrowing amount, the lease payments, and the balloon payments to retire the lease-debt.

Proprietary Funds

Enterprise Funds. Enterprise funds provide services that are nearly or fully self-supporting. The Local Government Budget and Fiscal Control Act does not define "enterprise," but provides an understanding of the purpose for which such a fund is appropriate, and dictates that they should be accounted for in separate enterprise funds. For the City, enterprise funds include water/sewer, solid waste disposal, stormwater management, public assembly facilities, off-street parking, public transit, and cemeteries.

Enterprise Capital Project Funds. These funds provide budgetary accountability for financial resources used for the acquisition or construction of major capital improvements for enterprise or internal service operations. Typically, projects are funded by revenue bonds, special obligation bonds, enterprise fund capital reserves, federal and state capital funds, and certificates of participation.

Fiduciary Funds

Employee Benefits Funds. These funds account for post-employment benefits and pension trust funds.

FUND SUMMARIES

Measurement Focus. Governmental funds (general, special revenue, debt service and capital projects) use a "flow of current financial resources" as its measurement focus. This means that the financial statements report whether the fund is better or worse off financially in the short term as a result of transactions and events of the period. Proprietary funds (enterprise and enterprise capital funds) use the "flow of economic resources" as a measurement focus.

Basis of Accounting. Governmental funds use the modified accrual basis of accounting. Under this basis, revenues are recognized in the period received and are accrued if considered to be both measurable and available to pay current liabilities. Major revenue sources include property and other local taxes, intergovernmental revenues, and investment income. Expenditures are recognized when a liability is incurred. An exception to this practice is interest on general obligation debt, which is reported according to due date.

Proprietary funds use the accrual basis of accounting. Under this basis revenues are recognized in the period earned, and expenses are recognized in the period incurred.

Budgetary Accounting. Budgetary accounting is used for management control of all funds of the City. Annual budget ordinances are adopted on the modified accrual basis at the fund level and amended as required for the operations of the general, debt service, certain special revenue, and proprietary funds. Because the proprietary funds are accounted for and budgeted for using different bases of accounting, the following differences are inherent in the financial statements and the budget ordinances:

Capital Outlays: According to generally accepted accounting principles (GAAP), capital outlays are not reflected in the operating statements of proprietary funds, because the purchase of a capital item does not affect the fund's economic resources. This is because a proprietary fund is not economically better or worse off when one asset (cash) is exchanged for another asset (equipment). Because the budget is adopted using modified accrual for all funds, including proprietary funds, the budget treats capital outlay acquisition as an "expenditure" regardless of the fund.

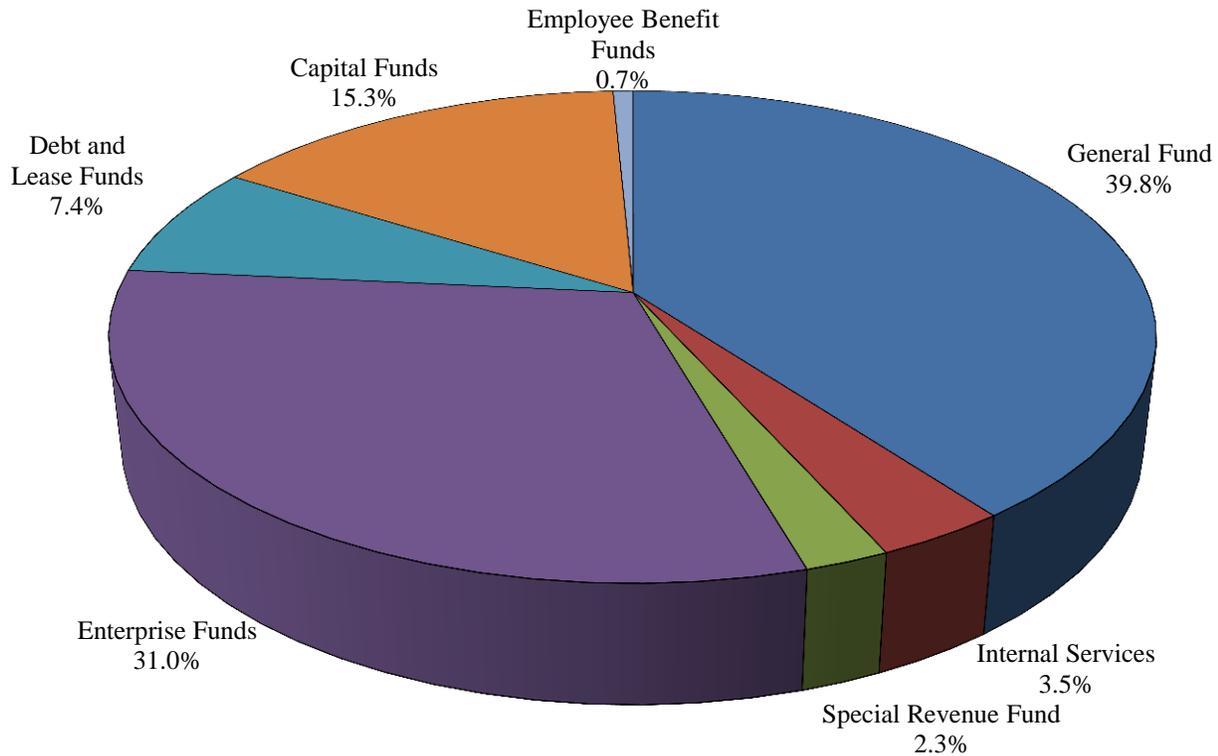
Debt Service Principal Payments: In the financial statements, proprietary funds do not report payments of debt service principal in their operating statements. These funds are not considered to be worse off economically when both debt and assets are reduced by the same amount. The budget is prepared using the modified accrual basis of accounting; therefore, the budget ordinances include debt service principal payments in the proprietary funds.

Depreciation: Depreciation allocates the cost of fixed assets to the periods that benefit from the use of those assets. According to generally accepted accounting principles (GAAP), proprietary funds use depreciation accounting and report depreciation in their operating statements. This accounting reflects the fact that these funds are economically worse off as their assets are consumed. Budgetary accounting, on the other hand, does not use depreciation accounting because the financial effect of the purchase of a capital item occurs when it is purchased, not when it is consumed.

FUND ACCOUNTING SUMMARY

Fund Type	Fund Category	Basis of Accounting	Budgetary Accounting
General Fund	Governmental	Modified Accrual	Modified Accrual
Internal Service	Governmental	Modified Accrual	Modified Accrual
Special Revenue	Governmental	Modified Accrual	Modified Accrual
Debt Service	Governmental	Modified Accrual	Modified Accrual
Capital Projects	Governmental	Modified Accrual	Modified Accrual
Enterprise	Proprietary	Accrual	Modified Accrual
Fiduciary	Fiduciary	Modified Accrual	Modified Accrual

NET EXPENDITURES BY FUND

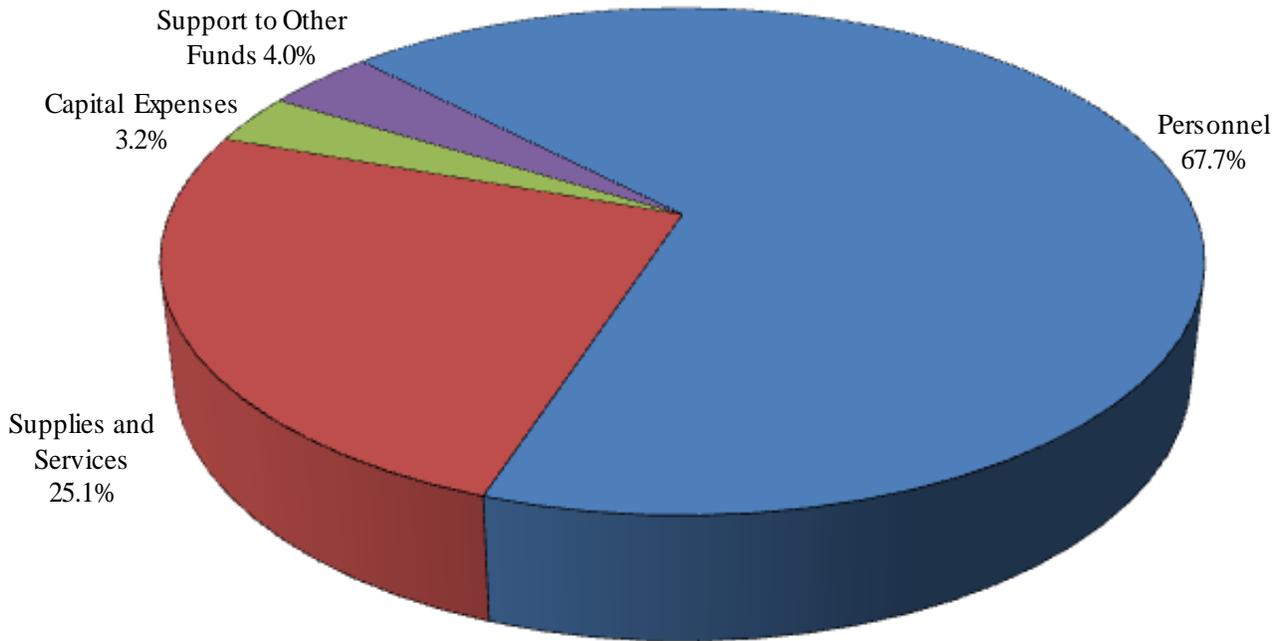


Net Total: \$392.0 Million

	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>	<u>Transfer and</u> <u>Interfund</u> <u>Charges</u>	<u>Net</u> <u>Expenditures</u>
<u>Operating Expenditures</u>					
General Fund	\$171,613,620	\$174,669,320	1.8%	-\$18,714,410	\$155,954,910
Internal Service Funds	57,417,890	69,415,490	20.9%	-55,734,760	13,680,730
Special Revenue Funds	33,306,550	33,682,840	1.1%	-24,920,780	8,762,060
Enterprise Funds	123,842,290	128,429,380	3.7%	-6,873,480	121,555,900
Subtotal	\$386,180,350	\$406,197,030	5.2%	-\$106,243,430	\$299,953,600
<u>Debt and Lease</u>					
Debt Service Fund	\$16,050,770	\$18,101,160	12.8%	-\$6,340	\$18,094,820
Equipment Leasing Fund	22,871,690	23,779,490	4.0%	-12,879,510	10,899,980
Subtotal	\$38,922,460	\$41,880,650	7.6%	-\$12,885,850	\$28,994,800
<u>Capital Expenditures</u>					
Capital Projects Fund	\$7,221,000	\$5,235,500	-27.5%	\$0	\$5,235,500
Enterprise Capital Projects	51,927,080	48,738,660	-6.1%	0	48,738,660
Capital Equipment Acquisition	6,518,020	6,173,760	-5.3%	0	6,173,760
Subtotal	\$65,666,100	\$60,147,920	-8.4%	\$0	\$60,147,920
<u>Fiduciary Funds</u>					
Post-Retirement Benefit Fund	\$7,665,500	\$9,729,350	26.9%	-\$6,822,750	\$2,906,600
Total Expenditures	\$498,434,410	\$517,954,950	3.9%	-\$125,952,030	\$392,002,920

GENERAL FUND EXPENDITURES BY TYPE

FY 12-13 GENERAL FUND EXPENDITURES BY TYPE

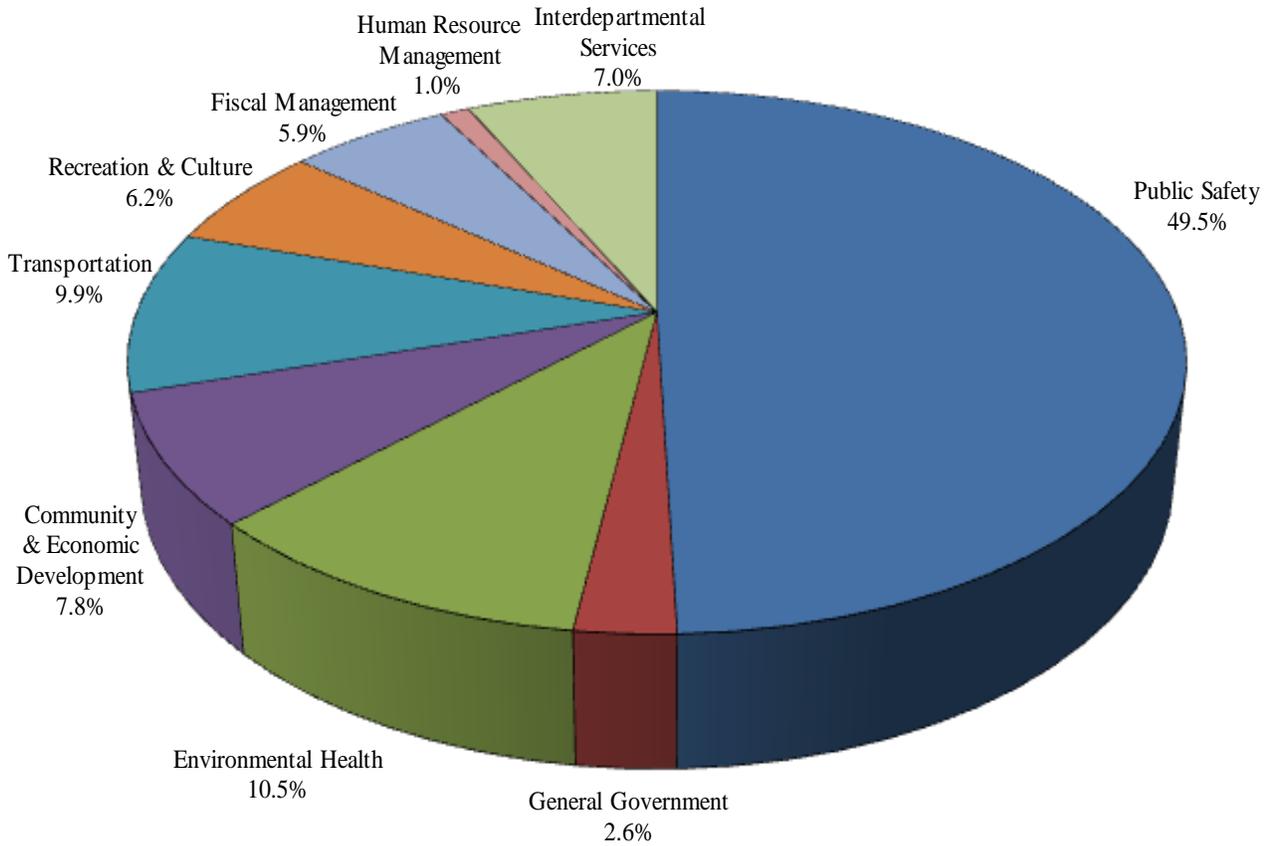


Total \$174.6 Million

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$114,993,529	\$117,711,580	\$118,218,820	0.4%
Supplies and Services	40,333,849	43,294,340	43,878,590	1.3%
Capital Expenses	5,807,350	6,226,440	5,596,400	-10.1%
Support to Other Funds	4,233,679	4,381,260	6,975,510	59.2%
Total	\$165,368,408	\$171,613,620	\$174,669,320	1.8%

GENERAL FUND EXPENDITURES BY SERVICE AREA

FY 12-13 GENERAL FUND EXPENDITURES BY SERVICE AREA



Total \$174.6 Million

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Community and Economic Development				
City/County Planning	\$2,642,708	\$2,687,150	\$2,723,440	1.4%
City/County Inspections	4,130,741	4,262,340	3,900,650	-8.5%
Community and Business Development				
Development Office	467,768	485,050	529,530	9.2%
Housing Development Administration	715,477	753,160	764,470	1.5%
Neighborhood Services	3,212,295	3,537,020	3,618,000	2.3%
Community Agencies	462,315	527,870	527,870	0.0%
Non-Departmental				
Travel Reductions	0	0	-5,680	N/A
Support to Other Funds				
Grants	30,000	0	0	0.0%
Housing Finance Assistance Fund	122,340	111,340	82,620	-25.8%
Economic Development Projects Fund	796,640	710,420	1,330,980	87.4%
Subtotal	\$12,580,285	\$13,074,350	\$13,471,880	3.0%

GENERAL FUND EXPENDITURES BY SERVICE AREA

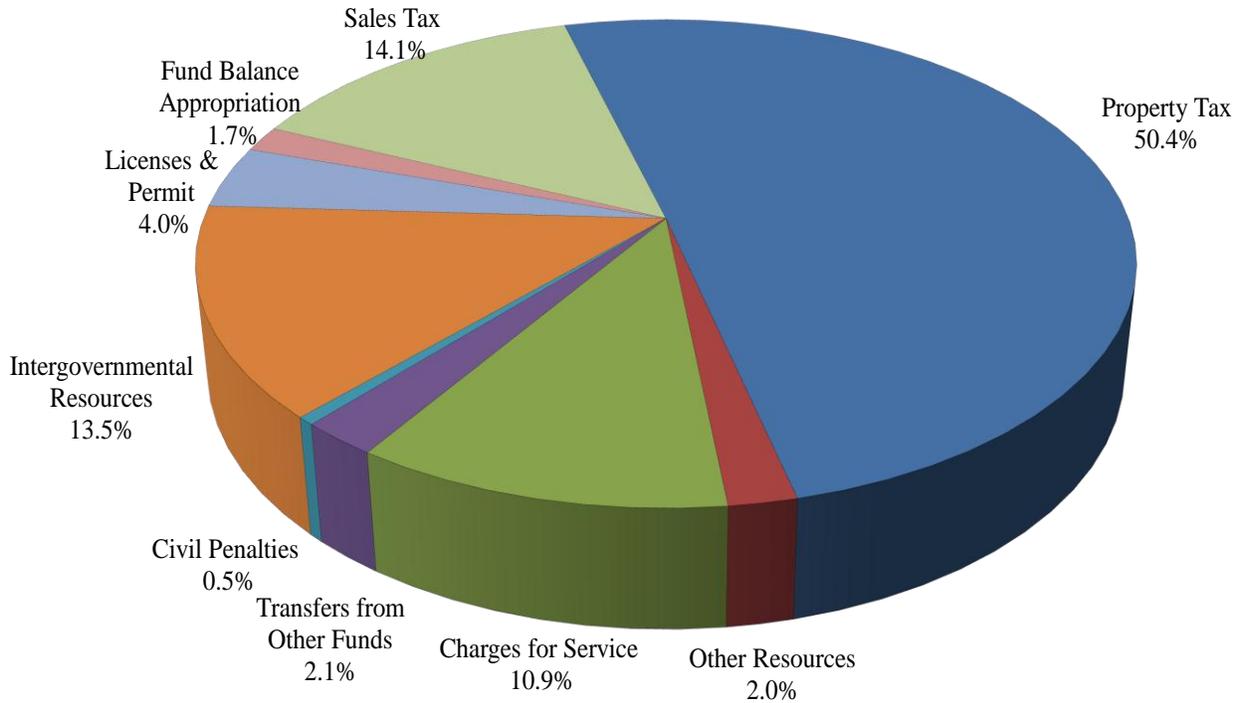
	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Environmental Health				
Sanitation	\$18,799,027	\$19,578,400	\$18,402,290	-6.0%
Non-Departmental				
Travel Reductions	0	0	-1,200	N/A
-Less Interdepartmental Charges	-101,058	-72,640	-112,500	54.9%
Subtotal	\$18,697,969	\$19,505,760	\$18,288,590	-6.2%
Public Safety				
Police	\$57,357,265	\$59,531,950	\$60,672,160	1.9%
Fire	24,114,391	24,871,290	25,270,670	1.6%
Emergency Management	457,698	497,080	512,080	3.0%
Non-Departmental				
Travel Reductions	0	0	-3,840	N/A
Support to Other Funds				
Grant Projects Fund	79,300	0	0	0%
Subtotal	\$82,008,653	\$84,900,320	\$86,451,070	1.8%
Transportation				
Department of Transportation				
Transportation System Management	\$7,424,342	\$7,999,580	\$8,467,680	5.9%
Street Maintenance	4,809,869	5,527,320	5,377,660	-2.7%
Non-Departmental				
Travel Reductions			-1,590	N/A
Support to Other Funds				
Transportation	5	0	0	N/A
Parking Fund	1,075,864	1,113,270	613,180	-44.9%
Capital Projects Fund	0	0	2,389,500	N/A
-Less Interdepartmental Charges	-22,999	-30,000	-30,000	0.0%
Subtotal	\$13,287,080	\$14,610,170	\$16,816,430	15.1%
Recreation and Culture				
Recreation and Parks	\$8,767,043	\$9,423,200	\$9,406,470	-0.2%
Non-Departmental				
Travel Reductions	0	0	-1,970	N/A
Support to Other Funds				
Winston-Salem Entertainment-Sports Complex	760,273	771,660	730,890	-5.3%
Convention Center Fund	543,269	568,990	568,990	0.0%
Ballpark Fund	90,250	90,250	93,100	3.2%
Subtotal	\$10,160,835	\$10,854,100	\$10,797,480	-0.5%

GENERAL FUND EXPENDITURES BY SERVICE AREA

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Fiscal Management				
Financial Management Services	\$7,365,076	\$7,875,840	\$9,007,640	14.4%
Budget and Evaluation	686,830	659,840	660,380	0.1%
Claims for Damages	566,154	596,080	623,140	4.5%
Subtotal	\$8,618,060	\$9,131,760	\$10,291,160	12.7%
Human Resource Management				
Human Resources	\$1,683,777	\$1,816,490	\$1,830,130	0.8%
Subtotal	\$1,683,777	\$1,816,490	\$1,830,130	0.8%
Interdepartmental Services				
Engineering	\$3,632,264	\$3,917,350	\$3,939,680	0.6%
Property and Facilities Management				
Vegetation Management	4,204,937	4,950,790	4,514,730	-8.8%
Sustainability	122,421	226,220	123,930	-45.2%
Property Maintenance	4,601,181	4,884,920	5,846,870	19.7%
Mail and Printing Services	573,986	678,300	679,290	0.2%
Information Systems	959,468	1,075,520	968,060	-10.0%
Non-Departmental				
Travel Reductions	0	0	-5,270	N/A
Support to Other Funds				
Cemeteries Fund	0	101,620	61,360	-39.6%
-Less Interdepartmental Charges	-3,134,287	-3,164,930	-3,970,060	25.4%
Subtotal	\$10,959,970	\$12,669,790	\$12,158,590	-4.0%
General Government				
Policy Leadership	\$1,500,128	\$1,625,290	\$1,618,790	-0.4%
City Manager	1,065,947	1,089,210	1,234,450	13.3%
Office of Community Assistance	454,464	505,520	559,250	10.6%
City Link	1,773,308	1,912,650	1,864,960	-2.5%
City Secretary	374,800	372,000	379,570	2.0%
Marketing and Communications	891,492	823,430	841,160	2.2%
Human Relations	333,990	348,070	346,390	-0.5%
Non-Departmental				
Travel Reductions	0	0	-12,270	N/A
Property Tax Collection	527,650	552,730	575,710	4.2%
Contingency	0	0	0	N/A
Salary Savings Adjustment	0	-2,678,020	-3,544,020	32.3%
Support to Other Funds				
Debt Service Fund	450,000	500,000	550,000	10.0%
Grants Fund	0	0	150,000	N/A
Subtotal	\$7,371,779	\$5,050,880	\$4,563,990	-9.6%
Total Expenditures By Service Area	\$165,368,408	\$171,613,620	\$174,669,320	1.8%

GENERAL FUND RESOURCES BY TYPE

FY 12-13 GENERAL FUND RESOURCES BY TYPE



Total \$174.6 Million

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
Taxes				
Property Taxes - Current Year	\$86,184,015	\$85,621,400	\$86,827,520	1.4%
Property Taxes - Prior Year	1,812,441	1,150,000	1,250,000	8.7%
Sales Tax (1% Article 39)	11,865,709	12,304,150	12,949,550	5.2%
Sales Tax (1/2% Articles 40 and 42)	6,946,220	6,881,140	7,363,370	7.0%
Sales Tax (1/2% Article 44)	4,143,474	4,260,440	4,355,470	2.2%
Subtotal	\$110,951,859	\$110,217,130	\$112,745,910	2.3%
Licenses and Permits				
Construction Permits	\$2,686,810	\$2,435,840	\$2,344,640	-3.7%
Privilege Licenses	2,829,003	2,649,200	2,930,000	10.6%
Gross Receipts Tax	229,828	150,000	200,000	33.3%
Motor Vehicle License Taxes	1,583,639	1,633,330	1,633,330	0.0%
Cable Franchise	246,913	0	0	N/A
Other Licenses and Permits	173,866	128,080	128,750	0.5%
Subtotal	\$7,750,058	\$6,996,450	\$7,236,720	3.4%

GENERAL FUND RESOURCES BY TYPE

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
Intergovernmental Resources				
State-Collected Local Revenues				
Utility Franchise Tax	\$14,350,645	\$13,814,540	\$14,929,380	8.1%
Beer and Wine Tax	1,036,067	1,119,370	1,115,170	-0.4%
Gasoline Tax	5,218,112	5,281,290	5,052,410	-4.3%
“Hold Harmless” Payment	2,694,521	2,336,010	2,336,010	0.0%
Other Intergovernmental Resources				
ABC Allocation	573,503	562,070	612,210	8.9%
Housing Authority Payment in Lieu of Taxes	76,784	76,760	48,210	-37.2%
Other State Resources	148,787	393,280	133,800	-66.0%
Subtotal	\$24,098,419	\$23,583,320	\$24,227,190	2.7%
Charges for Services				
Governmental Sales and Service	\$4,149,585	\$4,297,090	\$3,969,140	-7.6%
Parking Meter Revenue	43,335	40,000	75,000	87.5%
Charges to the State	565,798	452,000	602,000	33.2%
Charges to Forsyth County	2,596,347	2,674,280	2,536,340	-5.2%
Charges to WS/FC School Board	125,000	125,000	125,000	0.0%
Charges to Other Municipalities	37,130	38,080	38,500	1.1%
Interfund Charges	12,601,839	12,648,670	11,738,900	-7.2%
Subtotal	\$20,119,033	\$20,275,120	\$19,084,880	-5.9%
Civil Penalties				
Parking Tickets	\$364,325	\$350,000	\$230,000	-34.3%
Housing Code Violations	403,260	396,320	524,300	32.3%
Erosion Control Civil Penalties	18,686	15,000	0	-100.0%
False Alarm Civil Penalties	85,435	165,000	148,000	-10.3%
Subtotal	\$871,705	\$926,320	\$902,300	-2.6%
Other Resources				
Rentals	\$193,339	\$310,900	\$280,900	-9.6%
Sales of Property and Equipment	225,276	183,000	174,000	-4.9%
Contributions	519,176	526,890	503,660	-4.4%
Reimbursements	388,972	1,404,960	2,018,620	43.7%
Miscellaneous	536,833	375,210	502,700	34.0%
Subtotal	\$1,863,596	\$2,800,960	\$3,479,880	24.2%

GENERAL FUND RESOURCES BY TYPE

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Transfers from Other Funds				
Housing Development/CDBG Funds	\$943,792	\$1,133,160	\$1,062,410	-6.2%
Emergency Telephone System Fund	11,780	11,950	11,540	-3.4%
Solid Waste Disposal Fund	2,371,847	1,933,480	1,109,850	-42.6%
Water and Sewer Fund	60,988	73,440	74,680	1.7%
Stormwater Management Fund	1,448,820	1,566,860	1,590,330	1.5%
Worker's Compensation Fund	122,380	124,050	143,630	15.8%
Subtotal	\$4,959,608	\$4,842,940	\$3,992,440	-17.6%
Fund Balance Appropriation	\$0	\$1,971,380	\$3,000,000	52.2%
Total General Fund Resources	\$170,614,279	\$171,613,620	\$174,669,320	1.8%

GENERAL FUND SUMMARY

The general fund, the principal operating fund for the City, accounts for the expenditures and resources needed to provide municipal services such as police, fire, sanitation, streets, and recreation, which are supported by general purpose revenues such as property tax, sales tax, licenses, permits, charges for service, intergovernmental revenue, and other miscellaneous resources. Overall, the general fund budget compared to the FY 11-12 budget reflects no growth for recurring expenses and 1.8% growth when one-time expenditures are included. The budget for the general fund is balanced with a .1¢ increase in the property tax rate, as a result of the following: the addition of 0.9¢ to provide one-time funding for capital projects in FY 12-13 and, in future years, to help offset the loss of State reimbursement revenue scheduled to expire after August, 2012, and the transfer of .8¢ from the general fund portion of the current property tax rate to the mass transit tax fund, to provide a 1.5¢ increase for public transit support overall.

Highlights of year-to-year changes in the general fund budget, by expenditure and revenue category, are provided immediately following the summary table, below.

GENERAL FUND EXPENDITURES AND RESOURCES, BY ACCOUNT TYPE

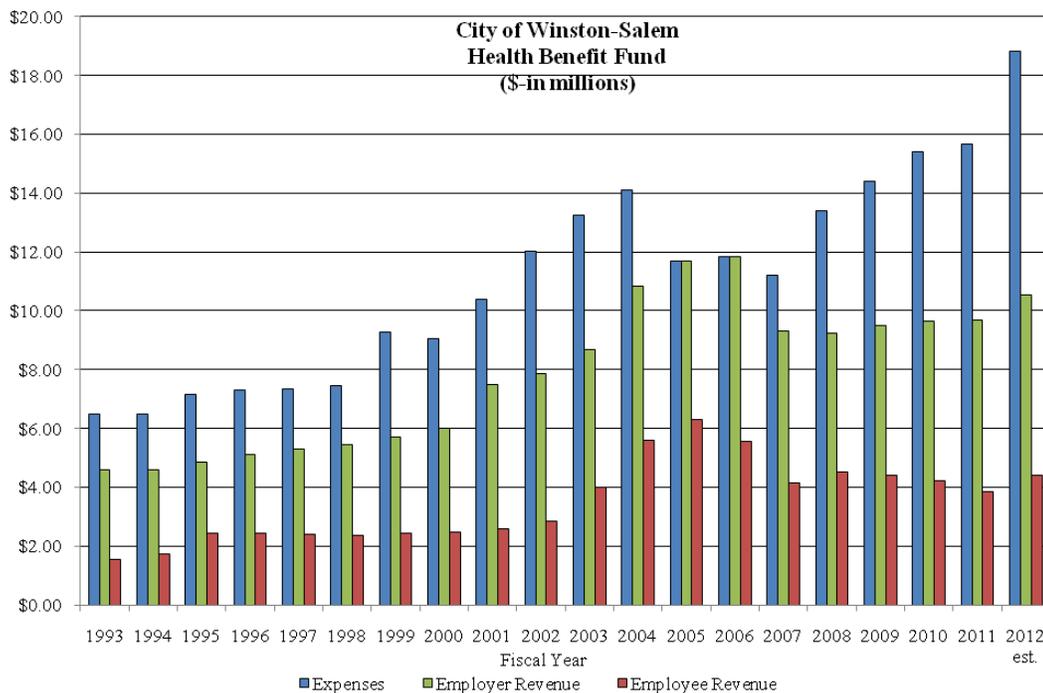
	Actual FY 10-11	Budget FY 11-12	Estimated FY 11-12	Adopted FY 12-13	Budget-Adopted %-Change	\$-Change
Recurring Expenditures						
Personnel	\$114,993,529	\$117,711,580	\$115,978,600	\$118,218,820	0.4%	\$507,240
Supplies and Services	40,333,849	43,294,340	43,756,030	42,876,690	-1.0%	-417,650
Capital Outlay	5,807,351	6,226,440	6,470,060	5,598,300	-10.1%	-628,140
Support to Other Funds	4,233,679	4,381,260	4,381,260	4,925,510	12.4%	544,250
Total Recurring Expenditures	165,368,408	171,613,620	170,585,950	171,619,320	0.0%	5,700
One-Time Expenditures				3,050,000		3,050,000
TOTAL EXPENDITURES	\$165,368,408	\$171,613,620	\$170,585,950	\$174,669,320	1.8%	\$3,055,700
Recurring Revenues						
Property Taxes	\$87,996,457	\$86,771,440	\$87,099,560	\$88,077,520	1.5%	\$1,306,080
Sales Taxes	22,955,402	23,445,730	24,252,484	24,668,390	5.2%	1,222,660
Licenses and Permits	7,742,441	6,996,450	7,297,532	7,236,720	3.4%	240,270
Intergovernmental	24,098,419	23,313,320	24,035,509	24,227,190	3.9%	913,870
Charges for Services/Other	22,861,953	24,272,400	24,050,193	23,467,060	-3.3%	-805,340
Transfers from Other Funds	4,959,607	4,842,940	4,944,466	3,992,440	-17.6%	-850,500
Total Recurring Revenues	170,614,279	169,642,280	171,679,744	171,669,320	1.2%	2,027,040
Fund Balance for One-Time Uses				1,150,000		1,150,000
Fund Balance for Recurring Uses		1,971,340		1,850,000	-6.2%	-121,340
TOTAL RESOURCES		\$171,613,620		\$174,669,320	1.8%	\$3,055,700
Addition to Fund Balance	\$5,245,871		\$1,093,794			

GENERAL FUND SUMMARY

RECURRING EXPENDITURE HIGHLIGHTS

- **Personnel.** The \$0.5 million budget-to-budget increase in personnel expenditures for FY 12-13 is primarily based on growth in the following major categories of expense:
 - **Health Benefits.** The general fund contribution to employee health benefits fund is increased by \$2.0 million to adjust for the average annual use of the health fund reserves in the past two years, and another \$1.0 million is added to cover continued growth in medical costs in the coming year. (+\$3.0 million)

The chart below illustrates the upward trend in costs and the stable or decreasing revenues from the City and employees, respectively. With no remaining reserves by the end of FY 11-12, the increases described above are necessary, as well as increased employee premiums which are under consideration. This budget proposal anticipates a increases in employee premiums, ranging from 12.5% to 18%, depending on plan selected, starting in January, 2013.



- **Police Retirement Benefits.** The City contribution to the Winston-Salem Police Officers Retirement System is increased to meet actuarial requirements. (+\$0.7 million)
- **Employee Merit Pay Adjustment.** On June 18, 2012, the City Council adopted the budget with a change in the employee merit pay increase from up to 1.5%, with a minimum of \$500 (+\$1.8 million), to a flat \$250 to be added to base pay per qualified employee (+\$0.7 million).

GENERAL FUND SUMMARY

- **Position Changes :**
 - Addition of eight school resource officers in the Police Department to expand the security provided by the City Police Department to fully cover all high schools and middle schools within the City limits, with funding reimbursed by the Winston-Salem/Forsyth County School Board, per contract (+\$0.6 million including salaries, benefits, overtime costs, and associated supplies and equipment)
 - Addition of ten part-time, seasonal positions for a housing code enforcement crew to improve timeliness of violation abatements (+\$.12 million)
 - Elimination of the appropriation for a second Police recruit class, which leaves one class budgeted and one that can be added back if there is sufficient turn-over (-\$0.57 million), as a change to the budget approved by City Council on June 18, 2012
 - Deletion of selected vacant positions as well as the elimination of selected management and professional positions during FY 12-13 (-\$1.0 million), as a change to the budget approved by City Council on June 18, 2012
- **Supplies and Services.** There is a net decrease of \$0.4 million in non-personnel operating expenses due to the following:
 - **Fuel.** The budget is increased by 20%, reflecting the net impact of a projected increase in the cost per gallon of fuel (from \$2.65 to \$3.45 and \$3.80 for unleaded and diesel, respectively) and a reduction in fuel usage targeted at -5%. (+\$0.6 million)
 - **Utilities.** Based on a projected increase of 6% in Duke power rates in February, 2013, the budget is increased for street lighting (+\$0.4 million) and for operating electrical expenses at City facilities (+\$0.1 million)
 - **Facility Costs.** For the first full year of operation of the new indoor firing range, the budget is increased to cover projected custodial and other maintenance expenses. (+\$0.4 million)
 - **Recycling Program Expenses.** The general fund budget is decreased to reflect a full-year of the implementation of single-stream recycling service provided every two weeks at the curb. (-\$1.24 million)

(This savings is offset by the annual lease payment for roll-out carts of \$0.56 million, as well as a \$0.66 million reduction in support from the Solid Waste Disposal Fund, for a net impact on the general fund of -\$20,000.)
- **Community Agency Grants.** There is no change in general fund contributions to community agencies compared to FY 11-12. (See list of adopted grants to community agencies on page 82 in the Community and Economic Development section of this document.)

GENERAL FUND SUMMARY

- **Other changes approved by City Council on June 18, 2102 as a part of the final budget adoption:**
 - Additional reduction in non-personnel operating expenses for supplies and services (-\$0.5 million)
 - Reduction in employee travel expenses (-\$50,000)
 - Reduction in Information Systems charges for computer replacements and new computer applications development (-\$94,000)
- **Capital Outlay.** Capital outlay expenditures are decreased by \$0.6 million as a result of the addition of \$1.3 million in equipment replacements and the drop-off in payments for previously approved items of \$1.9 million. (At budget adoption, on June 18, 2012, the City Council approved this amount of capital expenditures, which represents \$0.2 million less than originally proposed. The amount of the reduction was for equipment on a lower level of priority in terms of use and condition.) A complete list of all equipment approved for FY 12-13 is provided on page 244 in the Supplemental Information section of this document.
- **Support to Other Funds.** General fund support to other funds is increased by \$0.5 million as a result of the following:
 - Increase in the transfer to the economic development project fund of \$550,000 from property taxes of \$950,000 to be paid by Caterpillar in FY 12-13 (According to the agreement with Caterpillar, 33% of the property tax revenue, \$316,670, will go to Caterpillar as an economic development incentive payment. Another \$233,330 is to be transferred to the City's economic development project fund to initiate reimbursement to the City for its \$3.75 million up-front payment to Caterpillar. In the original budget proposal, the remaining \$400,000 was included in the reimbursement to the economic development fund. At budget adoption, on June 18, 2012, the Council reduced the general fund transfer to the economic development fund by \$400,000.)
 - Increase in the transfer to the debt service fund to cover the lease payment on the annual contribution of \$250,000 for capital improvements at the M.C. Benton, Jr. Convention and Civic Center (+\$50,000)

ONE-TIME EXPENDITURE HIGHLIGHTS

The budget includes \$3.05 million in one-time expenditures covered by \$1.15 million in fund balance and \$1.9 million from a .9¢ increase in the property tax rate. The property tax revenue will be appropriated for one-time purposes in FY 12-13, prior to supplanting “hold harmless” revenue from the State that expires in FY 13-14. Adopted one-time uses of these funds are listed below:

- Addition of a one-time contribution from the general fund to the post-employment benefits fund, along with other resources in the benefits funds and the debt service fund, to make the final payment for bonds issued in 1992 to fully fund liabilities in the City's police retirement and post-employment benefits funds (\$1.0 million from general fund balance)
- Addition of a City contribution to the City's Centennial Celebration scheduled for May 13, 2013 (+\$150,000 from general fund balance)
- Addition of a transfer to the capital projects fund for “ready-to-go” streets and sidewalk projects (+\$1.9 million from the additional .9¢ on the property tax rate to replace “hold harmless” revenue starting in FY 13-14)

GENERAL FUND SUMMARY

REVENUE HIGHLIGHTS

PROPERTY TAXES

Property taxes are the largest single source of revenue for the City, accounting for 50.4% of all general fund resources (including transfers from other funds and the fund balance appropriation). The projected property tax revenue estimate for FY 12-13 is calculated by multiplying the property tax base value of \$21.4 billion times a property tax rate of 49.1¢ per \$100 of the assessed base value, 1.6¢ more than the FY 11-12 rate of 47.5¢. Of the adopted increase in the rate, .9¢ (\$1.9 million) of the increased rate generates resources for one-time capital expenditures, .7¢ (\$1.5 million) for mass transit, and .8¢ (\$1.6 million) is reallocated from the current general fund property tax rate to the mass transit rate, to bring the total increase for mass transit up to 1.5¢. For the general fund, the net increase in the rate is .1¢ (\$0.2 million). (The property tax rate originally proposed by the City Manager was 51.7¢ per \$100 of assessed property value. At budget adoption, on June 18, 2012, the City Council reduced the property tax rate to 49.1¢, thereby decreasing the rate by 2.6¢ for a revenue reduction of \$5.4 million.)

Property Tax Base. The property tax base is classified as real property, personal property, registered motor vehicles, and state-assessed public services property. The real portion of the property tax base includes land and building values for all commercial, industrial, and residential buildings, and other real property. State law requires that real property be revalued at least once every eight years. In Forsyth County, revaluations are scheduled every four years. The most recent revaluation updated real property values as of January 1, 2009, and the impact of the revaluation was reflected in the FY 09-10 budget. The next revaluation of property will take place January, 2013. According to the Forsyth County Tax Office the revaluation could result in a drop in property value by as much as 11% below the previous valuation in 2009. A reduction in the value of the base by that percentage would reduce the property tax levy by approximately \$10 million, using the adopted rate of 49.1¢ per \$100 of assessed value.

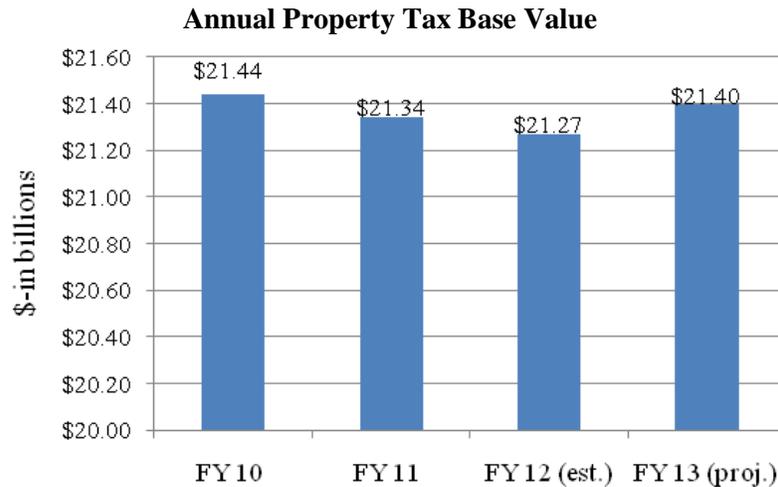
Tax base information provided by the Forsyth County Tax Office for FY 12-13 is provided in the following table:

Tax Base, by type	FY 11-12 Budgeted	FY 11-12 Estimated	FY 12-13 Projected	Bud. to Bud. % Change
Real Property	\$17,473,886,200	\$17,474,700,560	\$17,642,648,490	0.97%
Personal Property	2,129,344,800	2,120,888,540	2,123,126,050	-0.29%
Reg. Motor Vehicles	1,276,600,000	1,330,690,640	1,310,071,490	2.62%
Public Services	320,000,000	339,453,780	322,481,090	0.78%
Total	\$21,199,831,000	\$21,265,733,520	\$21,398,327,120	0.94%

Compared to the budget for FY 11-12, the projected property valuation is increased by 0.94%. The projected valuation is roughly the same as the estimated valuation for the current year. Personal property is decreased somewhat because less commercial and industrial equipment has been replaced; however, registered motor vehicle value is up perhaps because of the pent up demand for replacement vehicles, after more than three years of economic recession.

Property Tax Rate Distribution. The property tax rate of 49.1¢ per \$100 of valuation is levied on all taxable property. The revenue is distributed to selected funds, as follows: 41.28¢ to the general fund, 3.08¢ to the mass transit fund, and 4.74¢ to the debt service fund.

GENERAL FUND SUMMARY



SALES TAXES

The City receives four sales tax allocations: Article 39 one-cent tax, which is the original local government sales and use tax dating from 1971, Article 40 half-cent sales tax, which was authorized in 1983 (with 20% currently allocated to the general fund and the remaining 80% allocated to the debt service fund), Article 42 half-cent tax, which was authorized in 1986, and a “hold harmless” payment to compensate for the loss of Article 44, which was eliminated in full as of October 1, 2009.

Article 39 revenue is collected by the state and distributed to the county based on “point of delivery” (where the taxed item is delivered for use by the purchaser). Revenue from Article 40 is collected by the state and distributed to each county based upon its share of statewide population. Beginning July 1, 2009, the distribution basis for revenue from Article 42 was changed from “per capita” to “point of delivery.”

The City’s sales tax revenue is allocated to the general fund and the debt service fund, as shown in the table below:

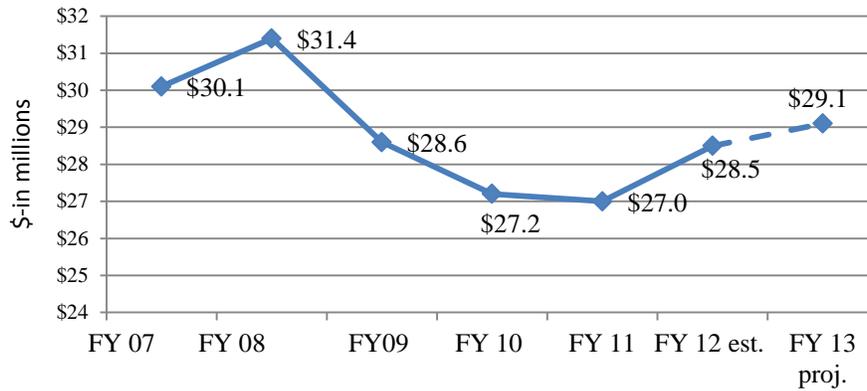
SALES TAX REVENUE ALLOCATION, BY ARTICLE

	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12 (estimated)	FY 12-13 (projected)
General Fund						
Article 39	\$14,406,007	\$12,769,637	\$12,480,795	\$11,865,709	\$12,774,290	\$12,949,550
20% of Article 40	1,133,304	1,100,056	1,003,613	1,029,605	1,069,130	1,094,470
Article 42	5,601,142	5,432,450	5,879,279	5,916,615	6,123,730	6,268,900
Article 44/ "Hold Harmless"	5,728,284	4,928,237	3,855,868	4,143,474	4,285,330	4,355,470
Total GF	\$26,868,737	\$24,230,380	\$23,219,555	\$22,955,403	\$24,252,480	\$24,668,390
Debt Service Fund						
80% of Article 40	\$4,533,215	\$4,400,225	\$4,014,453	\$4,094,595	\$4,276,540	\$4,377,880
TOTAL	\$31,401,952	\$28,630,605	\$27,234,008	\$27,049,998	\$28,529,020	\$29,046,270

GENERAL FUND SUMMARY

Sales Tax Revenue Projections for FY 12-13. As a part of budget adoption, the projected growth in sales tax revenue for FY 12-13 compared to estimated FY 11-12 receipts was increased from 0% to 1.5%. (+\$362,460) The projection, as revised, is more in keeping with the growth from FY10-11 to estimated FY 11-12 (+5.5%) and the N.C. League of Municipalities recommended growth next year of 3%-4%. The additional revenue, \$362,460, was part of a package of budget revisions to allow for a reduction in the property tax rate from the proposed 51.7¢ to 49.1¢ per \$100 of assessed property value.

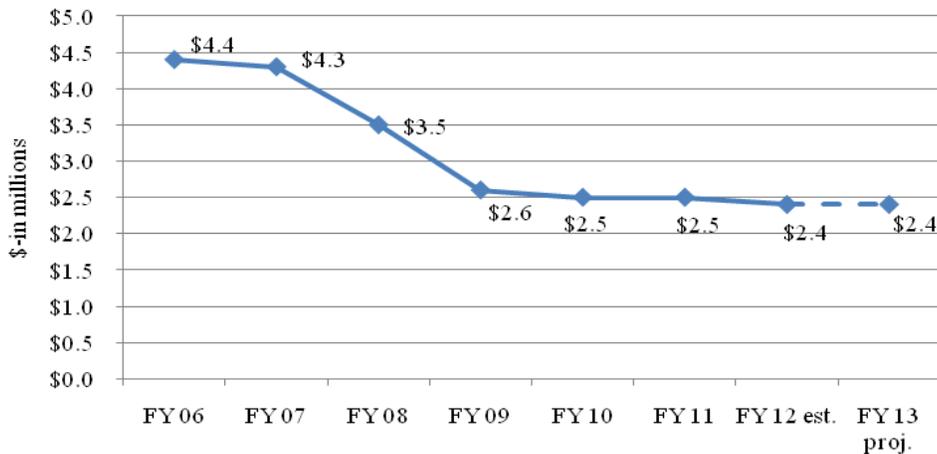
Historical Trend in Sales Tax Revenue



LICENSES AND PERMITS

Construction Control and Zoning Enforcement Permits. Construction-related revenues from building permits and inspections are among the first to react to shifts in the economy. In the early stages of the current economic recession, construction revenues began to drop off in the latter half of FY 06-07 and continued to decline through. Because the construction industry is predicted to remain sluggish in the near future, no growth in the budget for construction-related permit revenue is projected.

Historical Trend in Annual Construction-Related Revenue



GENERAL FUND SUMMARY

Privilege Licenses. Privilege license revenue has grown over the past two years primarily due to revenue from Internet sweepstakes establishments that continue to expand within the city. License revenue from sweepstakes businesses could be at risk, should the State legislature declare them illegal at some time in the future. Overall, privilege license revenue for FY 12-13 is estimated at \$2.9 M, the same amount as estimated actual receipts for FY 11-12.

History of Privilege License Revenue from Internet Sweepstakes Businesses

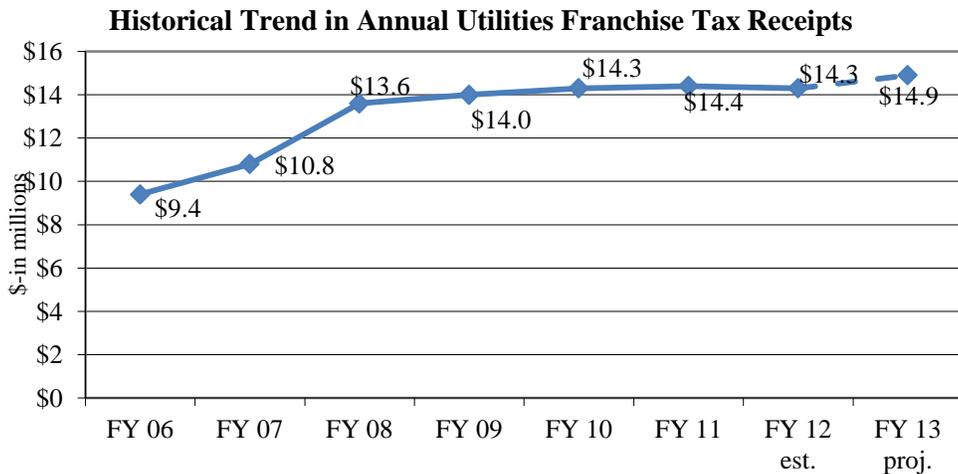
Fiscal Year	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Revenue	\$2,500	\$441,787	\$533,750	\$550,000 est.	\$550,000 proj.

Note: Effective July 1, 2010 the Council adopted changes to the Internet Sweepstakes Ordinance. The fees are as follows: \$2,500 per location and \$500 per machine. Prior to FY 2011, the license fees collected were \$50 per business. The N.C. court system continues to allow Internet sweepstakes businesses to operate; however there is constant discussion of regulating these businesses. For that reason, revenue estimates for future years remain conservative.

Motor Vehicle Privilege License Fee. There is a \$15 fee charged on the property tax bill on each registered motor vehicle. The general fund receives revenue from \$10 of the fee, and the remaining revenue from \$5 per vehicle (authorized in February, 2006) is appropriated in the capital projects and mass transit funds with one-third allocated for transit operations, one-third for non-vehicular transportation projects (such as greenway and sidewalk development), and one-third for vehicular transportation projects (such as traffic calming and other traffic safety projects). The general fund portion of the motor vehicle privilege license fee revenue is projected to remain at approximately \$1.6 million.

INTERGOVERNMENTAL REVENUE

Utility Franchise Tax: The utility franchise tax is collected by the State, based on a share of the receipts from regional electric, natural gas, telecommunications, and video programming companies. For FY 12-13, the share of this revenue that is distributed to the City is expected to increase by \$1 million compared to FY 11-12 budget, based on FY 11-12 actual receipts to-date and a projected 6% increase in the electrical rates during FY 12-13. (As a part of budget adoption, a revenue increase of \$76,310 was added as a part of a package of budget revisions to allow for a reduction in the property tax rate from the proposed 51.7¢ to 49.1¢ per \$100 of assessed property value.)



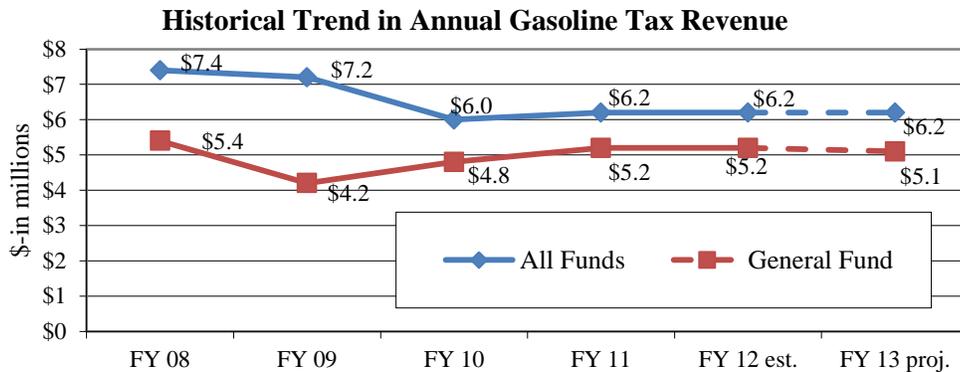
GENERAL FUND SUMMARY

Beer and Wine: State law provides for the per capita distribution of the state beer and wine receipts to the local governmental units in which the beer and wine are legally sold. During FY 09-10, the State of North Carolina did not distribute 70% of the beer and wine revenues to local governments, in order to keep that revenue to help balance the State’s budget. For FY 10-11, the State reinstated the beer and wine revenue allocation at 100%, and it has not been identified as being “at risk” for FY 12-13. Beer and wine revenues are projected to remain the same as the FY 10-11 estimated receipts, \$1.1 million.

“Hold Harmless” Reimbursement for the Inventory Tax, Intangibles Tax, Food Stamp Sales Tax, and Homestead Exemption Tax: In exchange for the authority to levy a third one-half cent local option sales tax, Article 44, the 2002 session of the General Assembly repealed \$333.4 million in reimbursement payments for the taxes listed above. Winston-Salem lost \$7,644,740 in reimbursements. The new sales tax revenue from Article 44 did not fully compensate the City for the loss of reimbursement revenue; therefore, the state provided a “hold harmless” payment to make up for the difference in reimbursement and sales tax revenues. Initially, the combination of sales tax revenues and the State’s “hold harmless” amount was sufficient to cover 100% of our \$7.6 million in lost revenue. When Article 44 was repealed in FY 08-09 and FY 09-10, the State enacted legislation that would provide replacement revenue from the counties’ monthly sales tax allocation, as well as a “transitional hold harmless” payment from the State to all local government jurisdictions for which the replacement revenue did not fully compensate for the loss of the original reimbursements. The “hold harmless” payment is scheduled to “sunset” in August, 2013.

Included in the adopted budget for FY 12-13 is a .9¢ increase in the property tax rate which would provide sufficient revenue to offset the loss of the “hold harmless” payment from the State in FY 13-14. Levying the .9¢ a year early would provide resources for one-time capital needs in FY 12-13, and it would reduce the projected budget “gap” for FY 13-14, which is both a property tax base revaluation year and an election year. (At budget adoption, on June 18, 2012, City Council approved a reduction in the originally proposed 1¢ property tax increase to .9¢, thereby decreasing revenue from \$2.1 million to \$900,000.)

Gasoline Tax (Powell Bill): Powell Bill revenue for FY 12-13 is projected to remain at \$6.2 million, the same as for FY 11-12, based on the formula for revenue distribution used by the N.C. Department of Transportation with (75%) of the distribution calculated at \$20.13 per capita and (25%) at \$1,579 per street mile. For FY 12-13, \$1,198,000 of the Powell Bill revenue is to be allocated to the capital projects fund for street resurfacing (\$1,000,000) and for the computerized traffic signal system (\$198,000). The remaining \$5.0 million in revenue is transferred to the general fund, for eligible transportation-related expenses.



GENERAL FUND SUMMARY

CHARGES FOR SERVICES AND OTHER REVENUES

Charges for services include user fees for recreation, police, transportation, housing, planning, and other city services, as well as charges to the county and state for services the City agrees to provide for state and county benefit. Also included in this category are interfund revenues, which represent payments from one fund to another for services rendered. Other revenues include contributions, reimbursements, sale of property, property rentals, and fines. For FY 12-13, there is a net decrease of \$0.75 million compared to FY 11-12 budgeted service charge revenue, primarily as a result of the expiration of reimbursement funding from Federal and State grants supporting police officers. (-\$0.99 million) There are no adopted fee increases or fee additions.

TRANSFERS FROM OTHER FUNDS

Transfers from other City funds represent support to the general fund for various purposes, such as housing rehabilitation, emergency phone system operation, recycling programs, risk management services for Utilities, leaf collection and pest control. For FY 12-13, transfers are decreased by 17%, or -\$0.85 million, compared to FY 11-12 budget. Most of the decrease is due to a reduction in support from the solid waste disposal fund of \$.7 million, which would bring the solid waste disposal fund's support for the City's recycling programs down by an additional 10% for FY 12-13, bringing the City share up to 50%. The intent has been to shift financial responsibility for recycling to the general fund by gradually reducing the transfers from solid waste. (The City Manager's original proposal was to reduce the solid waste fund support to 40%; however, at budget adoption, on June 18, 2012, the City Council approved the 50% share for solid waste, as described above.)

GENERAL FUND BALANCE HIGHLIGHTS

Fund Balance Appropriation for FY 12-13

The adopted budget includes a fund balance appropriation of \$3.0 million which is an increase of 52.2% compared to the FY 11-12 appropriation of \$1.97 million. Of the \$3.0 million appropriation, \$1.15 million is allocated to cover the following one-time budgeted expenditures: \$1.0 million contribution to the benefits fund for final payments on 1992 COPS; and a \$0.15 contribution for the May 9, 2013 Centennial Celebration.

The remaining \$1.85 million in fund balance appropriation is allocated to general fund recurring operations. The fund balance appropriation for operations represents 1.1% of the FY 12-13 general fund budget for recurring expenditures. It is anticipated that this portion of the appropriated fund balance will not be expended by year-end, due to conservative budget estimates for both expenditures and revenues.

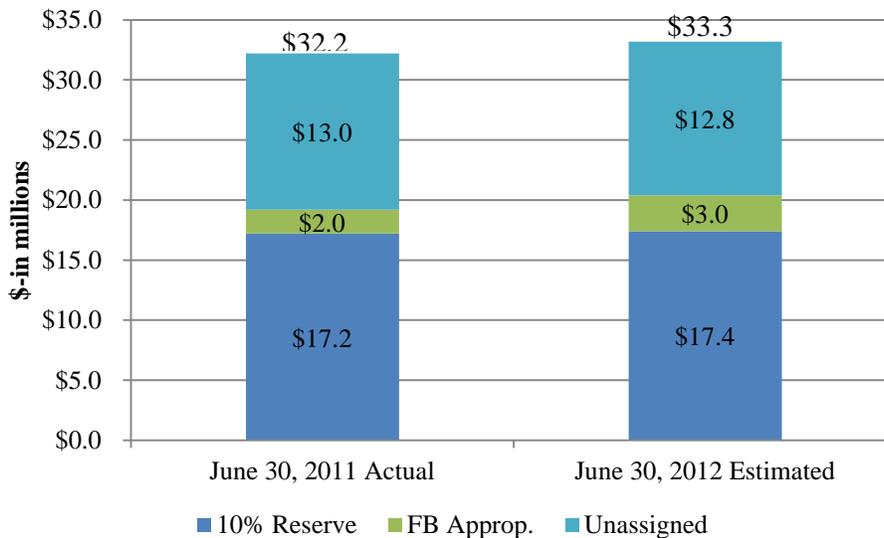
10% Fund Balance Reserve Policy

The North Carolina Local Government Commission (LGC) recommends that all units of government maintain a minimum fund balance in their operating funds of 8.0% of budgeted expenditures. The City of Winston-Salem's policy is to maintain a minimum fund balance reserve in the general fund that is equivalent to 10.0% of budgeted expenditures. By meeting this standard, the City is able to maintain adequate working capital and to produce investment income for debt retirement. For FY 12-13, the 10.0% requirement totals \$17.5 million.

General Fund Balance Analysis

The graph below illustrates the estimated change in general fund balance at June 30, 2012. The "unassigned" fund balance is projected to decrease from \$13.0 million on June 30, 2011 to \$12.8 million on June 30, 2012, primarily because of growth in the portions of the reserves that are allocated to the 10.0% reserve and appropriated for subsequent year. The "unassigned" fund balance maybe used for whatever purpose so designated by City Council. Overall, the reserves are increased by \$1.1 million, due to projected under spending of the FY 11-12 budget and revenues exceeding budget.

**GENERAL FUND BALANCE AT JUNE 30, 2012
COMPARED TO JUNE 30, 2011**



INTERNAL SERVICE FUNDS

Internal service funds provide centralized services to the various departments or agencies of the City or to other governments. These services are categorized in the interest of efficiency and economy and are self-supporting through charges to the users. Included in the internal service funds are Central Warehouse, Fleet Services, Information Systems, and Employee Benefit Funds (except the Retiree Life and Health Fund). Program descriptions and expenditure and resource details for Fleet Services, Information Systems, and Central Warehouse are located in the Interdepartmental section of this document. Details on the other funds that cover employee benefits are located in the Human Resources section.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY FUND	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Fleet Services	\$9,127,222	\$8,493,380	\$9,602,330	13.1%
Information Systems	7,227,971	8,358,630	8,654,770	3.5%
Central Warehouse	264,884	271,610	311,680	14.8%
Workers Compensation Fund	2,213,413	2,335,700	5,899,080	152.6%
Employee Health and Benefit Fund	15,877,169	15,475,860	18,817,000	21.6%
Dental and Flex Spending Fund	2,136,835	1,791,000	1,950,000	8.9%
Employee Taxes and Benefit Fund	19,833,064	20,691,710	24,180,630	16.9%
Total Expenditures by Fund	\$56,680,559	\$57,417,890	\$69,415,490	20.9%
RESOURCES BY TYPE				
Charges to Departments	\$15,525,082	\$16,523,620	\$17,979,060	8.8%
City Contribution	\$23,216,087	\$23,629,510	\$23,205,770	-1.8%
Employee Contribution	\$10,860,613	\$11,670,200	\$14,560,200	24.8%
Other Agency Contributions	\$18,007	\$112,000	\$112,000	0.0%
Reimbursements	\$249,413	\$120,000	\$125,000	4.2%
Investment Income	\$5,252,886	\$4,700,000	\$5,400,000	14.9%
Other	\$95,854	\$0	\$0	N/A
Fund Balance Appropriation	1,462,618	662,560	8,033,460	1112.5%
Total Resources by Type	\$56,680,559	\$57,417,890	\$69,415,490	20.9%

DEBT SERVICE FUND

This fund accounts for the City's debt service expenditures, including the City's general governmental debt obligations; certificates of participation (COPS); limited obligation bonds (LOBs); and leasing debt payments for the City's grant match for Winston-Salem Transit Authority bus replacements, for selected equipment and renovations at the Winston-Salem Entertainment-Sports Complex, for City Hall renovations, and for selected Recreation equipment and facility repairs. This fund also includes the administrative expenses associated with bond ratings and issuances.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Principal Retirement	\$5,663,517	\$6,042,800	\$7,006,810	16.0%
Capital Lease Charges	1,994,247	1,721,940	1,828,220	6.2%
Interest Payments	7,287,929	7,906,750	6,896,750	-12.8%
Fiscal Charges	144,416	246,970	246,970	0%
Administrative Expenses	17,596	53,120	52,320	-1.5%
Property Tax Collection Fee	60,732	63,750	63,750	0%
Contribution Toward Pay-off of Post-Employment Benefits Debt	0	0	2,000,000	N/A
Transfer to Capital Projects Fund	991,843	0	0	N/A
Transfer to Leasing Capital Projects Fund	905,040	0	0	N/A
Transfer to Mass Transit Tax Fund	30,264	15,440	6,340	-58.9%
Total Expenditures by Type	\$17,095,585	\$16,050,770	\$18,101,160	12.8%
RESOURCES BY TYPE				
Property Taxes	\$9,841,675	\$9,617,460	\$9,643,660	0.3%
ABC Allocation	286,752	281,040	306,110	8.9%
Interest Income	579,815	502,700	400,000	-20.4%
Interest Subsidy on Recovery Zone Bonds	278,339	293,120	293,120	0%
Other Revenues	854,275	848,690	843,500	-0.6%
Transfer from General Fund				
- Debt Service on Dell Project	400,000	400,000	400,000	0%
- Lease Payment for Convention Center Capital	50,000	100,000	150,000	50.0%
Transfer from Sales Tax Fund	4,094,595	4,063,900	4,377,880	7.7%
Transfer from Capital Projects Fund	991,843	0	0	N/A
Transfer from Leasing Capital Projects Fund	905,040	0	0	N/A
Fund Balance Appropriation	0	0	1,686,890	N/A
Total Resources	\$18,282,334	\$16,106,910	\$18,101,160	12.8%
Addition to Fund Balance	\$1,186,747	\$56,140	\$0	-100.0%

SPECIAL REVENUE FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

This fund accounts for authorized grants from the United States Department of Housing and Urban Development. These revenues are restricted to objectives of community development programs within specific areas of the City.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Loans	\$687,127	\$500,160	\$449,200	-10.2%
Contractual Services and Other Miscellaneous Expenses	362,699	239,320	340,480	42.3%
Indirect Cost Allocation	50,010	45,970	40,700	-11.5%
Contingencies	8,098	10,000	15,000	50.0%
Grants	54,573	75,000	90,000	20.0%
Section 108 Loan Principal and Interest Payments	562,054	404,820	475,000	17.3%
Loan Servicing Expenditures	76,872	0	76,000	N/A
Transfer to General Fund (Administration)	102,945	149,400	153,990	3.1%
Transfer to General Fund (Program Activities)	724,704	758,760	778,420	2.6%
Total Expenditures	\$2,629,081	\$2,183,430	\$2,418,790	10.8%

RESOURCES BY TYPE

Federal Grants	\$816,004	\$1,703,430	\$1,893,790	11.2%
Loan Repayments	2,027,733	480,000	525,000	9.4%
Miscellaneous Revenues	5,549	0	0	N/A
Total Resources	\$2,849,286	\$2,183,430	\$2,418,790	10.8%

HOUSING FINANCE ASSISTANCE FUND

This fund accounts for general purpose revenues allocated to the City's housing programs.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Loans	\$810,789	\$40,000	\$279,000	597.5%
Contractual Services and Other Miscellaneous Expenses	172,228	73,000	153,000	109.6%
Contingencies	0	25,000	15,000	-40.0%
Re-Grant of Housing Authority's PILOT Funds	122,337	111,340	82,620	-25.8%
Transfer to General Fund	40,000	20,000	25,000	25.0%
Total Expenditures	\$1,145,354	\$269,340	\$554,620	105.9%

SPECIAL REVENUE FUNDS

HOUSING FINANCE ASSISTANCE FUND - Continued

	Actual	Budget	Adopted	Percent
RESOURCES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Investment Income	\$40,172	\$10,000	\$8,300	-17.0%
Loan Repayments	214,296	0	0	N/A
Miscellaneous Revenues	28,961	125,000	440,700	252.6%
Transfer from General Fund	122,340	111,340	82,620	-25.8%
Fund Balance Appropriation	739,585	23,000	23,000	0%
Total Resources	\$1,145,354	\$269,340	\$554,620	105.9%

HOME INVESTMENT PARTNERSHIP FUND

This fund accounts for authorized grants from the United States Department of Housing and Urban Development. These funds are used to expand the supply of affordable housing for low- and very low-income families.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Loans	\$860,883	\$677,970	\$605,930	-10.6%
Contractual Services and Other Miscellaneous Expenses	364,401	390,070	283,720	-27.3%
Indirect Cost Allocation	44,600	54,930	35,970	-34.5%
Contingencies	24,057	32,230	26,780	-16.9%
Grants	0	0	0	N/A
Transfer to General Fund	69,987	205,000	105,000	-48.8%
Total Expenditures	\$1,363,928	\$1,360,200	\$1,057,400	-22.3%

RESOURCES BY TYPE

Federal Grants	\$1,129,323	\$1,235,200	\$932,400	-24.5%
Loan Repayments	192,224	125,000	125,000	0%
Miscellaneous Revenues	42,381	0	0	N/A
Total Resources	\$1,363,928	\$1,360,200	\$1,057,400	-22.3%

SPECIAL REVENUE FUNDS

SUPPORTIVE HOUSING GRANTS FUND

The United States Department of Housing and Urban Development awards these funds through a competitive application process to address comprehensive, priority needs of the homeless that are identified in a community's Continuum of Care strategy, including rental assistance, case management, and other required supportive services. The City is the applicant and funding conduit on behalf of up to ten agencies administering multiple program services.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Continuum of Care Grants	\$1,765,745	\$1,319,790	\$1,332,290	0.9%
Emergency Shelter Grant	66,712	82,670	147,520	78.4%
Total Expenditures	\$1,832,457	\$1,402,460	\$1,479,810	5.5%

RESOURCES BY TYPE

Federal Grants	\$1,832,457	\$1,402,460	\$1,479,810	5.5%
Total Resources	\$1,832,457	\$1,402,460	\$1,479,810	5.5%

ECONOMIC DEVELOPMENT PROJECT FUND

This fund accounts for the City's economic development incentive funds. This fund supports specific economic development programs that are designed to attract new industry or encourage the expansion of existing businesses

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Grants	\$751,656	\$1,740,170	\$1,330,980	-23.5%
Transfer to Capital Projects Fund	9,227,600	0	0	N/A
Total Expenditures	\$9,979,256	\$1,740,170	\$1,330,980	-23.5%

RESOURCES BY TYPE

Transfer from General Fund	\$796,640	\$710,420	\$1,330,980	87.4%
Fund Balance Appropriations	8,984,327	29,750	0	-100.0%
Contributions	180,000	1,000,000	0	-100.0%
Other	18,289	0	0	N/A
Total Resources	\$9,979,256	\$1,740,170	\$1,330,980	-23.5%

SPECIAL REVENUE FUNDS

The schedule of economic development incentive grant commitments for FY 12-13 through FY 17-18 is as follows:

Grantee:	Budget FY 12-13	Planning FY 13-14	Planning FY 14-15	Planning FY 15-16	Planning FY 16-17	Planning FY 17-18
Exhibit Works	\$20,000	\$0	\$0	\$0	\$0	\$0
Smurfit-Stone Container Corporation	47,000	0	0	0	0	0
The Clearing House	45,350	41,230	37,110	0	0	0
Lowe's Companies, Inc.	176,140	144,380	128,630	160,130	0	0
Brookstown Partners	87,740	242,520	242,520	242,520	485,040	485,040
Piedmont Triad Research Park	381,750	484,810	484,810	484,810	484,810	196,240
Goler Heights Redevelopment	20,000	20,000	20,000	20,000	20,000	20,000
Wisdom Beverage	3,000	3,000	3,000	3,000	3,000	3,000
Caterpillar, Inc.	316,670	448,810	529,660	574,680	1,567,300	1,542,550
Total Project Expenditures	\$1,097,650	\$1,384,750	\$1,445,230	\$1,485,140	\$2,560,150	\$2,246,830

ECONOMIC DEVELOPMENT LOAN FUND

This fund accounts for the City's small business loan pool, East Winston/Neighborhood Revitalization Strategy Area projects, and other economic development loans and grants.

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Loans	\$341,372	\$0	\$0	N/A
Loan Servicing Expenditures	6,106	0	0	N/A
Miscellaneous Expenditures	44,256	0	0	N/A
Total Expenditures	\$391,734	\$0	\$0	N/A

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Loan Repayments	\$30,194	\$0	\$0	N/A
Federal Grant	281,286	0	0	N/A
Investment Income	14,245	0	0	N/A
Fund Balance Appropriations	66,009	0	0	N/A
Total Resources	\$391,734	\$0	\$0	N/A

SPECIAL REVENUE FUNDS

URBAN DEVELOPMENT ACTION GRANT FUND

This fund accounts for the City’s economic development projects and loans for specifically designated “pockets of poverty,” as designated by federal regulations.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Miscellaneous Expenditures	\$447	\$0	\$0	N/A
Total Expenditures	\$447	\$0	\$0	N/A
RESOURCES BY TYPE				
Loan Repayments	\$30,720	\$0	\$0	N/A
Investment Income	2,254	0	0	N/A
Total Resources	\$32,973	\$0	\$0	N/A
Addition to Fund Balance	\$32,526	\$0	\$0	N/A

SPECIAL REVENUE FUNDS

POWELL BILL FUND (GASOLINE TAX)

This fund accounts for the City’s share of state gasoline tax revenues, which may only be used for maintenance of municipal streets and roads. Transfers from the Powell Bill fund are included in the budgets for the Streets Division and the Department of Transportation and in the street resurfacing project in the Capital Plan.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Transfer to General Fund	\$5,218,112	\$5,281,290	\$5,052,410	-4.3%
Transfer to Capital Projects Fund	1,848,557	1,000,000	1,198,000	19.8%
Total Expenditures	\$7,066,669	\$6,281,290	\$6,250,410	-0.5%

RESOURCES BY TYPE

Gasoline Tax	\$6,159,094	\$6,181,290	\$6,241,410	1.0%
Investment Income	22,613	100,000	9,000	-91.0%
Fund Balance Appropriation	884,962	0	0	N/A
Total Resources	\$7,066,669	\$6,281,290	\$6,250,410	-0.5%

MASS TRANSIT TAX FUND

This fund accounts for the portion of the property tax allocated to mass transit. The property tax proceeds are transferred to the Winston-Salem Transit Authority (WSTA) Fund in order to provide operating assistance and the local match for federal capital grant funds. The FY 12-13 allocation of the property tax rate to the mass transit tax fund is 3.08¢ per \$100 of assessed valuation on all property. Transfers from the mass transit tax fund to Winston-Salem Transit Authority operations are shown in the Winston-Salem Transit Authority’s budget in the Transportation section of this document.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Property Tax Collection Fees	\$20,244	\$21,040	\$21,910	4.1%
Contribution to Regional Ridesharing Service	66,949	48,390	48,390	0.0%
Miscellaneous Expenditures	5,415	0	5,000	N/A
Transfers				
To Grants Fund	10,325	10,350	11,000	6.3%
To Mass Transit Fund (i.e., Public Bus System)	3,790,204	4,510,710	4,556,300	1.0%
To Trans-AID Fund	311,890	518,820	704,070	35.7%
To WSTA Capital Fund	203,968	91,530	183,800	100.8%
Total Expenditures	\$4,408,995	\$5,200,840	\$5,530,470	6.3%

RESOURCES BY TYPE

Property Taxes - Current Year	\$3,227,264	\$3,205,820	\$6,266,340	95.5%
Property Taxes - Prior Year	59,668	0	0	N/A
Investment Income	-2,172	0	0	N/A

SPECIAL REVENUE FUNDS

MASS TRANSIT TAX FUND - Continued

	Actual	Budget	Adopted	Percent
RESOURCES BY TYPE - Continued	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Fund Balance Appropriation	\$1,124,235	\$1,995,020	\$0	-100.0%
Total Resources	\$4,408,995	\$5,200,840	\$6,266,340	20.5%
Addition to Fund Balance	\$0	\$0	\$735,870	N/A

GRANTS FUND

This fund centralizes the accounting for other activities funded by federal, state, and intergovernmental aid. Service areas receiving grant support include public safety, recreation and culture, economic development, fair housing programs, and public transportation.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Public Safety Grants	\$2,596,059	\$1,313,590	\$549,210	-58.2%
Recreation and Culture Grants	69,306	0	0	0%
Economic Development Grants	2,303,895	0	85,000	N/A
Fair Housing Grants	34,877	51,510	102,620	99.2%
Public Transportation Grants	1,625,016	1,459,370	1,474,950	1.1%
General Government Grants	169,846	0	150,000	0%
Total Expenditures	\$6,798,999	\$2,824,470	\$2,361,780	-16.4%
RESOURCES BY TYPE				
NC Department of Transportation	\$1,028,355	\$975,030	\$982,990	0.8%
Forsyth County	202,294	150,000	150,000	0.0%
US Department of Housing and Urban Development	19,303	50,010	101,120	102.2%
American Recovery Reinvestment Act Funds	1,523,056	1,313,590	549,210	-58.2%
Federal Transit Administration	1,949,031	82,820	87,960	6.2%
US Department of Justice	642,377	0	0	0%
Federal Emergency Management Agency	90,566	0	0	0%
Other Federal Grants	495,790	0	0	0%
Other State Grants	498,597	0	0	0%
Contributions	56,725	1,500	1,500	0.0%
Miscellaneous State Revenues	10,400	0	10,650	N/A
Miscellaneous Revenues	135,452	0	85,000	N/A
Transfer from General Fund	342,509	241,170	382,350	58.5%
Transfer from Police Justice Fund	3,500	0	0	0.0%
Transfer from Police Contributions	5,640	0	0	0.0%
Transfer from Mass Transit Tax Fund	10,325	10,350	11,000	6.3%
Transfer from Occupancy Tax Funds	143,000	0	0	N/A
Fund Balance Appropriation	-358,536	0	0	N/A
Total Resources	\$6,798,999	\$2,824,470	\$2,361,780	-16.4%

SPECIAL REVENUE FUNDS

SALES TAX FUND

This fund accounts for the City's share of Article 40 and 42 sales tax revenues. The City allocates the Article 40 one-half cent sales tax between the general fund (20%) and the debt service fund (80%). The City allocates 100% of the Article 42 one-half cent sales tax to the general fund.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Transfer to General Fund	\$6,946,220	\$6,881,140	\$7,363,370	7.0%
Transfer to Debt Service Fund	4,094,595	4,063,900	4,377,880	7.7%
Total Expenditures	\$11,040,815	\$10,945,040	\$11,741,250	7.3%

	Actual	Budget	Adopted	Percent
RESOURCES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Sales Tax (1/2% - Article 40)	\$5,148,026	\$5,079,880	\$5,472,350	7.7%
Sales Tax (1/2% - Article 42)	5,705,294	5,865,160	6,268,900	6.9%
Fund Balance Appropriation	187,495	0	0	N/A
Total Resources	\$11,040,815	\$10,945,040	\$11,741,250	7.3%

OCCUPANCY TAX FUND

This fund accounts for the City's approximate one-sixth share of Forsyth County's 6% occupancy tax rate on the rental of hotel/motel accommodations.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Mid-Eastern Athletic Association	\$25,000	\$25,000	\$0	-100.0%
Contingency	0	0	25,000	N/A
State Games	14,461	0	25,000	N/A
Old Salem	0	48,750	48,750	0.0%
Piedmont Triad Film Commission	19,500	19,500	25,000	28.2%
Convention Center Sprinkler System	25,035	0	0	N/A
Reynolda House	0	0	12,500	N/A
NC League of Municipalities	103,192	0	0	N/A
Transfers				
To LJVM Coliseum Marketing	75,000	75,000	75,000	0.0%
To LJVM Coliseum Promotions	75,000	75,000	75,000	0.0%
To Convention Center Fund	250,000	250,000	250,000	0.0%
To Grants Fund for Public Art	143,000	0	0	N/A
Total Expenditures	\$730,188	\$493,250	\$536,250	8.7%

SPECIAL REVENUE FUNDS

OCCUPANCY TAX FUND - Continued

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Occupancy Tax	\$480,000	\$488,250	\$536,250	9.8%
Investment Income	1,600	0	0	N/A
Other Revenue	43,462	0	0	N/A
Fund Balance Appropriation	205,126	5,000	0	-100.0%
Total Resources	\$730,188	\$493,250	\$536,250	8.7%

STATE EMERGENCY TELEPHONE SYSTEM FUND

This fund accounts for revenues and expenses associated with operating the 911 system. The charge for all 911 services, wireline and wireless, now are placed in the State 911 Fund from which monthly allocations are made to primary public safety answering points (PSAP's). The funds may be used to purchase replacement computers for the communications center and to cover the maintenance costs of communications center equipment.

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Leased Lines	\$277,300	\$418,570	\$277,140	-33.8%
Computer-Aided Dispatch System	1,340,704	175,540	132,400	-24.6%
Capital Outlay	595,203	0	0	N/A
Equipment Leasing Expense	88,752	0	0	N/A
Transfer to General Fund	11,780	11,950	11,540	-3.4%
Total Expenditures	\$2,313,739	\$606,060	\$421,080	-30.5%

RESOURCES BY TYPE

Reimbursement from E911 Wireless Board	\$1,085,907	\$575,320	\$582,770	1.3%
State Emergency Communications System Grant	1,540,188	0	0	N/A
Interest Income	6,740	0	0	N/A
Fund Balance Appropriation	0	30,740	0	-100.0%
Total Resources	\$2,632,835	\$606,060	\$582,770	-3.8%

Addition to Fund Balance	\$319,096	\$0	\$161,690	N/A
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SPECIAL REVENUE FUNDS

LEASING FUND

This fund accumulates annual payments from City departments to make lease payments to the North Carolina Municipal Leasing Corporation. The corporation assists the City in acquiring real and personal property through the issuance of certificates of participation (COPs) to fund the purchases. The corporation leases the property to the City, which provides lease payments that cover the interest and principal on the COPs as follows: governmental funds make equal annual payments over a five-year or three-year period, depending on the type of equipment being purchased, and proprietary funds make the same scheduled payments with the addition of an annual interest payment at a rate of 5.5%.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Principal Retirement	\$2,246,756	\$20,018,240	\$19,854,260	-0.8%
Interest Payments	2,309,403	2,853,450	3,925,230	37.6%
Fiscal Expense	318,848	0	0	N/A
Transfers				
To Leasing Capital Projects	600,000	0	0	N/A
Total Expenditures	\$5,475,008	\$22,871,690	\$23,779,490	4.0%
RESOURCES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Lease Payments - City	\$12,578,483	\$12,855,670	\$12,879,510	0.2%
Lease Payments - Outside Agencies	1,183,287	1,174,170	819,420	-30.2%
Investment Income	1,015,473	0	0	N/A
Proceeds from Capital Leases	-6,728,714	0	0	N/A
Transfer from General Fund	52,535	172,540	172,540	0.0%
Fund Balance Appropriation	0	8,669,310	9,908,020	14.3%
Total Resources	\$8,101,064	\$22,871,690	\$23,779,490	4.0%
Addition to Fund Balance	\$2,626,057	\$0	\$0	N/A

ENTERPRISE FUNDS

Enterprise funds provide public services that are operated in a manner similar to private business. Program descriptions and expenditure and resource details for each of the following funds are located in the service area sections of the budget document.

EXPENDITURES BY FUND	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Solid Waste Disposal Fund	\$11,700,565	\$13,398,420	\$12,484,370	-6.8%
Water and Sewer Funds	65,764,470	76,340,810	80,920,530	6.0%
Parking Fund	3,683,628	3,339,100	3,009,890	-9.9%
Winston-Salem Transit Authority				
Public Bus System	9,600,709	10,049,960	10,488,540	4.4%
Trans-AID of Forsyth County	2,384,069	2,516,290	2,634,760	4.7%
Maintenance Services for PART	112,272	138,690	119,640	-13.7%
Public Assembly Facilities Funds				
LJVM Coliseum Complex	4,650,895	4,875,000	4,851,480	-0.5%
Bowman Gray Stadium	442,944	434,160	419,260	-3.4%
M.C. Benton Jr., Convention and Civic Center	806,549	818,990	818,990	0%
Fair Fund	2,539,324	2,931,260	3,028,350	3.3%
Downtown Ballpark Fund	990,034	1,275,400	1,437,080	12.7%
Stormwater Management Fund	6,029,425	7,068,760	7,541,120	6.7%
Cemeteries Fund	656,267	655,450	675,370	3.0%
Total Expenditures by Fund	\$109,361,150	\$123,842,290	\$128,429,380	3.7%
RESOURCES BY TYPE				
Intergovernmental Resources				
Federal Transit Administration	\$2,996,196	\$2,901,800	\$3,208,030	10.6%
Federal Interest Bond Subsidy	1,137,823	0	1,728,340	N/A
North Carolina Department of Transportation	1,547,632	1,485,720	1,270,120	-14.5%
Forsyth County	576,864	677,590	807,860	19.2%
North Carolina Department of Revenue	667,453	652,470	657,440	0.8%
North Carolina Department of Environmental and Natural Resources	25,556	0	26,500	N/A
Home and Community Care Block Grant	328,522	265,000	330,000	25%
Subtotal	\$7,280,046	\$5,982,580	\$8,028,290	34.2%
Investment Income	\$11,370,397	\$256,610	\$241,270	-6.0%
Charges for Services				
Water Charges	\$36,242,754	\$40,400,740	\$43,280,440	7.1%
Sewer Charges	28,151,649	33,512,570	34,028,900	1.5%
Other Utility Charges	5,372,334	5,350,000	6,011,000	12.4%
Landfill Tipping Fees	9,147,013	10,057,180	8,588,810	-14.6%

ENTERPRISE FUNDS

	Actual	Budget	Adopted	Percent
RESOURCES BY TYPE - Continued	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Other Landfill Revenues	\$649,753	\$618,690	\$845,230	36.6%
Fair Admissions	1,404,296	1,260,000	1,381,200	9.6%
Farmer's Market	17,525	14,350	13,200	-8.0%
Other Fairground Revenues	1,310,364	1,102,250	1,233,200	11.9%
Parking Services	2,997,162	2,720,590	1,917,500	-29.5%
Bus Fares	1,620,911	1,571,100	1,727,290	9.9%
Motor Vehicle Privilege Tax	263,940	270,000	270,000	0%
Bus Advertising	40,294	25,000	25,000	0%
Services to Agencies	493,055	505,000	505,000	0%
Other Transit Revenues	482,417	396,100	386,900	-2.3%
Cemetery Lot Sales and Services	416,200	448,200	495,640	10.6%
Admissions	68,661	80,050	80,050	0.0%
Concessions/Catering Fees	532,850	537,880	489,110	-9.1%
Entry Fees	10,861	9,500	10,000	5.3%
Equipment Use Fees	68,852	79,050	68,900	-12.8%
Facility Use Fees	196,523	146,560	178,310	21.7%
Other Coliseum Complex Revenues	714,803	775,850	741,240	-4.5%
Baseball Ticket Surcharge	350,000	350,000	350,000	0%
Stormwater Fees - Residential	3,916,704	3,955,000	3,955,000	0.0%
Stormwater Fees - Non-Residential	5,849,002	6,045,000	6,045,000	0.0%
Other Stormwater Revenues	2,759	2,000	1,400	-30.0%
Erosion Control Permits	0	0	105,700	N/A
Watershed Permits	0	0	1,200	N/A
Miscellaneous Sales and Service	493,884	45,790	49,680	8.5%
Subtotal	\$100,814,567	\$110,278,450	\$112,784,900	2.3%
 Other Resources				
Rentals	\$1,075,466	\$1,204,830	\$1,255,490	4.2%
Sale of Property/Equipment	300,453	0	0	N/A
Miscellaneous Revenues	1,007,191	1,055,140	1,291,630	22.4%
Assessments to Benefit Property	720,985	750,000	750,000	0.0%
Damage Settlements	30,099	10,000	10,000	0%
Cemeteries Perpetual Care Fund Contribution	107,529	105,480	118,270	12.1%
Subtotal	\$3,241,723	\$3,125,450	\$3,425,390	9.6%
 Transfers				
Transfer from Mass Transit Tax Fund	\$4,102,094	\$5,029,530	\$5,260,370	4.6%
Transfer from General Fund	2,469,656	2,645,790	2,067,520	-21.9%
Transfer from Fair Fund	482,677	430,580	485,790	12.8%
Transfer from Occupancy Tax Fund	400,000	400,000	400,000	0%
Transfer from Water and Sewer Fund	239,541	235,300	236,980	0.7%
Transfer from Stormwater Management Fund	119,770	117,650	118,310	0.6%

ENTERPRISE FUNDS

	Actual	Budget	Adopted	Percent
RESOURCES BY TYPE - Continued	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Transfer from Debt Service Fund	\$30,264	\$15,440	\$6,340	-58.9%
Transfer from LJVM Coliseum Fund	31,249	0	0	N/A
Transfer from Bowman Gray Stadium Fund	0	0	1,990	N/A
Subtotal	\$7,875,252	\$8,874,290	\$8,577,300	-3.3%
Fund Balance Appropriations	\$0	\$0	\$0	N/A
Total Resources by Type	\$130,581,985	\$128,517,380	\$133,057,150	3.5%
Addition to Fund Balance	\$21,220,835	\$4,675,090	\$4,627,770	-1.0%

CAPITAL PROJECTS FUND

The capital projects fund provides budgetary accountability for financial resources used for the acquisition or construction of major capital improvements. Typically, projects are funded by general obligation bonds, two-thirds bonds, federal and state capital funds, general fund appropriations, and capital reserves.

EXPENDITURES	<u>Adopted</u> <u>FY 12-13</u>
Transportation:	
Streets and Sidewalks:	
Street Resurfacing Projects	\$1,000,000
Surface Transportation Program-Direct Apportionment Bicycle and Pedestrian Projects	1,247,500
New Sidewalk Construction	1,900,000
New Traffic Signal System	468,000
 Transportation Subtotal	\$4,615,500
Recreation and Culture:	
Recreation Facilities/Parks Renovations and Expansions:	
Playground Renovations	\$100,000
Greenways and Trails:	
Other Greenway Development	\$270,000
 Recreation and Culture Subtotal	\$370,000
TOTAL EXPENDITURES	\$4,985,500

CAPITAL PROJECTS FUND

FUNDING SOURCES	Adopted FY 12-13
Intergovernmental Resources:	
State:	
Powell Bill Funds (Gasoline Tax)	\$1,198,000
North Carolina Department of Transportation	758,000
Transfers:	
From General Fund	\$2,389,500
Other:	
Motor Vehicle Privilege Tax	\$540,000
Contributions/Sponsorships	100,000
TOTAL FUNDING SOURCES	\$4,985,500

LEASING CAPITAL PROJECTS FUND

The leasing capital projects fund provides budgetary accountability for the acquisition or construction of major capital improvements that are financed through the North Carolina Municipal Leasing Corporation (NCMLC).

	Adopted <u>FY 12-13</u>
EXPENDITURES	
Recreation and Culture	
Convention Center Capital Renovations	\$250,000
TOTAL EXPENDITURES	\$250,000
FUNDING SOURCES	
North Carolina Municipal Leasing Corporation	\$250,000
TOTAL FUNDING SOURCES	\$250,000

LEASING EQUIPMENT ACQUISITION FUND

This fund accounts for the total cost of capital equipment, including computer hardware, for governmental funds that is financed through the North Carolina Municipal Leasing Corporation. City departments make annual lease payments of one-fifth of the purchase price in order to pay off the debt. With the exception of computers, the City lease-purchases equipment that costs \$10,000 or more.

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Capital Outlay				
Rolling Stock	\$3,243,649	\$5,419,580	\$3,123,500	-42.4%
Computer Equipment	0	28,140	200,000	610.7%
General Equipment	294,064	295,700	1,491,340	404.3%
Communications Equipment	0	0	892,000	N/A
Other	1,650,589	774,600	466,920	-39.7%
Total Expenditures by Type	\$5,188,302	\$6,518,020	\$6,173,760	-5.3%
 RESOURCES BY TYPE				
North Carolina Municipal Leasing Corp.	\$5,188,302	\$6,518,020	\$6,173,760	-5.3%
Total Resources by Type	\$5,188,302	\$6,518,020	\$6,173,760	-5.3%

ENTERPRISE CAPITAL PROJECTS FUNDS

These funds provide budgetary accountability for financial resources used for the acquisition or construction of major capital improvements for enterprise operations. Typically, projects are funded by revenue bonds, special obligation bonds, enterprise fund capital reserves, federal and state capital funds, and certificates of participation. Projects financed through the North Carolina Municipal Leasing Corporation (NCMLC) also are accounted for in these funds. The annual lease payments charged by the NCMLC are budgeted in the enterprise funds' operating budgets.

EXPENDITURES	Adopted FY 12-13
Environmental Health	
Solid Waste Disposal:	
Hanes Mill Road Landfill –Development Upgrades	\$420,000
Hanes Mill Road Landfill – Gas Extraction System	296,200
Hanes Mill Road Landfill – Ziglar Road Property Development	649,000
Real Estate Improvements	240,000
Water and Wastewater Treatment:	
Archie Elledge Wastewater Treatment Plant Rehabilitation and Upgrades	\$340,000
Chitty High Service Pumping Station - Standby Power	1,098,160
Idol's Dam Repairs	1,160,000
Lift Station Replacement/Improvements	1,037,000
Muddy Creek Wastewater Treatment Plant Clarifier Improvements	2,658,900
Muddy Creek Wastewater Treatment Plant Rehabilitation and Upgrades	230,000
Tanglewood Lift Station Improvements	2,650,000
Water Treatment Rehabilitation and Upgrades	607,000
Water Distribution and Wastewater Collection:	
2" Water Main Replacement	\$1,135,280
21st, 22nd, and 23rd Street Water and Sewer Rehabilitation	3,340,530
Advanced Meter Infrastructure	1,000,000
Aerial Crossing/Stream Restoration	1,330,000
Ardmore Area Water and Sewer Rehabilitation	4,400,000
Janita Lakes Outfall Rehabilitation	3,075,000
Muddy Creek Basin Find and Fix Project	4,323,230
North Carolina Department of Transportation Road Widening Project Utility Relocations	2,905,000
South Fork Basin Capacity Improvements	4,000,000
Wastewater Collection System Improvements	3,000,000
Water and Sewer Geographical Information System/Asset Management	1,000,000
Water Distribution System Improvements	1,000,000

ENTERPRISE CAPITAL PROJECTS FUND

	Adopted FY 12-13
EXPENDITURES - Continued	
Stormwater Management:	
Drainage Improvements on Private Property	\$250,000
28 th Street Drainage	1,025,200
Electronic Stormwater Plan / Map Retention	25,000
Stormwater Infrastructure Improvements	1,389,200
Subtotal Environmental Health Projects	\$44,584,700
Transportation Projects	
Mass Transit:	
Large Bus Replacements (5)	\$3,675,960
Subtotal Transportation Projects	\$3,675,960
TOTAL EXPENDITURES	\$48,260,660
FUNDING SOURCES	
Bonds:	
Revenue Bonds	\$33,207,820
Intergovernmental Resources:	
Federal Transit Administration	\$3,308,360
North Carolina Department of Transportation	183,800
Reserves:	
Water and Sewer Fund	\$7,082,280
Stormwater Management Fund	2,689,400
Solid Waste Disposal Fund	1,605,200
Mass Transit Tax Fund	183,800
TOTAL FUNDING SOURCES	\$48,260,660

INTERNAL SERVICE CAPITAL PROJECTS FUNDS

The internal service capital projects fund provides budgetary accountability for the acquisition or construction of major capital improvements the City's internal service departments: Central Warehouse, Fleet Services, and Information Systems.

EXPENDITURES	<u>Adopted FY 12-13</u>
Information Services	
Infrastructure Projects FY 12-13	\$172,000
Replace Web Content Management Application	156,000
Master Address Solution and Management Software	150,000
TOTAL EXPENDITURES	\$478,000
 FUNDING SOURCES	
North Carolina Municipal Leasing Corporation	\$478,000
TOTAL FUNDING SOURCES	\$478,000

FIDUCIARY FUNDS

The fiduciary fund listed below accounts for the City's post-employment benefits programs, including retiree health and life benefits.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY PROGRAM	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Employee/Retiree Health Benefit Fund	\$7,161,417	\$7,665,500	\$9,729,350	26.9%
Total Expenditures by Program	\$7,161,417	\$7,665,500	\$9,729,350	26.9%
 RESOURCES BY TYPE				
City Contribution	\$4,620,758	\$5,700,000	\$6,800,000	19.3%
Employee Contribution	1,638,543	1,429,800	1,800,000	25.9%
Reimbursements	24,808	25,200	22,750	-9.7%
Investment Income	7,368,041	500,000	1,000,000	100.0%
Fund Balance Appropriation	0	10,500	106,600	915.2%
Total Resources by Type	\$13,652,150	\$7,665,500	\$9,729,350	26.9%
Addition to Fund Balance	\$6,490,733	\$0	\$0	N/A

ESTIMATED CHANGES IN FUND BALANCES

The North Carolina Local Government Commission (LGC) recommends that units of government maintain a minimum fund balance in their operating funds of 8% of estimated total expenditures. This level has been determined to be the equivalent of one month's expenditures and is generally regarded as a minimum level to avoid cash flow interruptions, generate interest income, reduce the need for short-term borrowings, and assist in maintaining investment grade bond ratings. The city's policy is to maintain a minimum fund balance of at least 10% of estimated expenditures in the general fund. (See page 34 of the budget document.) For other funds, the reserves are monitored regularly to ensure sufficiency for operating and capital needs. The balances listed below represent audited amounts for June 30, 2011, estimates for June 30, 2012 prior to final audited figures being available, and projected for June 30, 2013.

FUND BALANCES/CASH RESERVES BY FUND

Fund	Fund Balance/ Reserves 6/30/11⁽¹⁾	Estimated Fund Balance 6/30/12	Expected Use(-)/ Addition to (+) FB by 6/30/13	Projected Fund Balance 6/30/13
<i>Budgeted Funds</i>				
General	\$ 32,231,539	\$ 33,325,333	\$ (3,000,000)	\$ 30,325,333
Housing Development	-	-	-	-
Grants	-	-	-	-
Economic Development	15,309,328	11,185,899	(23,000)	11,162,899
Gas Tax	-	-	-	-
Mass Transit Tax	1,372,795	-	735,870	735,870
Special Sales Tax	-	-	-	-
Occupancy Tax	18,728	87,791	-	87,791
Cable Franchise	122,534	81,436	-	81,436
Emergency Telephone Fund	1,491,780	1,538,550	161,690	1,700,240
Debt Service	10,052,305	10,594,472	(1,686,890)	8,907,582
Capital Projects	29,252,600	5,330,062	-	5,330,062
Leasing Fund	37,032,570	29,907,600	(9,908,020)	19,999,580
Water & Sewer	179,200,221	154,016,122	4,878,150	158,894,272
Solid Waste	25,546,816	26,009,348	(1,570,390)	24,438,958
Parking	481,209	481,209	(954,130)	(472,921)
Cemeteries/Perpetual Care Fund	2,463,484	2,544,341	-	2,544,341
Stormwater Management	11,069,135	8,480,968	2,629,090	11,110,058
Winston-Salem Transit Authority	314,862	-	-	-
W-S Sports and Entertainment Complex	50,109	67,933	-	67,933
Fair	1,528,779	1,670,338	(354,950)	1,315,388
Internal Services	854,105	897,005	(589,720)	307,285
Retiree Health and Life	39,621,172	39,114,000	(106,600)	39,007,400
Employee Benefits Funds	12,324,591	8,338,500	(7,443,740)	894,760
	<u>400,338,662</u>	<u>333,670,907</u>	<u>(17,232,640)</u>	<u>316,438,267</u>
<i>Non-Budgeted Funds⁽²⁾</i>				
COPS Fund ⁽³⁾	(9,854,266)	(8,900,000)	-	-
Winston-Salem Police Officers Retirement System	83,520,490	82,500,000	-	82,500,000
Police Officers Separation Allowance	8,262,730	7,900,000	-	7,900,000
Risk Acceptance Management	25,554,733	25,000,000	-	25,000,000
Total	<u>\$ 507,822,349</u>	<u>\$ 440,170,907</u>	<u>\$ (17,232,640)</u>	<u>\$ 431,838,267</u>

⁽¹⁾ Fund balance is reduced for reserve for encumbrances and state statutes.

⁽²⁾ Non-budgeted funds are fiduciary (trust) funds that are not required to be budgeted.

⁽³⁾ Unfunded portion of 1992 debt issuance for post-employment benefits; this debt will be paid off in FY 12/13 with transfers from other funds.

COMMUNITY AND ECONOMIC DEVELOPMENT

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CITY-COUNTY PLANNING

MISSION STATEMENT

The mission of the City-County Planning Board of Winston-Salem and Forsyth County is to assert visionary leadership in the comprehensive, creative planning for our urban and rural community and responsible stewardship of the natural environment. City-County Planning values a beautiful, livable, harmonious, and economically successful community.

PROGRAM DESCRIPTIONS

Comprehensive Planning and Implementation

- Uses the Comprehensive Plan, *Legacy*, to define more specific strategies that shape development and community improvements through UDO text amendments and design guidelines
- Creates area plans that address development pressures, land use issues, and transportation and facility needs in the urban and suburban areas of the County
- Develops policies for activity centers within the urban and suburban areas of Forsyth County
- Supports downtown revitalization efforts and downtown planning
- Provides redevelopment, housing, and economic development planning
- Collaborates with other local governments in the Triad region on regional planning goals

Cultural and Environmental Resources

- Provides planning for activities that have a city/county-wide scope, such as transportation planning; parks, greenways, and open space planning; environmental planning and review; community appearance initiatives; and historic resources preservation
- Provides staff support to the Transportation Advisory Committee, the Technical Coordinating Committee, the City-County Community Appearance Commission, and the Historic Resources Commission
- Supports the Historic Resources Commission in the promotion, retention, and appreciation of our county-wide historic resources
- Supports the Community Appearance Commission in its review of public and private projects and its work to enhance community appearance through advocacy, education, and recognition

Development and Design Review

- Provides services necessary within Winston-Salem and almost all of Forsyth County (except the Town of Kernersville, Town of Lewisville, and Village of Clemmons) to process and review changes to the zoning of land or proposed subdivisions or site plans

- Prepares or reviews proposed amendments to the *Unified Development Ordinances* (UDO)
- Serves as the Federal Emergency Management Agency (FEMA) Community Map Repository
- Provides planning and zoning information, maps, and aerial photography to the public via a customer service counter, telephone, website, and email
- Provides advice and recommendations to the City-County Planning Board and the elected bodies through staff reports, presentations, and recommendations
- Works in close consultation with the City-County Inspections Division in administering and enforcing zoning regulations, and with other City and County departments in the review of development proposals

Planning Information and Graphics Services

- Provides a wide variety of map, data, graphic, and information services to internal City-County staff users, other local governments in Forsyth County, and the general public
- Plays a key role in the development, expansion, and use of the City-County Geographic Information System (GIS)
- Maintains and expands the Planning Board's website
- Manages street naming, renaming, and addressing for Winston-Salem and Forsyth County; coordinates efforts with Kernersville
- Provides local technical support on behalf of the City and the County to the United States Census Bureau
- Offers graphic design and production support for planning efforts and other publications published by the City and County governments

CITY-COUNTY PLANNING

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
City/County Planning Board	\$2,555,481	\$2,678,540	\$2,717,940	1.5%
Kernersville Planning	82	540	500	-7.4%
Clemmons Planning	0	540	500	-7.4%
Walkertown Planning	3,645	4,000	4,000	0.0%
Lewisville Planning	765	0	500	N/A
Countywide Aerial Photography	82,735	3,530	0	-100.0%
Total General Fund Expenditures	\$2,642,708	\$2,687,150	\$2,723,440	1.4%
Grants Fund				
Architectural Survey Updates	\$0	\$0	\$85,000	N/A
Total Grants Fund Expenditures	\$0	\$0	\$85,000	N/A
Total Expenditures by Program	\$2,642,708	\$2,687,150	\$2,808,440	4.5%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual	Estimated	Projected
	FY 10-11	FY 11-12	FY 12-13
Effectiveness			
Ensure at least 80% of approved plans meet the goals and policies of the Legacy Comprehensive Plan (or other applicable area plan/policy)	90%	90%	85%
Commit at least 500 linear feet of greenway easements through approved development plans	1,300	500	500
Workload			
Monthly cycle zoning map cases processed	42	50	55
Preliminary subdivision applications accepted for review	4	0	3
Projects reviewed by Community Appearance Commission	6	5	5
UDO text amendments	8	10	10
Existing sites/structures identified as historic resources	8,400	8,800	9,000
Area Plans or Area Plan updates underway	3	3	2

CITY-COUNTY PLANNING

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$2,070,146	\$2,095,940	\$2,130,810	1.7%
Supplies and Services	489,827	587,680	592,630	0.8%
Equipment Leasing Expense	82,735	3,530	0	-100.0%
Total General Fund Expenditures	\$2,642,708	\$2,687,150	\$2,723,440	1.4%
Grants Fund				
Supplies and Services	\$0	\$0	\$85,000	N/A
Total Grants Fund Expenditures	\$0	\$0	\$85,000	N/A
Total Expenditures by Type	\$2,642,708	\$2,687,150	\$2,808,440	4.5%
RESOURCES BY TYPE				
General Fund				
Permit Revenue	\$137,406	\$123,050	\$122,800	-0.2%
Intergovernmental Revenue				
Forsyth County Support				
Operations	1,210,037	1,277,740	1,297,570	1.6%
Kernersville Support	0	540	500	-7.4%
Clemmons Support	0	540	500	-7.4%
Walkertown Support	0	4,000	4,000	0.0%
Lewisville Support	0	0	500	N/A
City of Winston-Salem Support				
Operations	1,295,265	1,277,750	1,297,570	1.6%
Countywide Aerial Photography	0	3,530	0	-100.0%
Total General Fund Resources by Type	\$2,642,708	\$2,687,150	\$2,723,440	1.4%
Grants Fund				
Proceeds from Book Sales	\$0	\$0	\$85,000	N/A
Total Grants Fund Resources by Type	\$0	\$0	\$85,000	N/A
Total Resources by Type	\$2,642,708	\$2,687,150	\$2,808,440	4.5%
Positions				<u>Change</u>
Full-Time	27	26	26	0

CITY-COUNTY PLANNING

BUDGET HIGHLIGHTS

- Equipment leasing expenses are decreased as a result of completion of payments for countywide aerial photography.
- Supplies and services expenditures are increased a net of \$4,950, or 0.8%, due in large part to increases for printing services (+\$8,000) and Information Systems charges (\$11,170) and general decreases in supplies and services costs (-\$16,060).
- Grants fund expenditures are increased \$85,000 for the publication and printing of the Winston-Salem book written from the material collected in the Forsyth County Architectural Survey Update. The book will be completed by 2013 to be part of the centennial year celebration. In total, 5,000 copies will be produced, and the revenues generated from sales will cover the printing and publication costs.

CITY-COUNTY INSPECTIONS

MISSION STATEMENT

The mission of the Inspections Division is to promote building and land development in providing fair, consistent, and timely enforcement of the North Carolina State Building Codes, local building and sign regulations, and the local Unified Development Ordinances for protection of life, health, property, and for the safety and general welfare of the public.

PROGRAM DESCRIPTIONS

Construction Control

- Provides for the enforcement of the North Carolina State Building Code and local building and sign ordinances through a comprehensive plan review, permit, and inspections process
- Inspects all building, electrical, plumbing, heating, and refrigeration work associated with building construction in Forsyth County, excluding Kernersville
- Provides initial building inspections and evaluations of day care and family group home facilities

Zoning Enforcement

- Provides for the enforcement of the zoning sections of the Unified Development Ordinances of Winston-Salem, Forsyth County, Lewisville, Clemmons, and Walkertown for new development to ensure that required parking, tree save & landscaping, sign enforcement, and setbacks are provided and that the use and dimensional requirements of the zoning district regulations are followed
- Provides staff support to the respective City and County Zoning Boards of Adjustment
- Assists the City-County Planning Department with assignment of street addresses

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budgeted FY 11-12	Adopted FY 12-13	Percent Change
Construction Control	\$2,727,848	\$2,735,580	\$2,754,540	0.7%
Erosion Control*	358,903	395,520	0	-100.0%
Zoning Enforcement	1,043,991	1,131,240	1,146,110	1.3%
Total Expenditures by Program	\$4,130,741	\$4,262,340	\$3,900,650	-8.5%

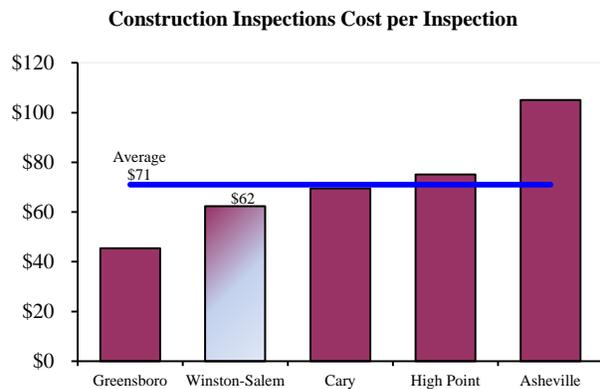
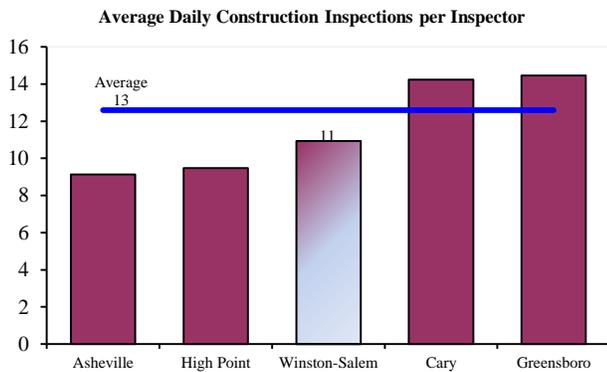
*During FY 11-12, Erosion Control was transferred from Inspections to Stormwater Management. For reference, see page 101 for the consolidated Erosion Control budget information for FY 12-13.

CITY-COUNTY INSPECTIONS

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Complete 90% of new commercial/multi-family projects initial zoning reviews within 10 days	99%	99%	99%
Complete 90% of initial zoning reviews for sign projects within 5 days	98%	98%	98%
Investigate 90% of zoning complaints within 3 days	93%	90%	93%
Conduct 90% of zoning enforcement inspections on day requested	95%	92%	95%
Complete 90% of construction inspections on day requested			
Building Inspections	94%	94%	94%
Electrical Inspections	93%	93%	93%
Mechanical Inspections	82%	83%	83%
Plumbing Inspections	91%	91%	91%
Workload			
Zoning inspections conducted	5,445	5,100	5,100
Zoning complaints investigated	738	650	650
Zoning Board of Adjustment cases	347	320	320
Construction permits issued	18,663	18,750	18,750
Construction field inspections conducted	46,424	46,500	46,500
Construction value of permits issued	\$342,093,424	\$375,000,000	\$375,000,000

FY 10-11 N.C. BENCHMARKING PROJECT RESULTS



Source: NC Local Government Performance Measurement Project, *Final Report on City Services for Fiscal Year 2010-2011*, February 2012

CITY-COUNTY INSPECTIONS

EXPENDITURES BY TYPE	Actual FY 10-11	Budgeted FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$3,050,915	\$3,024,400	\$2,735,430	-9.6%
Supplies and Services	1,065,444	1,223,550	1,165,220	-4.8%
Equipment Leasing Expense	14,383	14,390	0	-100%
Total Expenditures by Type	\$4,130,741	\$4,262,340	\$3,900,650	-8.5%
RESOURCES BY TYPE				
Licenses and Permits	\$2,635,918	\$2,398,440	\$2,304,640	-3.9%
Forsyth County	569,688	481,630	250,540	-48.0%
Clemmons	25,443	18,000	18,000	0%
Lewisville	9,495	10,000	10,000	0%
Walkertown	2,192	5,000	5,000	0%
Fines and Forfeitures	-37,399	39,500	24,500	-38%
Miscellaneous Revenues	218	0	0	N/A
Other General Fund Revenues	925,186	1,309,770	1,287,970	-1.7%
Total Resources by Type	\$4,130,741	\$4,262,340	\$3,900,650	-8.5%
Positions				Change
Full-Time	55	44	44	0
Part-Time (FTE's)	0.5	0.25	0.25	0

BUDGET HIGHLIGHTS

- To consolidate services with similar objectives, Erosion Control was moved to the stormwater fund during FY 11-12. As a part of the budget for FY 12-13, expenses and revenues associated with five positions were transferred (one engineer and four inspectors), along with all related supplies and services, and equipment leasing expenses. For a separate table of Erosion Control expenses and revenues, see the next page.
- There is a savings to the general fund of \$169,720, due to the stormwater fund's assumption of the City's share of Erosion Control costs, net of inside-city revenues.
- For FY 12-13, the percentage share of Inspections expenses to be covered by Forsyth County is decreased from 30.1% to 25.6%.

CITY-COUNTY INSPECTIONS

EROSION CONTROL

	Actual	Budgeted	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$304,777	\$342,300	\$296,690	-13.3%
Supplies and Services	39,743	38,830	42,650	9.8%
Equipment Leasing Expense	14,383	14,390	0	-100.0%
Total Expenditures by Type	\$358,903	\$395,520	\$339,340	-14.2%

RESOURCES BY TYPE

Licenses and Permits	\$109,892	\$93,800	\$91,900	-2.0%
Forsyth County	70,884	76,450	62,720	-18.0%
Fines and Forfeitures	18,686	15,000	15,000	0%
Other General Fund Revenues	159,441	210,270	169,720	-19.3%
Total Resources by Type	\$358,903	\$395,520	\$339,340	-14.2%

Positions

				<u>Change</u>
Full-Time	5	5	5	0

COMMUNITY AND BUSINESS DEVELOPMENT/ BUSINESS DEVELOPMENT

MISSION STATEMENT

The mission of the Development Division is to enhance the quality of life for all segments of Winston-Salem by attracting, creating, and retaining jobs; augmenting the tax base; and assisting small and minority-owned businesses.

PROGRAM DESCRIPTIONS

Economic Development

➤ Provides general economic development assistance throughout the City of Winston-Salem. The primary initiatives in this area are business retention and expansion assistance, relocation assistance, the Winston-Salem Sister Cities Program, and oversight of the State Development Zone.

Business Development

➤ Promotes small business development, retention, and expansion efforts with the primary focus on the Neighborhood Revitalization Strategy Area (NRSA). The primary initiatives within this area are technical assistance and the Economic Development Revolving Loan Program.

Downtown Development

➤ Provides for the recruitment of real estate investment, recruitment and retention of businesses, review of public policies impacting downtown development, site acquisition for redevelopment, design and construction of downtown infrastructure, and administration of the Restaurant Row Loan Program and the Downtown Building Rehabilitation Loan Program.

Community Development

➤ Administers programs to create and retain jobs and augment the tax base of Winston-Salem for the area generally bound by Waughtown Street to the south, the Smith-Reynolds Airport area to the north, US 52 to the west, and Brushy Fork Creek to the east. Programs include the Target Area Business Assistance Program, Brownfields Initiatives, Building Improvement Rehabilitation Program, and staff support to the Liberty Community Development Corporation.

Minority and Women Business Enterprises and Section 3 Construction Program

➤ Identifies qualified minority and women business enterprises (M/WBE) in order to provide opportunities to participate in the provision of goods and services to the City. The M/WBE Program is responsible for establishing appropriate M/WBE goals and assuring that these goals are met or that valid good faith efforts are made. The department also publishes an online M/WBE directory for use by City departments and the general public. Training sessions are offered in conjunction with the Small Business Center of Forsyth Technical Community College.

➤ Oversees the Section 3 Business Training Program, a federal housing program that provides opportunities for low- and moderate-income individuals through business training. In addition, the program provides opportunities for businesses that employ low-income individuals to secure city contracts for work.

Economic Development Loan Fund

➤ Accounts for the City's small business loan pool, economic development loans and grants.

Economic Development Project Fund

➤ Accounts for the City's economic development incentive funds. This fund supports specific economic development programs designed to attract new industry or encourage the expansion of existing businesses.

Neighborhood Revitalization Strategy Area (NRSA) Development Fund

➤ Provides project funding as part of the East Winston Economic Development Strategy and for projects throughout the NRSA. It also contributes to commercial rehabilitation programs such as the Revitalizing Urban Commercial Areas project (RUCA) and relocation programs to facilitate zoning improvements.

COMMUNITY AND BUSINESS DEVELOPMENT/ BUSINESS DEVELOPMENT

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
General Fund	FY 10-11	FY 11-12	FY 12-13	Change
Development Office	\$427,764	\$445,050	\$489,530	10.0%
Contributions to Community Agencies				
Piedmont Triad Research Park	40,000	40,000	40,000	0%
Total General Fund Expenditures	\$467,764	\$485,050	\$529,530	9.2%
Special Revenue Funds				
Grants Fund				
Brownfields Job Training and Development	\$281,286	\$0	0	N/A
Piedmont Triad Research Park	1,543,403	0	0	N/A
Spruce Street Infrastructure	339,642	0	0	N/A
Economic Development Loan Fund				
Small Business Loan Programs	6,106	0	0	N/A
Downtown Building Rehab Loan Program	72,892	0	0	N/A
East Winston/NRSA Projects	31,450	0	0	N/A
Economic Development Project Fund				
Economic Development Incentive Projects	9,979,256	1,740,170	1,330,980	-23.5%
Urban Development Action Grants	447	0	0	N/A
Total Special Revenue Fund Expenditures	\$12,254,482	\$1,740,170	\$1,330,980	-23.5%
Total Expenditures by Program	\$12,722,246	\$2,225,220	\$1,860,510	-16.4%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual	Estimated	Projected
	FY 10-11	FY 11-12	FY 12-13
Workload			
Small Business Support			
Building Rehabilitation Loans (NRSA)	10	10	8
Small Businesses Assisted	200	200	200
Small Business Loans	6	6	6
Number of incentive requests received	2	8	6
M/WBE businesses assisted	200	200	200

COMMUNITY AND BUSINESS DEVELOPMENT/ BUSINESS DEVELOPMENT

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$191,315	\$199,360	\$246,520	23.7%
Supplies and Services	276,449	285,690	283,010	-0.9%
Total General Fund Expenditures	\$467,764	\$485,050	\$529,530	9.2%
Special Revenue Funds				
Grants and Loan Payments	\$12,254,482	\$1,740,170	\$1,330,980	-23.5%
Total Special Revenue Fund Expenditures	\$12,254,482	\$1,740,170	\$1,330,980	-23.5%
Total Expenditures by Type	\$12,722,246	\$2,225,220	\$1,860,510	-16.4%
RESOURCES BY TYPE				
General Fund				
Street Vendor Permits	\$3,445	\$1,980	\$5,250	165.2%
Other General Fund Revenues	464,319	483,070	524,280	8.5%
Total General Fund Resources	\$467,764	\$485,050	\$529,530	9.2%
Special Revenue Funds				
Economic Development Loan Repayments	\$230,667	\$0	0	N/A
Economic Development Loan Fund Invest. Income	45,035	0	0	N/A
Economic Development Project Fund Balance	0	29,750	0	100.0%
FHWA Infrastructure (Revenue Sharing) Fund	1,824,689	0	0	N/A
Neighborhood Stabilization Program Fund	208,566	0	0	N/A
North Carolina Department of Transportation Contributions	339,642	0	0	N/A
Transfer from Occupancy Tax Fund	0	1,000,000	0	100.0%
Transfer from General Fund	143,000	0	0	N/A
Transfer from General Fund	826,640	710,420	1,330,980	87.4%
Total Special Revenue Fund Resources	\$3,618,239	\$1,740,170	\$1,330,980	-51.4%
Total Resources by Type	\$4,086,003	\$2,225,220	\$1,860,510	-42.3%
Positions				<u>Change</u>
Full-Time	2	3	3	0

BUDGET HIGHLIGHTS

General Fund:

- Personnel expenses are increased \$47,160 to reflect for the addition of the Minority and Women Business Enterprise (MWBE) position during FY 11-12.
- The City's contribution to the Piedmont Triad Research Park (PTRP) for operational support totals \$40,000, same as the current year. PTRP is a mixed-use biotechnology research park expanding in downtown Winston-Salem, with up to 27,000 projected employment opportunities at the completion of its expansion.

COMMUNITY AND BUSINESS DEVELOPMENT/ HOUSING DEVELOPMENT

MISSION STATEMENT

The Housing Development Division of the Community and Business Development Department develops housing and neighborhood revitalization plans and programs that accurately reflect local needs and conditions and citizens’ desired strategies and outcomes. The Division effectively and efficiently coordinates the implementation and administration of plans and programs adopted by City Council.

PROGRAM DESCRIPTIONS

Planning and Evaluation

- Comprises strategic and management planning, evaluation, project and program development, and resource development tasks. The most comprehensive and important planning documents are the five-year Consolidated Housing and Community Development Plan and the Annual Action Plan. Other plans produced by the division on an ongoing basis include the annual homeless needs assessment, redevelopment area plans, detailed project implementation plans, and program development policies and procedures.

Administration and Oversight

- Ensures that the activities funded and the persons benefiting from federal funds are eligible under program guidelines, that performance is accurately reported, and that all of the applicable regulatory requirements are met. The division also ensures that fiscal and programmatic controls comply with generally accepted accounting principles, and uses internal audits and compliance testing to ward against waste, fraud, mismanagement, and abuse. The Division’s monitoring process is designed to complement the Financial Management Services Department’s procedures to ensure that adequate financial and programmatic controls are in place by focusing on programmatic and operational accountability.

Housing Assistance and Neighborhood Revitalization

- Administers the activities in this program both internally and through sub-grantee agencies. Program activities include the acquisition and clearance of property to eliminate slums and blight in certified redevelopment areas; provision of technical and financial assistance for the rehabilitation and new construction of owner-occupied and rental housing units for lower income households and persons with special housing needs; support and oversight of services to the homeless; and provision of funding for the Economic Development Small Business Loan, Contractor Training, and Construction Training Programs.

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
EXPENDITURES BY PROGRAM				
Housing Development Division	\$639,564	\$677,730	\$689,040	1.7%
Contributions to Community Agencies:				
Experiment in Self-Reliance	75,913	75,430	75,430	0%
Total Expenditures by Program	\$715,477	\$753,160	\$764,470	1.5%

COMMUNITY AND BUSINESS DEVELOPMENT/ HOUSING DEVELOPMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Workload			
Construct and sell at least 25 new single-family units.	17	16	25
Provide rental assistance to at least 120 households	55	175	125

	Actual <u>FY 10-11</u>	Budget <u>FY 11-12</u>	Adopted <u>FY 12-13</u>	Percent <u>Change</u>
EXPENDITURES BY TYPE				
Personnel	\$502,078	\$516,270	\$526,620	2.0%
Supplies and Services	213,399	236,890	237,850	0.4%
Total Expenditures by Type	\$715,477	\$753,160	\$764,470	1.5%
RESOURCES BY TYPE				
Transfer from CDBG Fund	\$109,102	\$149,400	\$153,990	3.1%
Transfer from Continuum of Care Grant Fund	6,156	0	\$0	N/A
Other General Fund Resources	600,219	603,760	610,480	1.1%
Total Resources by Type	\$715,477	\$753,160	\$764,470	1.5%
Positions				<u>Change</u>
Full-Time	7	7	7	0

BUDGET HIGHLIGHTS

- The FY 12-13 budget includes a \$75,430 (same as current year) contribution to the Experiment in Self-Reliance for operational support of programs targeting low income and chronically homeless individuals and families.

COMMUNITY AND BUSINESS DEVELOPMENT/ HOUSING DEVELOPMENT OPERATIONS (GRANT FUNDED)

PROGRAM DESCRIPTIONS

Administrative Planning

- Provides for the management of the City's Community Development Block Grant (CDBG), Home Investment Partnership (HOME), and local housing stimulation funds
- Assists in the facilitation of new housing production for low- and moderate-income residents
- Responsible for implementation of the 2009-2013 Consolidated Housing and Community Development Plan and annual program reports

Housing Authority P.I.L.O.T.

- Returns the Housing Authority's annual Payment in Lieu of Taxes (P.I.L.O.T.) for use by the authority for scholarships, additional security, and landscaping improvements
- Reimburses the property tax payments for the Gateway Commons and Happy Hill HOPE VI developments based on the proportion of public housing units

Forsyth County Rehabilitation and Homebuyer Assistance

- Provides incentives to owners of residential properties outside the city limits to repair structures that do not meet the Forsyth County minimum housing code and provides subsidies to first-time homebuyers

Economic Self-Sufficiency/Small Business Loan Program

- Provides loans to new and existing small businesses to assist in start-up or expansion
- Provides funding for activities that promote economic self-sufficiency such as the contractor and construction job training programs

Public Services/Sub-recipients

- Provides funding to community organizations for programs and service delivery. All requests must conform to CDBG eligibility regulations and be consistent with the program goals of the Consolidated Plan.

Homeless Prevention and Assistance Program

- Provides funding for supportive housing, shelter, permanent supportive housing and care programs for homeless and formerly homeless clients
- Provides homeless prevention and rapid re-housing

Home Owner Assistance/Production

- Provides assistance to non-profit and for-profit developers for production of single-family units for home ownership, including land acquisition, interim construction loans, site improvements, and public infrastructure improvements
- Provides second mortgage assistance to first-time homebuyers to achieve affordability

Neighborhood Development

- Encompasses acquisition of land, including the acquisition of raw land for new single-family housing production aimed at increasing home ownership, disposition of land acquired for redevelopment, demolition, and relocation services

Rental Housing Assistance

- Includes financing of acquisition and/or rehabilitation, new construction of rental housing, and tenant-based rental assistance (TBRA) that benefits lower income households and populations with special housing needs (i.e., elderly, handicapped, disabled). With the exception of small-scale rehabilitation projects, assistance typically is provided upon completion of construction and represents "gap" financing, or that amount which renders a project feasible.

Single-Family Rehabilitation

- Encompasses rehabilitation and home improvement assistance for existing home owners and purchase-rehabilitation of single-family units for home ownership

COMMUNITY AND BUSINESS DEVELOPMENT/ HOUSING DEVELOPMENT OPERATIONS (GRANT FUNDED)

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Administration/Planning	\$265,345	\$305,300	\$278,960	-8.6%
Housing Authority PILOT/Property Tax Reimbursements	122,337	111,340	82,620	-25.8%
Forsyth County HOME Program	208,693	222,300	167,800	-24.5%
Housing Rehabilitation	1,739,949	1,713,870	1,615,130	-5.8%
Economic Self-Sufficiency/Small Business Loan Program	826,259	303,200	309,840	2.2%
Public Service/Transitional Housing	427,601	310,940	500,860	61.1%
Section 108 Loan Principal & Interest Payment	562,054	404,820	475,000	17.3%
Homeless Prevention and Assistance Programs	1,832,457	1,402,460	1,479,810	5.5%
Home Owner Assistance/Production	756,117	190,000	157,700	-17.0%
Rental Housing Assistance	205,003	190,000	381,700	100.9%
Neighborhood Development	129,995	61,200	61,200	0%
Total Expenditures by Program	\$7,075,811	\$5,215,430	\$5,510,620	5.7%
EXPENDITURES BY TYPE				
Loans	\$2,435,671	\$1,218,130	\$1,410,130	15.8%
Grants/Contractual Services	2,801,447	2,291,190	2,429,630	6.0%
Other Expenses	158,426	168,130	133,450	-20.6%
Subtotal	\$5,395,544	\$3,677,450	\$3,973,210	8.0%
Capital Outlay	\$105,625	\$0	\$0	N/A
Debt and Lease Expense	562,054	404,820	475,000	17.3%
Transfer to General Fund (Administration)	102,945	149,400	153,990	3.1%
Transfer to General Fund (Program)	840,847	983,760	908,420	-7.7%
Subtotal	\$1,611,471	\$1,537,980	\$1,537,410	0%
Total Expenditures by Type	\$7,075,811	\$5,215,430	\$5,510,620	5.7%
RESOURCES BY TYPE				
HOME Investment Partnership Funds (HOME)	\$1,129,323	\$1,235,200	\$932,400	-24.5%
HOME Program Income	234,605	125,000	125,000	0%
Community Development Block Grant (CDBG)	614,849	1,703,430	1,893,790	11.2%
CDBG Program Income	2,033,282	480,000	525,000	9.4%
Continuum of Care Grants	1,072,876	1,402,460	1,479,810	5.5%
American Recovery and Reinvestment Act (Stimulus Funds)	960,547	0	0	N/A
Housing Finance Assistance Fund Program Income	451,823	0	0	N/A
Housing Finance Assistance Fund Interest Income	40,172	135,000	449,000	232.6%
Housing Finance Assistance Fund Balance	0	23,000	23,000	0%
Rental Rehabilitation Fund Grant	15,028	0	0	N/A
Rental Rehabilitation Fund Interest Income	4,187	0	0	N/A
Section 108 Loan Fund Interest Income	1,300	0	0	N/A
Foreclosed Property Fund Revenues	1,233	0	0	N/A
Transfer from General Fund	122,340	111,340	82,620	-25.8%
Total Resources by Type	\$6,681,564	\$5,215,430	\$5,510,620	5.7%

COMMUNITY AND BUSINESS DEVELOPMENT/ HOUSING DEVELOPMENT OPERATIONS (GRANT FUNDED)

BUDGET HIGHLIGHTS

- On April 16, 2012, the City Council approved the annual program objectives and use of funds for the FY 12-13 Annual Plan, which represents the fifth year of the 2009-2013 Consolidated Housing and Community Development Plan.
- The HUD FY 2012 allocations include an 11.2% increase in Community Development Block Grant (CDBG), a 24.5% reduction in HOME Investment Partnership (HOME), and a 14.2% increase in Emergency Shelter Grants (ESG) funds compared to the current year: CDBG funds of \$1,893,789; HOME funds of \$932,398, of which the City will receive \$764,598 and the County \$167,800; and ESG funds of \$147,512. The City expects to receive \$1,332,290 in Continuum of Care Grant funds, on behalf of local agencies providing homeless program services.
- The net decrease in HUD funds combined with average projected program income will continue to create challenges to funding projects. This will reduce funding commitments to subgrantees for program operations. Funding for single-family production and homebuyer assistance continues to be reduced due to the slow housing market. Funding for projects that assist the homeless is increased. As a result, the budget maintains appropriations for the rehabilitation program and for financial and technical assistance to small businesses.
- The FY 12-13 Annual Plan includes the following one-time, special project and financing commitments:
 - Up to \$249,000 to Samaritan Ministries toward construction of a new facility that will house the agency's soup kitchen, emergency shelter, and Project Cornerstone programs. Assistance is anticipated as a deferred/forgiven loan.
 - Up to \$70,550 to Ujima Community Development Corporation for pre-development costs related to the Ujima Senior Housing and Retirement Village to be located on Barbara Jane Avenue. Funds would be used for various engineering plans, environmental assessments, and financial analysis/financing applications, all of which would be necessary to secure financing for the project. Assistance is anticipated as a grant.
 - Commitment of up to \$135,000 over three years for the Winston-Salem Community Development Support Collaborative, administered by The Winston-Salem Foundation, to support capacity building for community development corporations and community development entities.
 - Up to \$100,000 to the Piedmont Triad Regional Council Workforce Development Program for the 2012 Summer Youth Employment Program. The program will provide low- and moderate-income youth with meaningful work and training experiences during the summer months.
- Housing rehabilitation, including Purchase-Rehab, is the major category of program activity, relative to the allocation of funds, totaling \$2,780,417, or 34.5% of total projected expenditures. Financing is in place to meet homebuyer demand in redevelopment areas and City-assisted subdivisions and locations where activity is projected to take place, in scattered site infill locations to be developed by Habitat for Humanity and Individual Development Account (IDA) commitments through FY 2013.
- The budget for re-granting the Housing Authority's PILOT and property tax payments on public housing units in taxable properties is reduced by \$28,720 or 25.8%. The PILOT re-grant is reduced because of the sale of two rental properties for which the re-grant was used. The City also re-grants to HAWS the property taxes for public housing units in three housing developments in the Gateway Commons development (Azalea Terrace, Aster Park, and Arbor Oaks) and three housing developments in the Happy Hill Gardens development (Alders Point, Providence Place, and Willows Peak).

COMMUNITY AND BUSINESS DEVELOPMENT/ HOUSING DEVELOPMENT OPERATIONS (GRANT FUNDED)

BUDGET HIGHLIGHTS - Continued

➤ The adopted FY 12-13 allocations to sub-grantee agencies are provided in the table below.

HOUSING/NEIGHBORHOOD DEVELOPMENT SUBGRANTEE AGENCIES

EXPENDITURES BY AGENCY	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
AIDS Care Service, Inc.*	\$78,223	\$82,370	\$68,370	-17.0%
Consumer Credit Counseling Service: Center for Homeownership*	71,500	85,800	71,220	-17.0%
Darryl Hunt Project for Freedom and Justice*	0	5,000	0	-100.0%
Experiment in Self-Reliance, Inc. (ESR): Income Tax Preparation Assistance	5,000	5,000	4,150	-17.0%
Experiment in Self-Reliance, Inc. (ESR): Transitional Housing Program*	101,106	109,820	91,150	-17.0%
Habitat For Humanity of Forsyth County, Inc. (HOME)	246,316	190,000	157,700	-17.0%
Harry Veterans Community Outreach Support Services (VOCS)	13,000	13,000	13,000	0%
Housing Authority of Winston-Salem: Tenant Based Rental Assistance	167,631	190,000	157,700	-17.0%
Liberty Community Development Corporation	12,246	10,630	8,820	-17.0%
Liberty-East Redevelopment Corporation	12,482	15,300	12,700	-17.0%
National Association for Black Veterans: Winston-Salem Chapter	10,000	10,000	10,000	0%
North Carolina Housing Foundation: Veterans Helping Veterans Heal	0	15,000	12,450	-17.0%
North Carolina Thunder*	0	15,000	0	-100.0%
Piedmont Triad Regional COG: Project Re-Entry*	12,135	14,450	12,000	-17.0%
Piedmont Triad Regional COG: Summer Youth Employment Program	0	0	100,000	N/A
Samaritan Ministries: Soup Kitchen Building	0	0	249,000	N/A
S.G Atkins Community Development Corporation	550,000	0	0	N/A
Ujima Community Development Corporation	0	0	70,550	N/A
United Way of Forsyth County: Ten-Year Plan to End Chronic Homelessness	12,500	25,000	20,750	-17.0%
Urban League: Workforce Development Building	0	100,000	0	-100.0%
Urban League: Workforce Development Training	23,300	0	0	N/A
Winston-Salem Industries for the Blind	0	74,300	0	-100.0%
W-S Foundation: Neighbors for Better Neighborhoods	21,250	25,500	21,170	-17.0%
W-S Foundation: Funders Collaborative	45,000	45,000	37,350	-17.0%

* Denotes CDBG-funded public service agencies

**COMMUNITY AND BUSINESS DEVELOPMENT/
HOUSING DEVELOPMENT OPERATIONS (GRANT FUNDED)**

	Actual	Budget	Adopted	Percent
EXPENDITURES BY AGENCY-Continued	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Bethesda Center: Women's Shelter	32,000	32,000	37,000	15.6%
Bethesda Center: Overflow Shelter	3,200	5,000	10,000	100.0%
Eureka Ministry	5,000	6,400	0	-100.0%
Family Services: Emergency Shelter	0	11,940	20,510	71.8%
Samaritan Ministries: Emergency Shelter	13,030	4,450	13,000	192.1%
The Salvation Army: Emergency Shelter	13,482	14,650	8,000	-45.4%
United Way / Goodwill	0	0	105,510	N/A
Total Expenditures by Agency	\$1,448,400	\$1,105,610	\$1,312,100	18.7%

Adopted FY 12-13 is the total award to the agency and may be funded from FY 12-13 revenues and carry-over funds.

COMMUNITY AND BUSINESS DEVELOPMENT/ NEIGHBORHOOD SERVICES

MISSION STATEMENT

The Neighborhood Services Division of the Community and Business Development Department conserves and improves the City's existing housing stock, promotes the stabilization and revitalization of deteriorating and disadvantaged neighborhoods, and provides assistance in the planning and implementation of improvements that a neighborhood may wish to undertake.

PROGRAM DESCRIPTIONS

Housing Code Enforcement

- Enforces local ordinances relating to nuisance violations in the areas of minimum housing standards, environmental control (high grass and weeds, trashy and littered lots), and junked and abandoned vehicles by investigating reports of violations, surveying neighborhoods, and requiring property owners to eliminate violations or pay the City to do so
- Administers Vector (Rodent) Control, Trash Busters, Operation Impact, Graffiti Removal, and Illegal Dumping programs through focused City resources and increased citizen awareness and involvement

Neighborhood Zoning Enforcement

- Provides for the enforcement of the Zoning Section of the Unified Development Ordinances (UDO) of Winston-Salem relating to signs, rooming/boarding houses, vehicle storage yards, and residential zoning district regulations

Housing Rehabilitation

- Provides financial and technical assistance to qualified owner-occupants and investors to repair substandard properties. In targeted areas, low- and moderate-income owner-occupants are eligible for direct and deferred payment loans. Investor-owners are eligible for direct payment loans to repair single-family dwellings and multi-family properties citywide.
- Administers the Citywide Emergency Repair Program, which provides loans and/or grants to remedy housing conditions that pose an imminent threat to the occupants' health or safety
- Provides citywide financial assistance to remove architectural barriers to the mobility and accessibility of handicapped persons
- Administers the Purchase/Tandem Loan Program, which provides financial assistance for the acquisition and rehabilitation of substandard

structures to increasing housing opportunities for low- and moderate-income individuals, with a focus on tenants

- Conducts home maintenance and repair counseling programs for Rehabilitation loan and Lead Safe recipients. Home maintenance repair classes educate homeowners on the responsibilities and routine maintenance needed to maintain property values. This is a partnership with the Center for Homeownership through a referral service.

Section 3 Construction Training Program

- Administers a special skills training program for unskilled and underemployed young adults and ex-offenders, primarily between the ages of 18-35, to prepare them for entry level job opportunities

Lead-based Paint Abatement Program

- Administers a 3-year federal grant funded program initiated in FY09-10 to identify and control lead-based paint hazards in eligible privately owned rental and owner-occupied housing
- Program activities include screening and testing, lead hazard controls, outreach and education, and the establishment of Winston-Salem's first Lead Safe Home registry

Neighborhood Services Administration

- Provides management, coordination, and fiscal stewardship of departmental programs
- Provides relocation assistance to households and businesses that are displaced by government action
- Assists neighborhood groups with the transition into more formal, cohesive units so they are better able to deal with community issues
- Maintains a database of neighborhood groups and formal neighborhood associations

COMMUNITY AND BUSINESS DEVELOPMENT/ NEIGHBORHOOD SERVICES

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
General Fund				
Housing Code Enforcement	\$1,942,286	\$2,086,640	\$2,125,130	1.8%
Housing Rehabilitation	628,092	691,640	707,390	2.3%
Neighborhood Services Administration	468,160	464,610	490,220	5.5%
Neighborhood Assistance	22,131	21,110	21,630	2.5%
Construction Training Program	138,473	145,450	144,840	-0.4%
Construction Work Program	333	87,570	88,790	1.4%
Vector Control	12,821	40,000	40,000	0%
Total General Fund Expenditures	\$3,212,295	\$3,537,020	\$3,618,000	2.3%
Grants Fund				
Lead-based Paint Abatement Program	\$383,536	\$0	0	N/A
Total Grant Fund Expenditures	\$383,536	\$0	\$0	N/A
Total Expenditures by Program	\$3,595,832	\$3,537,020	\$3,618,000	2.3%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve compliance on environmental code violations within an average of 22 days following initial complaint	23	24	23
Percent of environmental code violations corrected within 22 days	69%	65%	69%
Achieve compliance on housing code violations within an average of 180 days following initial complaint	250	284	275
Percent of housing code violations corrected within 180 days	67%	60%	62%
Investigate 95% of vehicle complaints within 2 working days	92%	92%	93%
Achieve compliance on junked/abandoned vehicle violations an average of 21 days following initial complaint	28	26	25
Workload/Service Demand			
Housing rehabilitation applications processed	156	150	150
Housing rehabilitations completed investor-owned	4	3	5
Housing rehabilitations completed owner-occupied	16	42	43
Provide emergency repair for owner-occupied single-family units	4	15	12
Provide handicap assistance	0	5	5
Total housing inspections	6,347	6,400	6,400
Weeded lot inspections	8,502	8,600	8,600
Solid waste inspections	6,876	7,200	7,200
Environmental code violations brought into compliance by owner	10,226	11,450	12,100
Environmental code violations brought into compliance by City	3,837	3,350	3,500
Trash Busters cases	9	15	15

COMMUNITY AND BUSINESS DEVELOPMENT/ NEIGHBORHOOD SERVICES

EXPENDITURES BY TYPE	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
General Fund				
Personnel	\$2,282,297	\$2,347,720	\$2,403,350	2.4%
Supplies and Services	847,987	1,087,630	1,208,810	11.1%
Capital Outlay	0	21,000	0	N/A
Equipment Leasing Expense	82,011	80,670	5,840	-92.8%
Total General Fund Expenditures	\$3,212,295	\$3,537,020	\$3,618,000	2.3%
Grants Fund				
Supplies and Services	\$383,536	\$0	\$0	N/A
Total Grants Fund Expenditures	\$383,536	\$0	\$0	N/A
Total Expenditures by Type	\$3,595,832	\$3,537,020	\$3,618,000	2.3%
RESOURCES BY TYPE				
General Fund				
Civil Penalties	\$403,260	\$396,320	\$524,300	32%
Sale of Abandoned Vehicles and Real Property	20,290	16,000	12,000	-25%
Forsyth County	1,820	2,100	2,100	0%
Miscellaneous Revenues	386,801	3,140	5,400	72%
Transfer from HOME Investment Partnership Fund	69,987	205,000	105,000	-49%
Transfer from Community Development Block Grant	718,548	758,760	778,420	2.6%
Transfer from Housing Finance Assistance Fund	0	20,000	25,000	25%
Transfer from Water and Sewer Fund	5,128	16,000	16,000	0%
Transfer from Stormwater Management Fund	5,128	16,000	16,000	0%
Other General Fund Revenues	1,601,333	2,103,700	2,133,780	1.4%
Total General Fund Resources	\$3,212,295	\$3,537,020	\$3,618,000	2.3%
Grants Fund				
Lead-based Paint Abatement	\$383,536	\$0	\$0	N/A
Total Grants Fund Resources	\$383,536	\$0	\$0	N/A
Total Resources by Type	\$3,595,832	\$3,537,020	\$3,618,000	2.3%
Positions				<u>Change</u>
Full-Time	43	43	43	0
Part-Time (FTE's)				
General Fund	1	1	1	0
Other Fund	6.1	12.1	12.1	0

COMMUNITY AND BUSINESS DEVELOPMENT/ NEIGHBORHOOD SERVICES

BUDGET HIGHLIGHTS

- The budget for Code Enforcement is increased by a net \$38,490, or 1.8%, primarily as a result of the addition of a field abatement crew with ten seasonal maintenance workers. This is a six month extension of the Construction Work Program to provide opportunities for the workers to be hired in permanent full-time positions over time. The initiative also provides for a more aggressive response during the spring/summer months to abating problem properties.

- This division continues to administer the lead-based paint abatement program funded by a \$2,070,000 grant from US Department of Housing and Urban Development that was appropriated in FY 09-10.

ARTS AND SCIENCES COMMUNITY AGENCIES

The City of Winston-Salem provides annual operating or capital support to community agencies that meet the legal requirements for receiving public funds, as stipulated in North Carolina General Statute §159-40. Moreover, to meet city requirements for funding, community arts and sciences agencies must meet certain specific organizational characteristics, as follows:

- Non-profit, incorporated status, with at least two years of audited financial records and IRS 990 forms;
- Sound organizational management with a well-rounded board of directors, governing under a set of written by-laws, as required under the articles of incorporation;
- Broad-based support, city-wide; and,
- Policy of non-discrimination by race, sex, age, religion, or disability, in terms of the service provided and employment offered.

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Requested FY 12-13	Adopted FY 12-13	Percent Change
Arts Council - Operating	\$147,500	\$195,000	\$250,000	\$195,000	0%
Arts Council – Capital	50,000	52,540	52,540	52,540	0%
SciWorks	170,630	170,630	200,000	170,630	0%
Old Salem	48,750	48,750	50,000	48,750	0%
National Black Theatre Festival	54,848	73,130	80,000	73,130	0%
RiverRun International Film Festival	36,803	36,570	40,000	36,570	0%
Piedmont Triad Film Commission	19,500	19,500	40,000	25,000	28%
Creative Corridors	0	50,000	0	0	-100%
Reynolda House	0	0	12,500	12,500	N/A
Total Expenditures by Agency	\$528,030	\$646,120	\$708,790	\$614,120	-5%

RESOURCES BY TYPE

Occupancy Tax Fund	\$68,250	\$68,250	\$86,250	\$86,250	26%
Capital Projects Reserves	0	50,000	0	0	-100%
General Fund	459,780	527,870	622,540	527,870	0%
Total Resources by Type	\$528,030	\$646,120	\$708,790	\$614,120	-5%

BUDGET HIGHLIGHTS

- Changes for operating assistance grants for community agencies from previous year levels include:
 - An increase of \$5,500 for the contribution to the Piedmont Triad Film Commission to bring the contribution amount closer to Greensboro’s contribution
 - The addition of a one-time contribution of \$12,500 to Reynolda House for the Romare Bearden: A Black Odyssey exhibition this fall/winter
- The Arts Council capital donation is an annual lease payment on a portion of the property now incorporated into the Milton Rhodes Center for the Arts. This payment will recur annually until the debt is fully repaid, in 2019. Over time, the total capital contribution will be \$400,000, which represents a portion of the Arts Council’s local match for a grant from The Kresge Foundation.

ARTS AND SCIENCES COMMUNITY AGENCIES

BUDGET HIGHLIGHTS - Continued

- Funding for community agency grants are primarily from the general fund; however, the grants to Old Salem, Piedmont Triad Film Commission, and Reynolda House are appropriated in the occupancy tax fund.
- Other community agency funding for FY 12-13, from non-federal sources, is included in the budget document as follows:

Housing Development (page 72)

Experiment in Self-Reliance (ESR): \$75,430

United Way – Homeless Initiative: \$20,750*

National Association for Black Veterans (NABVETS): \$10,000*

Helping to Advocate, Research, and Respond for You (HARRY): \$13,000*

Police (page 113)

District Attorney Family Court: \$41,670

Forsyth County Drug and Alcohol Coalition: \$9,260

Children’s Home, Emergency Youth Shelter: \$18,520

Recreation and Parks (page 149)

YMCA – Youth Incentive Program: \$61,430

Human Relations (page 224)

Mediation Services: \$6,600

Business Development (page 68)

Piedmont Triad Research Park: \$40,000

*Housing Finance Assistance Fund

COMMUNITY AND ECONOMIC DEVELOPMENT

NON-DEPARTMENTAL

Listed below are the Adopted appropriations related to housing and economic development that are not included in any of the departmental budgets in this section of the document.

EXPENDITURES BY PROGRAM	Actual	Budgeted	Adopted	Percent
General Fund Transfers	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
To Housing Finance Assistance Fund	\$122,340	\$111,340	\$82,620	-25.8%
To Economic Development Project Fund	796,640	710,420	1,330,980	86.6%
To Grants Fund	30,000	0	0	0.0%
Travel Reductions	0	0	-5,680	N/A
Subtotal	\$948,980	\$821,760	\$1,407,920	71.3%
Occupancy Tax				
Transfer Public Art Seed Funds to the Grants Fund	\$143,000	\$0	\$0	0.0%
Total Expenditures by Program	\$1,091,980	\$821,760	\$1,407,920	71.3%
RESOURCES BY TYPE				
General Fund				
Other General Fund Revenues	\$948,980	\$821,760	\$1,407,920	71.3%
Occupancy Tax Fund				
Occupancy Tax	\$20,000	\$0	\$0	0%
Fund Balance Appropriation	123,000	0	0	0%
Total Resources by Type	\$1,091,980	\$821,760	\$1,407,920	71.3%

HIGHLIGHTS

- The general fund transfer to the housing finance assistance fund represents a re-granting of the City's payment in lieu of taxes from the Housing Authority of Winston-Salem (HAWS) back to HAWS for its operating needs, plus a re-granting of property tax payments made by HAWS on its taxable properties. The PILOT re-grant is reduced \$28,720, or 25.8% ,due to the sale of two rental properties for which the re-grant was used.
- The general fund transfer to the economic development project fund includes an increase of \$950,000 from property taxes to be paid by Caterpillar in FY 12-13. The property tax revenue of, \$316,670, will go to Caterpillar as an economic development incentive payment. From the remaining property taxes, \$233,330 is to be transferred to the City's economic development project fund to begin reimbursement of the City for its \$3.75 million up-front payment to Caterpillar, and \$400,000 is maintained by the general fund. The transfers to the economic development project fund are taken from property taxes generated by Caterpillar only; there are no other general property tax revenues allocated for this purpose.

ENVIRONMENTAL HEALTH

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Stormwater Management 101
Environmental Health Capital Projects 106

SANITATION

MISSION STATEMENT

The mission of the Sanitation Department is to ensure an aesthetically pleasant, healthy, and safe environment for the citizens of Winston-Salem by providing economical and effective collection of refuse, yard waste, and recyclables and by transporting these materials to state-approved disposal sites.

PROGRAM DESCRIPTIONS

Residential Refuse Collection

- Provides weekly curbside collection to single-family residences, multi-family residences, and small businesses that generate the same amount of trash as a residential unit

Central Business District Services

- Provides refuse collection six nights per week for businesses and residences in the central business district, using crews who also clean sidewalks, empty trash receptacles, and maintain other common areas around downtown
- Provides clean-up services for downtown special events (e.g., Alive After Five, Fourth Street Jazz, Summer on Trade, parades, etc.)

Bulk Container Collection

- Provides mechanized collection for businesses, churches, non-profit organizations, schools, multi-family residential developments, City departments, and the Housing Authority of Winston-Salem on a schedule designed to meet customers' needs
- Charges customers annually based on the size of the container and the frequency of collection
- Includes the collection of cardboard from the City's nine drop-off sites and the transportation of the material to a processing facility

Sanitation Administration

- Provides leadership, planning, employee safety training and enforcement, and fiscal stewardship for all sanitation programs

Curbside Collection

- Collects brush every 10 to 14 working days, except during leaf collection months
- Provides loose leaf collection from November 1 through January 15
- Includes the annual curbside bulky item collection from March through August

Yard Waste Cart Collection

- Provides year-round weekly curbside collection of containerized yard waste to residents who purchase the 96-gallon rollout carts and pay an annual fee for the service

Curbside/Multi-Family Recycling

- Administers a contract for single stream bi-weekly residential curbside recycling and multi-family roll-out cart collection. Materials collected include: newspaper, magazines, junk mail, telephone books, chipboard, aluminum, steel, all plastics, cardboard, glass (clear, brown, and green), and aerosol cans. These costs are partially covered by a transfer from the solid waste disposal fund

Sanitation Code Enforcement

- Enforces the City's sanitation ordinances, including the regulation of refuse storage, improperly containerized yard waste, and illegal distribution of handbills and advertisements

SANITATION

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Residential Refuse Collection	\$7,804,791	\$7,648,220	\$7,316,620	-4.3%
Curbside Collection	4,161,796	4,651,230	4,644,930	-0.1%
Curbside/Multi-Family Recycling	2,794,930	2,952,960	2,273,620	-23.0%
Bulk Container Collection	1,801,181	1,800,410	1,782,390	-1.0%
Yard Waste Cart Collection	956,869	952,640	906,790	-4.8%
Sanitation Administration	597,656	836,730	862,840	3.1%
Central Business District Service	404,259	428,700	462,050	7.8%
County Recycling	135,956	162,260	0	-100.0%
Sanitation Code Enforcement	141,589	145,250	151,850	4.5%
Total Expenditures by Program	\$18,799,027	\$19,578,400	\$18,401,090	-6.0%
Interdepartmental Charges	-101,058	-72,640	-112,500	54.9%
Net Expenditures by Program	\$18,697,969	\$19,505,760	\$18,288,590	-6.2%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Limit missed garbage collections to less than 0.5% per month	0.10%	0.10%	0.10%
Limit missed yard cart collections to less than 1% per month	0.10%	0.10%	0.10%
Achieve a recycling participation rate of 90% of the total number of eligible households	89%	90%	90%
Collect recyclable materials equal to at least 20% of the residential garbage collected	21%	22%	24%
Complete 75% of brush collection routes on time	61%	75%	75%
Complete 75% of leaf collection routes on time	44%	50%	50%
Efficiency			
Bulk container revenue as percentage of bulk container operating costs	99%	100%	89%
Yard waste cart fee revenue as percentage of yard waste operating costs	91%	88%	80%
Workload			
Tons of garbage collected	50,269	51,000	52,000
Households serviced each week	76,064	76,064	76,064
Tons of yard waste collected	6,828	6,500	6,500
Yard carts in service	14,040	13,900	14,000
Customers receiving bulk container service	949	928	935
Tons of brush collected	16,717	15,000	17,500
Tons of leaves collected	13,450	15,840	14,500
Tons of bulky items collected	2,297	2,300	2,500
Number of households exempt from curbside refuse collection	N/A	2,365	2,914

SANITATION

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$7,174,094	\$7,504,800	\$7,732,310	3.0%
Supplies and Services	9,801,423	9,957,710	8,753,850	-12.1%
Equipment Leasing Expense	1,823,510	2,115,890	1,914,930	-9.5%
Total Expenditures by Type	\$18,799,027	\$19,578,400	\$18,401,090	-6.0%
Interdepartmental Charges	-101,058	-72,640	-112,500	54.9%
Net Expenditures by Type	\$18,697,969	\$19,505,760	\$18,288,590	-6.2%
RESOURCES BY TYPE				
Bulk Container Service Charges	\$1,740,275	\$1,764,560	\$1,685,420	-4.5%
Yard Waste Cart Collection Fee	847,391	876,000	834,000	-4.8%
Other Charges for Service	76,307	46,370	45,860	-1.1%
Proceeds from Sale of Recyclables	173	0	0	N/A
Proceeds from Cart Sales	23,531	26,000	26,000	0%
Bulk Container Rental/Sales	17,376	12,500	12,500	0%
Miscellaneous Revenues	25,281	5,000	5,000	0%
Transfer From Solid Waste Disposal Fund	2,371,847	1,933,480	1,109,850	-42.6%
Transfer From Stormwater Management Fund	1,443,692	1,550,860	1,574,330	1.5%
Other General Fund Resources	12,152,097	13,290,990	13,108,130	-1.9%
Total Resources by Type	\$18,697,969	\$19,505,760	\$18,401,090	-6.0%
Positions				<u>Change</u>
Full-Time	195	189	189	0
Part-Time (FTE's)	27.3	14.9	11	-3.9

BUDGET HIGHLIGHTS

Curbside/Multi-family Recycling

- Beginning in FY 10-11, the solid waste disposal fund has reduced its support for the city's recycling program by 20% per year. For FY 12-13, the support is reduced by 10% rather 20%, resulting in a benefit to the general fund of \$200,000. Also, in July, 2011, Council approved entering into a new ten-year contract for recycling services for single family homes, multifamily homes, schools and drop-off sites. The new contract includes the transition from the weekly collection of the 18-gallon bins to the bi-weekly collection of roll-out carts. The new contract took effect April, 2012. For FY 12-13, program expenses are decreased (\$1,239,640 million). This savings is offset by the annual lease payments for roll-out carts, \$561,000, and an \$661,370 reduction in support from the solid waste disposal fund, for a net decrease in general fund cost of \$17,970.

SANITATION

County Recycling

- The county recycling is funded at 60% by the county general fund, and by FY 14-15 it will be funded 100%. The program is now administered by the solid waste program and has been removed from the Sanitation budget.

Refuse Collection

- The Residential Refuse Collection program net decrease (-\$331,600) is due to the completion of equipment leasing payments in FY 11-12.

Yard Waste Cart Collection

- The projected revenues from the annual yard waste cart collection fee are decreased (-\$42,000), or 4.8% due to a reduction in cart-users from 14,600 to 13,900.

Sanitation Program Administration

- The net increase in the budget results from the transfer of a sanitation manager position from the Bulk Container program to Sanitation Administration (+\$26,110).

Total Sanitation Department Budget

- Equipment lease payments include additional payments in FY 12-13 for the addition of four truck mounted leaf loaders and four radios (+\$115,260).

WATER AND SEWER SYSTEM

MISSION STATEMENT

The mission of the Utilities Division is to treat and distribute water to the public and collect and treat the wastewater in a manner that is in compliance with federal and state regulations.

PROGRAM DESCRIPTIONS

Water Treatment

- Operates three conventional water treatment plants—the R.W. Neilson plant, the R.A. Thomas plant, and the P.W. Swann plant—with a combined capacity of 91 million gallons per day. The R.A. Thomas plant has been rebuilt and was placed back into service on September 14, 2011.
- Operates and maintains 14 tanks and eight distribution pump stations for distributing water throughout the distribution system

Water Distribution

- Supplies potable water to residential, commercial, and industrial customers
- Maintains a distribution system consisting of approximately 2,227 miles of water mains
- Installs water connections at the request of customers, services and changes water meters, and performs cut-ons and cut-offs at the request of customers and/or the Revenue Division
- Oversees the backflow prevention program

Wastewater Collection

- Provides wastewater collection to residential, commercial, and industrial customers
- Maintains a collection system consisting of approximately 1,707 miles of sewer mains
- Installs sewer connections, cleans and repairs sewer mains, clears utility rights-of-ways, and constructs sewer mains

Wastewater Treatment

- Operates two wastewater treatment plants, the Archie Elledge plant and the Muddy Creek plant, with a combined capacity of 51 million gallons per day and 49 wastewater lift stations
- Manages two programs that impact treatment facilities:

Regional Dryer Facility: Operates the drying facility in a manner that provides beneficial reuse. Biosolids are processed by dewatering and thermally drying to produce a Class “A” product under federal regulations. The class “A” biosolids are sold as a soil amendment to a private distributor.

Industrial Waste Control: Regulates commercial and industrial discharges to the wastewater system, determines surcharge bills for commercial and industrial customers, and enforces discharge permits that protect the wastewater treatment facilities

Utilities Customer Service

- The utility billing and customer service functions are integrated with the City of Winston-Salem’s Revenue Division and City Link. Utilities Administration coordinates customer service issues with the Revenue Division and City Link and serves as liaison between the City-County Utility Commission and these departments.

Utilities Administration

- Provides leadership, planning, and fiscal stewardship for the Utilities Division

WATER AND SEWER SYSTEM

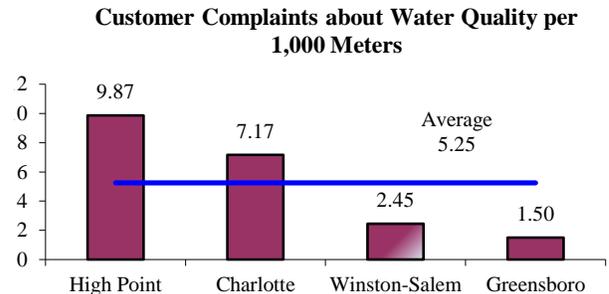
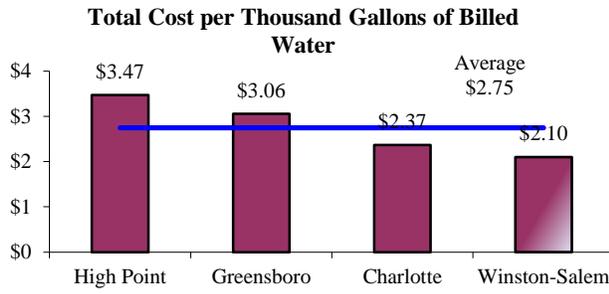
EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Water Treatment	\$7,767,686	\$8,563,870	\$8,598,340	0.4%
Water Distribution	6,846,696	8,351,720	8,836,880	5.8%
Wastewater Collection	5,107,307	5,350,960	5,493,410	2.7%
Wastewater Treatment	12,197,399	13,843,000	13,920,780	0.6%
Utilities Customer Service	3,208,376	3,060,210	2,989,590	-2.3%
Utilities Administration	2,997,297	1,674,430	1,625,610	-2.9%
Subtotal	\$38,124,761	\$40,844,190	\$41,464,610	1.5%
Debt and Lease Expense	\$27,639,709	\$35,496,620	\$39,455,920	11.2%
Total Expenditures by Program	\$65,764,470	\$76,340,810	\$80,920,530	6.0%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Maintain 100% compliance with federal and state drinking water quality standards	100%	100%	100%
Respond to 100% of sewage overflows within two hours as required by the State Clean Water Act	100%	100%	100%
Receive zero federal and state violations at wastewater treatment plants (returning clean water back to rivers and streams)	2	3	0
Efficiency			
Meet 100% of average daily water demand throughout water system	100%	100%	100%
Meet 100% of average daily sewer demand throughout sanitary sewer system	100%	100%	100%
Collect and treat 100% of wastewater throughout sanitary sewer system (minimize back-ups and overflows)	99.99%	99.99%	99.99%
Workload			
Total miles of water distribution lines maintained	2,222	2,227	2,237
Total miles of wastewater collection lines maintained	1,701	1,707	1,713
Ratio of average daily water demand to system capacity	50.3%	40.5%	41.7%
Ratio of average daily sewer demand to system capacity	60.8%	60.0%	62.9%
Number of meters read annually	789,438	795,673	801,900

WATER AND SEWER SYSTEM

FY 10-11 N.C. BENCHMARKING PROJECT RESULTS



Note: Durham and Raleigh did not participate in the FY 10-11 Project.

Source: N.C. Benchmarking Project, *Final Report on City Services for Fiscal Year 2010-2011*, February 2012

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	FY 10-11	FY 11-12	FY 12-13	Change
Personnel	\$15,346,646	\$17,446,460	\$17,748,920	1.7%
Supplies and Services	21,184,473	23,088,990	23,404,030	1.4%
Capital Outlay	8,873	0	0	N/A
Subtotal	\$36,539,992	\$40,535,450	\$41,152,950	1.5%
Debt and Lease Expense	27,639,709	35,496,620	39,455,920	11.2%
Transfer to General Fund (Vector Control)	5,128	16,000	16,000	0%
Transfer to General Fund (Safety Manager)	55,860	57,440	58,680	2.2%
Transfer to Solid Waste Disposal Fund (Household Hazardous Waste)	239,541	235,300	236,980	0.7%
Transfer to Capital Projects Fund	1,284,240	0	0	N/A
Total Expenditures by Type	\$65,764,470	\$76,340,810	\$80,920,530	6.0%
RESOURCES BY TYPE				
Water Charges	\$36,242,754	\$40,400,740	\$43,280,440	7.1%
Sewer Charges	28,151,649	33,512,570	34,028,900	1.5%
Charges for Service	5,372,334	5,350,000	6,011,000	12.4%
Assessments to Benefit Property	719,994	750,000	750,000	0%
Federal Bond Interest Subsidy	1,137,823	0	1,728,340	N/A
Interest Income	10,456,146	0	0	N/A
Miscellaneous Revenues	68,831	0	0	N/A
Fund Balance Appropriation	0	0	0	N/A
Total Resources by Type	\$82,149,531	\$80,013,310	\$85,798,680	7.2%
Addition to Capital Reserves	\$16,385,061	\$3,672,500	\$4,878,150	32.8%

WATER AND SEWER SYSTEM

Positions	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Change
Full-Time	329	332	332	0
Part-Time (FTE's)	0	0	0	0

BUDGET HIGHLIGHTS

- On May 14, 2012, the City-County Utility Commission approved a resolution recommending to the City Council the adoption of the FY 12-13 budget for the water and sewer system and approved rate increases of 9.75% for water service and 9.75% for sewer service.

These rate increases will generate sufficient revenues to meet the net operating income-to-debt service ratio requirements of recently approved revenue bonds. These requirements are part of the revenue bond covenants and are intended to ensure that there are sufficient revenues to meet the debt obligations of the water and sewer system. If the system did not generate sufficient revenues to pay off the bonds, the covenants would require the City to increase water and sewer rates. The approved rate increases will be effective October 1, 2012. These increases are needed to fund major investments in the water and sewer system in order to upgrade existing water and wastewater treatment plant infrastructure and continue to replace the oldest water distribution and sewer collection pipes in the system. The capital budget for FY 12-13 totals \$40.3 million; planned investments over the next six years total \$213.8 million.

Even with these increases, Winston-Salem's rates will continue to be lower than those of other major systems in North Carolina, as noted in the chart below.

FY 12-13 Water and Sewer Rates
(Average Monthly Residential Customer)



* Based on 600 cubic feet of water consumption

- Excluding debt and lease expenses, the adopted FY 12-13 budget is increased \$620,420, or 1.5%, primarily due to increased personnel expenditures for merit pay and benefits costs (+\$302,460) and a net increase in supplies and services expenditures as a result of increased information systems charges, fuel costs, credit card fees, and the City's indirect cost allocation (+\$315,040). The increased indirect cost allocation is mainly due to the increased number of service requests received through the City's call center, City Link (+\$473,650). This increase is partially offset by the elimination of a direct charge to the water and sewer fund for City Link services (-\$264,540), for a net increase of \$209,110. Other decreases include reductions in Revenue Division charges, utilities, and chemicals.
- Debt and lease expenses are increased \$3,959,300, or 11.2%, primarily due to an increase in debt service costs for revenue bonds recently issued to fund water and sewer infrastructure improvements. The FY 12-13 budget also includes capital lease payments for the replacement of the following equipment: two crew trucks, two dump trucks, a jet/vac combination truck, an excavator, other construction equipment, and a truck for field investigations and mapping of the water and sewer system (+\$257,560).

WATER AND SEWER SYSTEM

BUDGET HIGHLIGHTS - Continued

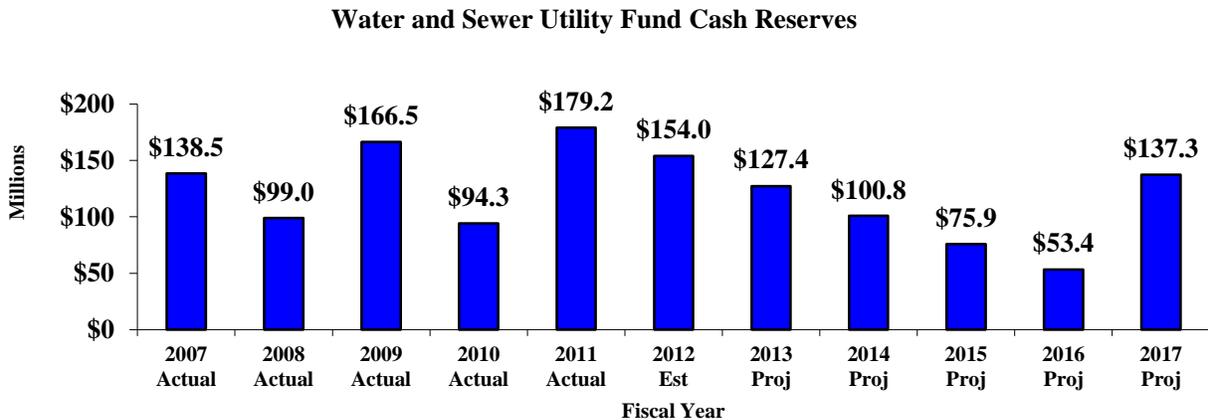
FY 11-12 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the water and sewer utility fund operations.

	Budgeted FY 11-12	Estimated FY 11-12
Operating Revenues	\$80,013,310	\$77,705,728
Operating Expenditures	(40,535,450)	(38,092,754)
Operating Income	\$39,477,860	\$39,612,974
Investment Income	0	4,924,380
Conveyances	0	3,681,851
Other Revenue	0	1,728,340
Debt and Lease Expenses	(35,496,620)	(35,000,002)
Program Support for Vector Control	(16,000)	(16,000)
Program Support for Safety Manager	(57,440)	(57,440)
Program Support for Household Hazardous Waste Collection	(235,300)	(235,300)
Net Income/(Loss)	<u>\$3,672,500</u>	<u>\$14,638,803</u>

Long-Range Financial Outlook

- The following chart provides the outlook for the water and sewer utility fund's cash reserves for both operations and capital projects. The outlook assumes a future bond issue of \$100 million in FY 16-17. The outlook also assumes annual rate increases of 5% after FY 12-13.



SOLID WASTE DISPOSAL

MISSION STATEMENT

The mission of the Solid Waste Disposal Division is to provide, as an enterprise, environmentally sound and cost-effective means of integrated solid waste management and disposal for current and future waste generated in Forsyth County.

PROGRAM DESCRIPTIONS

Municipal Solid Waste Disposal

- Operates a state-permitted, active municipal solid waste landfill at Hanes Mill Road
- Maintains closed sanitary landfills on Ebert Street and Overdale Road

Construction and Demolition Waste Disposal

- Operates a state-permitted, active landfill on Old Salisbury Road for construction and demolition materials
- Maintains the closed Overdale Landfill facility

Leaf Composting and Yard Waste Processing

- Operates a leaf compost facility located off Reynolds Park Road
- Operates two yard waste processing facilities—one located off Overdale Road and the other located off Highway 65 in the Forum 52 Industrial Park

Household Hazardous Waste Management

- Administers a contract for the recycling or disposal of hazardous materials including paints, pesticides, oxidizers, used oil, solvents, and electronic equipment (e.g., computers and televisions)

Disposal of Other Wastes

- Provides recycling of “white goods” (used appliances) and scrap tires through private contractors at Hanes Landfill

Financing for City and County Residential Recycling

- Provides partial financing for Winston-Salem and Forsyth County residential recycling efforts

Solid Waste Disposal Administration

- Provides leadership, planning, workplace safety training and enforcement, and fiscal stewardship for the Solid Waste Disposal Division

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Municipal Solid Waste Disposal	\$3,890,227	\$4,277,050	\$4,156,930	-2.8%
Construction and Demolition Waste Disposal	886,811	1,209,470	1,134,080	-6.2%
Leaf Composting/Yard Waste Processing	702,371	821,590	859,940	4.7%
Financing for Winston-Salem Residential Recycling	2,235,891	1,771,220	1,109,850	-37.3%
County-wide Waste Reduction Programs	1,214,244	1,228,190	1,338,170	9.0%
Solid Waste Disposal Administration	466,951	492,390	494,460	0.4%
Subtotal	\$9,396,494	\$9,799,910	\$9,093,430	-7.2%
 Non-Program Debt Service	 \$2,304,070	 \$3,598,510	 \$3,390,940	 -5.8%
 Total Expenditures by Program	 \$11,700,565	 \$13,398,420	 \$12,484,370	 -6.8%

SOLID WASTE DISPOSAL

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
% of waste diverted from municipal solid waste landfill	15%	17%	17%
Receive notice of violations for all disposal facilities	0	0	0
Number of citizen complaints received for all disposal facilities	3	3	3
Efficiency			
% of municipal solid waste landfill airspace consumed to date	20%	22%	25%
% of construction and demolition landfill airspace consumed to date	70%	72%	75%
Workload			
Tons of municipal solid waste disposed	221,322	215,000	215,000
Tons of construction and demolition debris disposed	46,014	29,778	29,778
Tons of yard waste/wood waste processed	26,505	27,383	27,383
Tons of leaves processed	15,275	15,182	15,182
Tons of household hazardous waste managed	254	279	279
Tons of tires managed	6,506	6,587	6,587
Tons of appliances managed	351	318	318
Tons of waste recycled by Winston-Salem and Forsyth County programs	11,849	12,000	13,000
Tons of waste disposed per capita in Forsyth County	0.76	0.69	0.68

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$1,724,367	\$1,847,380	\$1,860,440	0.7%
Supplies and Services	5,300,280	6,019,050	6,123,140	1.7%
Subtotal	\$7,024,647	\$7,866,430	\$7,983,580	1.5%
Debt and Lease Expense	\$2,304,070	\$3,598,510	\$3,390,940	-5.8%
Transfer to General Fund for Recycling	2,371,847	1,933,480	1,109,850	-42.6%
Total Expenditures by Type	\$11,700,565	\$13,398,420	\$12,484,370	-6.8%

SOLID WASTE DISPOSAL

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Service Charges	\$5,835,830	\$6,544,870	\$5,333,260	-18.5%
Charges to City Departments	3,311,182	3,512,310	3,255,550	-7.3%
Proceeds from Sale of Recyclables	440,174	448,090	648,380	44.7%
State Scrap Tire Disposal Tax	467,910	457,920	471,200	2.9%
State Solid Waste Disposal Tax	199,542	194,550	186,240	-4.3%
State E-Recycling Funds	25,556	0	26,500	N/A
Forsyth County	53,963	133,200	168,870	26.8%
Other Resource Recovery	209,579	170,600	196,850	15.4%
Rentals	18,457	30,570	30,570	0.0%
Miscellaneous Revenues	62,535	0	0	N/A
Interest Income	857,210	256,610	241,270	-6.0%
Proceeds from Sale of Surplus Property	237,550	0	0	N/A
Transfer from Water and Sewer Fund	239,541	235,300	236,980	0.7%
Transfer from Stormwater Management Fund	119,770	117,650	118,310	0.6%
Fund Balance Appropriation	0	1,296,750	1,570,390	21.1%
Total Resources by Type	\$12,078,801	\$13,398,420	\$12,484,370	-6.8%
Addition to Capital Reserves	\$378,236	\$0	\$0	N/A
Positions				Change
Full-Time	35	35	35	0
Part-Time (FTE's)	10.4	9.2	9.2	0

BUDGET HIGHLIGHTS

- On May 14, 2012, the City-County Utility Commission approved a resolution recommending to the City Council the adoption of the FY 12-13 budget for solid waste disposal operations. The recommended budget covers 40% of the recycling programs for both the city and county using the solid waste fund. The remainder would come from the city and county general funds. The FY 12-13 budget for the City's recycling program totals \$2,274,320. At 40% funding, the solid waste disposal fund's support would total \$909,850. The City Council adopted a FY 12-13 budget that increases the transfer to cover 50% of City recycling costs, for a total transfer of \$1,109,850. The following table shows how much of the reduction in the transfer from the solid waste disposal fund for the City's recycling program is related to the change to single stream, bi-weekly collection and how much is related to the adopted 10% change in coverage.

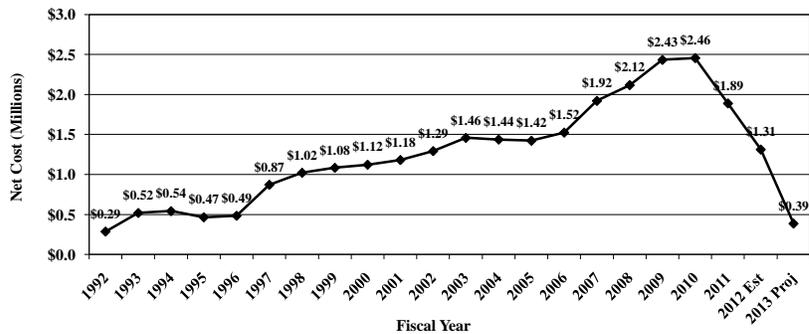
	FY 11-12	FY 12-13	Savings
City Recycling Program Expenditures	\$2,952,960	\$2,274,320	-\$678,640
Solid Waste Transfer	\$1,771,220	\$1,109,850	-\$661,370
Reduction from Bi-weekly Program Change at 60%	-\$678,640 x 60% =		-\$407,180
Reduction from 10% Coverage Change	\$2,274,320 x -10% =		-\$227,430
Total Reduction in Solid Waste Transfer			-\$661,370

SOLID WASTE DISPOSAL

BUDGET HIGHLIGHTS – Continued

The following chart shows the net cost of the City’s curbside recycling program since its inception in 1991. Net costs include the City’s share of the proceeds from the sale of recyclables. The notes on the chart describe key changes to the program over the years.

Solid Waste Disposal Fund Support of City’s Curbside Recycling Program

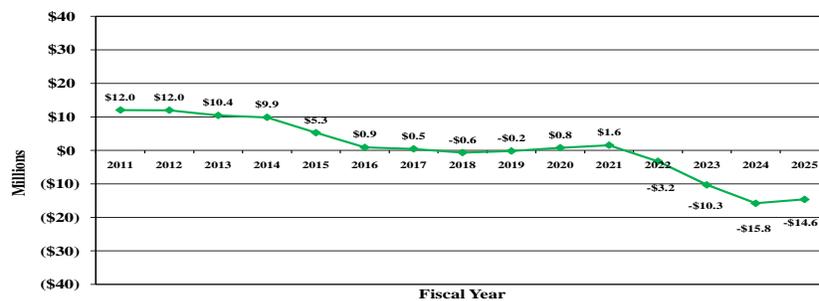


Notes

- * Net costs include proceeds from the sale of recyclables.
- 1992: Implemented program at mid-year
- 1997: Added additional commodities and expanded program to include multi-family housing
- 2002: Added corrugated cardboard and expanded program to include small businesses
- 2007: Renewed contract to include aerosol cans, all plastic bottles, and unbundled cardboard; expanded program to newly annexed areas
- 2011: Reduced solid waste disposal fund coverage from 100% to 80%
- 2012: Reduced solid waste disposal fund coverage from 80% to 60%; implemented single stream, bi-weekly program in April 2012
- 2013: Proposed to reduce solid waste disposal fund coverage from 60% to 40%

The following chart provides a projection of the unrestricted cash reserves for the solid waste disposal fund. This long-range outlook presents two scenarios--unrestricted reserves that reflect capital improvements for existing facilities only and unrestricted reserves that reflect the cost of developing a new disposal facility. The outlook also assumes the City and the County will cover 100% of the cost of recycling and county-wide waste reduction programs by FY 14-15. While this outlook does not show the impact on restricted reserves, these reserves, which are set aside for closure and post-closure costs, would not be sufficient to meet statutory requirements beyond FY 21-22.

Solid Waste Fund Projection Unrestricted Reserves



Notes

- * Assumes construction of new cells at Hanes Mill Road Landfill in FY 2022 and FY 2024.
- * Assumes purchase of land for new disposal facility in FY 2023. Hanes Mill Road Landfill is projected to reach capacity in 2032.

SOLID WASTE DISPOSAL

BUDGET HIGHLIGHTS – Continued

For FY 12-13, the budget includes a fund balance appropriation of \$1,570,390, an increase of \$273,640, primarily due to projected decreases in landfill tipping fee revenues.

To extend the unrestricted reserves in the solid waste disposal fund, the City Council implemented two measures starting in FY 10-11. First, the City and the County have assumed increased financial responsibility for residential recycling programs each year. Second, the City Council approved the issuance of \$10.5 million in special obligation bonds to spread the cost of planned capital improvements and avoid a substantial drawdown of unrestricted reserves. The chart above reflects the impact of these two measures.

Tipping Fees

- Overall, tipping fee revenues are budgeted to decrease \$1,468,370, or 14.6%. The Solid Waste Disposal Division is projecting that tonnage at all of its facilities will be lower than the amount budgeted for FY 11-12 due to the lingering effects of the recession and the decline in construction activity.

The tipping fees for all disposal facilities remain unchanged for FY 12-13:

Facility	Current Fee	State Disposal Tax	Total Fee
Hanes Mill Road Landfill	\$34/ton	\$2/ton	\$36/ton
Base Rate	\$30/ton	\$2/ton	\$32/ton
Large Volume Rate			
Yard Waste Facilities	\$29/ton	\$0	\$29/ton
Old Salisbury Road C&D Landfill	\$28/ton	\$2/ton	\$30/ton

The following table compares the tipping fees for public disposal facilities in six major North Carolina cities.

Solid Waste Tipping Fee Comparison of Public Facilities

<u>Jurisdiction</u>	<u>Municipal Solid</u>	
	<u>Waste</u>	<u>Construction and Demolition</u>
Durham (Transfer Station)	\$42.50	N/A
High Point	\$38.00	N/A
Charlotte (Mecklenburg County)	\$27.50	\$39.00
Greensboro	\$41.00	\$31.00
Raleigh (Wake County)	\$38.00/\$32.00	N/A
Winston-Salem	\$36.00/\$32.00	\$30.00

1. Durham, High Point, and Wake County do not operate construction and demolition landfills.
2. Mecklenburg County's waste is disposed at a privately operated landfill under contract for the indicated price.
3. In Greensboro, construction and demolition waste is disposed at the White Street Landfill at \$31 per ton. Municipal solid waste is disposed at the transfer facility at \$41 per ton.
4. Municipal solid waste is disposed at South Wake Landfill at \$32 per ton and at the transfer facility at \$38 per ton. Loads containing more than 10% cardboard are charged \$60 per ton.
5. Rates include a State Disposal Tax of \$2 per ton.

SOLID WASTE DISPOSAL

BUDGET HIGHLIGHTS – Continued

Total Departmental Budget

- Excluding debt and lease expenses and the transfer for recycling, the FY 12-13 budget for solid waste disposal is increased \$117,150, or 1.5%, primarily due to increases in personnel and fuel costs offset by decreases in supplies, contracted services, and the City’s indirect cost allocation. The adopted budget also reflects moving the direct contract expenditures for the two county-wide recycling drop-off sites in Pfafftown and Kernersville into the solid waste disposal fund. As a result, the transfer to the general fund is decreased by \$162,260, and contract expenditures are increased by a similar amount.
- Debt and lease expenses reflect a net decrease of \$207,570, or 5.8%, primarily due to lower principal and interest costs for special obligation bonds. The adopted budget also includes additional capital lease payments for the replacement of landfill equipment and vehicles (+\$198,900).
- Proceeds from the sale of recyclables are increased \$200,290 due to an improvement in market projections for the price of certain commodities. The adopted budget also includes state electronic-recycling revenues of \$26,500, which will partially offset contract expenditures for electronics recycling through the household hazardous waste management program.

FY 11-12 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the solid waste disposal fund operations.

	<u>Budgeted</u> <u>FY 11-12</u>	<u>Estimated</u> <u>FY 11-12</u>
Operating Revenues	\$10,706,440	\$9,454,476
Operating Expenditures	(7,866,430)	(6,907,150)
Operating Income	\$2,840,010	\$2,547,326
Intergovernmental Revenue	785,670	687,556
Investment Income	256,610	(46,501)
Transfers from Other Funds	352,950	352,650
Debt and Lease Expenses	(3,598,510)	(2,594,955)
Transfer to General Fund	(1,933,480)	(2,003,500)
Net Loss	<u>(\$1,296,750)</u>	<u>(\$1,057,424)</u>

STORMWATER MANAGEMENT

MISSION STATEMENT

The mission of the Stormwater Management Program is to restore, protect, and preserve the surface waters within the City of Winston-Salem and to maintain, repair, map, and evaluate drainage systems within the street right-of-ways.

PROGRAM DESCRIPTIONS

Stormwater Monitoring and Administration

- Manages the day-to-day operations of the Stormwater Management Program
- Implements the requirements of the City’s Municipal Separate Storm Sewer System (MS4) permit
- Performs watershed master planning by developing maps and inventories of the entire drainage system within the City
- Monitors stormwater run-off as part of the program’s efforts to improve water quality
- Provides educational programming to increase public awareness of water quality issues

Drainage Maintenance

- Repairs, replaces, and upgrades the City’s drainage system within street right-of-ways
- Provides for drainage system repairs on private property through the 70/30 program in which the City covers 70% of the cost for qualified projects
- Removes debris from culverts and bridge abutments with many streams and creeks

Erosion Control

- Provides for the enforcement of regulations pertaining to land-disturbing activity, watershed and floodplain requirements by reviewing development plans and issuing grading permits for all commercial and multi-family sites over 10,000 square feet in all areas of Forsyth County, excluding Kernersville
- Monitors single family construction sites to ensure that sediment is controlled
- Identifies tree save and potential critical areas, controls sedimentation, and limits the time of exposure on all applicable construction sites through plan review and field inspection
- Maintains up-to-date floodway district maps to enforce floodway and floodway fringe regulations contained in the Unified Development Ordinance
- Reviews survey and plan information and conducts field inspections to ensure that permitted structures comply with floodplain regulations
- Enforces watershed regulations for density and impervious coverage on developed properties

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Monitoring and Administration				
Administration	\$2,097,456	\$2,167,220	\$2,197,050	1.4%
Water Quality Monitoring	665,853	909,410	\$930,910	2.4%
Support for Seasonal Leaf Collection	1,443,692	1,550,860	\$1,574,330	1.5%
Subtotal	\$4,207,000	\$4,627,490	\$4,702,290	1.6%
Drainage Maintenance	\$1,822,425	\$2,441,270	\$2,499,490	2.4%
Erosion Control*	\$0	\$0	\$339,340	N/A
Total Expenditures by Program	\$6,029,425	\$7,068,760	\$7,541,120	6.7%

*Beginning in FY 12-13, Erosion Control is transferred from the Inspections Department to Stormwater Management. For quick reference, see page 67 for consolidated budget information for FY 10-11, FY 11-12, and FY 12-13.

STORMWATER MANAGEMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve 91% collection rate of revenues for non-residential customers	87%	87%	87%
Achieve 92% collection rate of revenues for residential customers	91%	91%	91%
Respond to 100% of illicit discharge complaints by citizens within 24 hours	100%	100%	100%
Complete 100% of compliance schedules for water quality resolutions within 30 days	100%	100%	100%
Complete 100% of plan reviews within 10 days of receipt	100%	100%	100%
Provide 30 federally required educational programs a year	62	50	40
Ensure 100% of stormwater devices are built in accordance with approved plans	100%	100%	100%
Complete 90% of erosion control initial reviews within 10 days for development projects	98%	98%	98%
Keep 80% of active development sites in compliance (when inspected)	93%	92%	92%
Workload			
Number of pollution prevention inspections completed	13	15	15
Number water quality samples taken	2,110	2,000	2,000
Number of catch basins cleaned	4,513	4,200	4,200
Linear feet of pipe installed	2,300	2,000	2,000
Number of new and redevelopment project plans reviewed yearly	39	40	40
Grading permits issued	60	62	62
Erosion control inspections conducted	2,756	2,700	2,700
Flood zone determinations conducted	205	200	200
Erosion investigations or inspections conducted on unpermitted sites	247	150	150
Notices of violation issued for Erosion Control	17	15	15

STORMWATER MANAGEMENT

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$1,651,323	\$2,039,000	\$2,341,730	14.8%
Supplies and Services	2,646,867	3,207,920	3,230,790	0.7%
Subtotal	\$4,298,190	\$5,246,920	\$5,572,520	6.2%
Capital Outlay	\$8,190	\$0	\$0	N/A
Debt and Lease Expense	154,455	137,330	259,960	89.3%
Transfer to General Fund (Leaf Collection)	1,443,692	1,550,860	1,574,330	1.5%
Transfer to General Fund (Vector Control)	5,128	16,000	16,000	0.0%
Transfer to Solid Waste Disposal Fund	119,770	117,650	118,310	0.6%
Total Expenditures by Type	\$6,029,425	\$7,068,760	\$7,541,120	6.7%
	Actual	Budget	Adopted	Percent
RESOURCES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Stormwater Fees: Residential	\$3,916,704	\$3,955,000	\$3,955,000	0.0%
Stormwater Fees: Non-Residential	5,849,002	6,045,000	\$6,045,000	0.0%
Private Drainage Projects	-981	0	\$0	N/A
Miscellaneous Revenues	3,740	2,000	\$1,400	-30.0%
Interest Income	46,750	0	\$0	N/A
Interfund Charges	338,709	0	\$0	N/A
Erosion Control Revenues	0	0	\$168,810	N/A
Total Resources by Type	\$10,153,924	\$10,002,000	\$10,170,210	1.7%
Added to Capital Reserve	\$4,124,499	\$2,933,240	\$2,629,090	-10.4%
Positions				<u>Change</u>
Full-Time	44	49	49	0

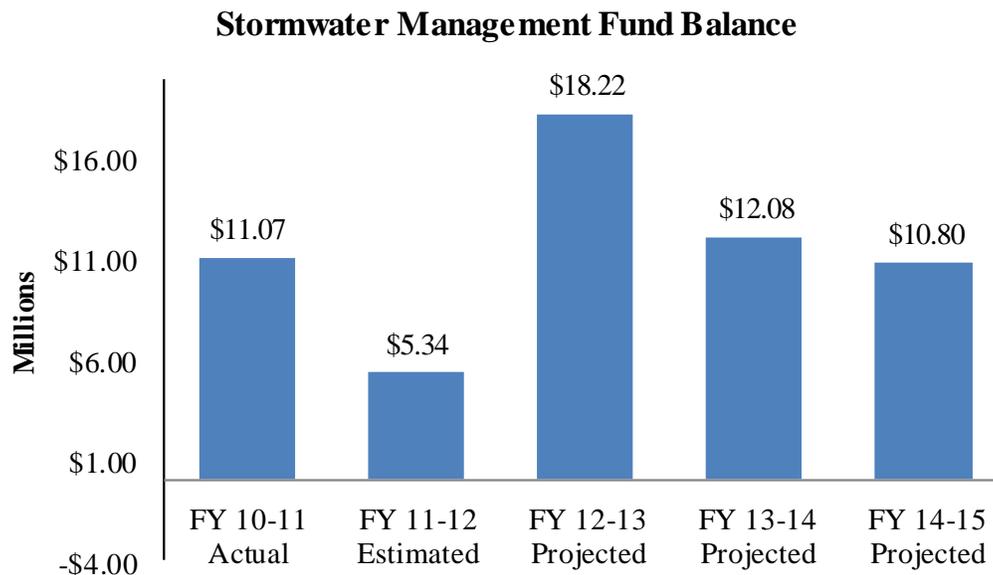
STORMWATER MANAGEMENT

BUDGET HIGHLIGHTS

- During FY 11-12, the erosion control program was transferred from City/County Inspections to Stormwater Management to consolidate services with similar environmental objectives. Beginning in FY 12-13, the erosion control program is fully accounted for in the stormwater management fund. Adopted expenditures total \$339,340, which is partially offset by \$168,810 in revenues. There is a net savings to the general fund, as the stormwater management fund assumes the City’s share of the cost for FY 12-13, as well as the addition of 5 positions.
- The percentage share of expenses to be covered by Forsyth County in FY 12-13 is decreased from 30.1% to 29.4%.
- Personnel expenditures are increased \$302,730, due in large part to the moving of erosion control from the general fund to the stormwater management fund (\$296,690).
- The budget includes a net increase in equipment lease expenses (\$122,630), due to the completion of payments for previously approved equipment in FY 11-12 and the addition of principal and interest payments for replacement of the following equipment: replacement of van with truck (\$8,670), electronic map retention software (\$6,380), GPS Units for water quality monitoring (\$10,520), 1 sewer jetter (\$66,300), 1 single axle dump truck (\$19,125), 1 tandem dump truck (\$29,330), and 1 trackhoe (\$51,000).
- Transfers to the general fund cover the cost of the City’s seasonal leaf collection program (\$1,574,330), and the City’s vector control program (\$16,000). The transfer to the solid waste disposal fund (\$118,310) offsets the cost of management and disposal of household hazardous wastes including paints, pesticides, used oil, solvents, and other materials at risk for disposal in the stormwater system.
- Budgeted revenues from stormwater fees reflect no fee increase and have been adjusted to align with the actual revenues collected in the current year.

Fund Balance Projection

- The following chart provides a projection of stormwater management fund balance. This outlook includes capital project expenditures, assuming all projects are pay-as-you-go, a revenue bond issuance of approximately 13 million in late FY 13, and 2% stormwater fee increases every year starting in FY 15.



NOTE: Fund Balance is increasing in FY 13 primarily due to expected issuance of Revenue Bonds in FY 13 for the Bath Branch Stormwater project.

STORMWATER MANAGEMENT

BUDGET HIGHLIGHTS - Continued

FY 11-12 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the stormwater management operations. Capital project revenues and expenditures are not included.

➤

	<u>Budget</u>	<u>Estimated</u>
Operating Revenues	\$10,002,000	\$10,000,000
Operating Expenditures	5,246,920	4,313,670
Operating Income	\$4,755,080	\$5,686,330
Investment Income	0	25,000
Capital Outlay	0	0
Debt and Lease Expense	-137,330	-137,320
Transfer to General Fund	-1,566,860	-1,566,860
Transfer to Solid Waste	-117,650	-117,650
Net Income	\$2,933,240	\$3,889,500

ENVIRONMENTAL HEALTH CAPITAL PROJECTS

Listed below are the adopted capital appropriations for environmental health related funds and entities.

EXPENDITURES

<u>Project Title</u>	<u>Adopted FY 12-13</u>
Solid Waste Disposal:	
Hanes Mill Road Landfill –Development Upgrades	\$420,000
Hanes Mill Road Landfill – Gas Extraction System	296,200
Hanes Mill Road Landfill – Ziglar Road Property Development	649,000
Real Estate Improvements	240,000
Water and Wastewater Treatment:	
Archie Elledge Wastewater Treatment Plant Rehabilitation and Upgrades	\$340,000
Chitty High Service Pumping Station - Standby Power	1,098,160
Idol’s Dam Repairs	1,160,000
Lift Station Replacement/Improvements	1,037,000
Muddy Creek Wastewater Treatment Plant Clarifier Improvements	2,658,900
Muddy Creek Wastewater Treatment Plant Rehabilitation and Upgrades	230,000
Tanglewood Lift Station Improvements	2,650,000
Water Treatment Rehabilitation and Upgrades	607,000
Water Distribution and Wastewater Collection:	
2" Water Main Replacement	\$1,135,280
21st, 22nd, and 23rd Street Water and Sewer Rehabilitation	3,340,530
Advanced Meter Infrastructure	1,000,000
Aerial Crossing/Stream Restoration	1,330,000
Ardmore Area Water and Sewer Rehabilitation	4,400,000
Janita Lakes Outfall Rehabilitation	3,075,000
Muddy Creek Basin Find and Fix Project	4,323,230
North Carolina Department of Transportation Road Widening Project Utility Relocations	2,905,000
South Fork Basin Capacity Improvements	4,000,000
Wastewater Collection System Improvements	3,000,000
Water and Sewer Geographical Information System/Asset Management	1,000,000
Water Distribution System Improvements	1,000,000
Stormwater Management:	
Drainage Improvements on Private Property	\$250,000
28 th Street Drainage	1,025,200
Electronic Stormwater Plan / Map Retention	25,000
Stormwater Infrastructure Improvements	1,389,200
TOTAL EXPENDITURES	\$44,584,700

ENVIRONMENTAL HEALTH CAPITAL PROJECTS

FUNDING SOURCES

Bonds:

Revenue Bonds	\$33,207,820
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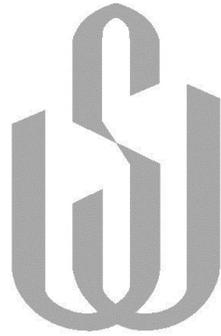
Reserves:

Water and Sewer Fund	\$7,082,280
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Stormwater Management Fund	2,689,400
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Solid Waste Disposal Fund	1,605,200
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TOTAL FUNDING SOURCES	\$44,584,700
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Winston-Salem

PUBLIC SAFETY

Police Department.....	110
Fire Department	117
Emergency Management.....	120

POLICE DEPARTMENT

MISSION STATEMENT

The mission of the Police Department is to protect life and property by providing exceptional municipal police services to the community in partnership with the citizens of Winston-Salem.

PROGRAM DESCRIPTIONS

Patrol Response

- Provides 24-hour-a-day response to calls for service through regular patrol coverage in three districts with 24 total beats (eight beats per district)
- Provides community-oriented policing and specialized patrol coverage, including neighborhood and downtown foot patrols, bicycle patrol, and traffic control
- Tracks the occurrence of crime on a daily, weekly, and monthly basis using computer statistics (COMPSTAT)

Crime Prevention

- Offers neighborhood and businesses watch programs, risk assessments, and citizen education
- Works with other divisions within the department and community agencies to coordinate responses to crime, public safety, and quality of life issues

Investigative Services

- Conducts on-scene investigations of major crimes and investigates crimes referred from the Patrol Division
- Through the Special Investigations Division, conducts investigations of illegal narcotics sales, vice, gambling, and organized crime
- Manages a Forensic Services Division that is responsible for crime scene processing, the collection of evidence, arrestee processing, and the administration of breath and blood alcohol tests.
- Manages a Family/Youth Unit, which oversees the Superkids program, domestic violence cases, victims assistance services, juvenile investigations, violent crimes task force, and Project Safe Neighborhood
- Starting in FY 12-13, provides school resource officers at 20 middle and high schools located within the city

Development and Training

- Provides in-service, firearms, driving, and use-of-force training, as well as basic law enforcement training
- Administers a telephone response unit (Telcom) to handle selected calls referred by Communications
- Oversees the warrant squad

Support Services

- Processes, stores, and retrieves police reports, records, and citations
- Through the Communications Division, dispatches emergency and non-emergency calls 24-hours a day for Police and Fire
- Develops, implements, and supports information systems for Police and Fire
- Administers a false alarm program

Police Administration

- Administers and directs law enforcement services delivery
- Establishes policies and procedures
- Evaluates deployment strategies
- Investigates all complaints against employees
- Oversees the secure storage and lawful disposition of evidence and found property for both the Police Department and the Forsyth County Sheriff's Office

POLICE DEPARTMENT

EXPENDITURES BY PROGRAM

	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Patrol Response	\$34,113,902	\$33,480,210	\$33,690,460	0.6%
Crime Prevention	204,202	431,710	450,810	4.4%
Investigative Services	10,560,043	11,831,000	12,075,560	2.1%
Development and Training	2,119,792	2,585,550	2,933,110	13.4%
Support Services	6,834,558	7,641,910	7,917,020	3.6%
Police Administration	3,465,919	3,492,120	3,535,750	1.2%
Contributions to Community Agencies:				
Drug and Alcohol Coalition	11,690	9,260	9,260	0%
District Attorney's Family Court	28,169	41,670	41,670	0%
Youth Opportunities, Inc.	18,990	0	0	N/A
The Children's Home	0	18,520	18,520	0%
Total General Fund Expenditures	\$57,357,265	\$59,531,950	\$60,672,160	1.9%

PERFORMANCE MEASURES AND SERVICE TRENDS

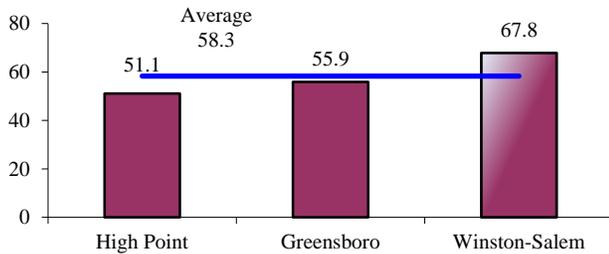
	Actual	Estimated	Projected
	FY 10-11	FY 11-12	FY 12-13
Effectiveness			
Respond to high priority calls within six minutes	3.71 min.	4.0 min.	4.0 min.
Achieve a minimum clearance rate of 53% of reported violent crimes	55.0%	53.0%	53.0%
Achieve a minimum clearance rate of 20% of reported property crimes	26.1%	20.0%	20.0%
Efficiency			
Calls dispatched per non-supervisory patrol officer	985	960	960
Calls answered per telecommunicator per year	10,116	10,200	10,300
Workload			
Number of Part I crimes per 1,000 population	67.8	68.0	68.0
Calls dispatched per 1,000 population (post-annexation)*	1,240	1,250	1,300
Number of traffic accidents reported	8,235	8,500	8,500

* Police and Fire

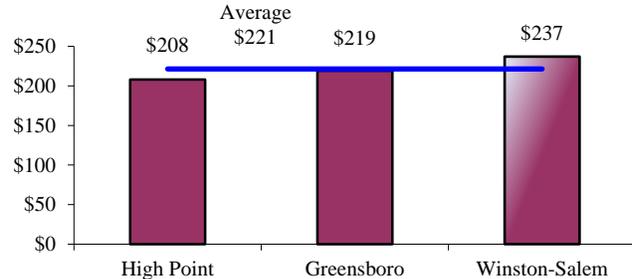
POLICE DEPARTMENT

FY 10-11 N.C. BENCHMARKING PROJECT RESULTS

Part I Crimes per 1,000 Population



Police Services Cost per Call Dispatched



Note: Durham and Raleigh did not participate in the FY 10-11 Project.

Source: N.C. Benchmarking Project, *Final Report on City Services for Fiscal Year 2010-2011*, February 2012

EXPENDITURES BY PROGRAM-Continued

Grants Fund

	<u>Actual FY 10-11</u>	<u>Budget FY 11-12</u>	<u>Adopted FY 12-13</u>	<u>Percent Change</u>
2004 Victims Assistance Grant	\$48	\$0	\$0	N/A
Governor's Crime Commission Project Safe Neighborhoods Grant	74	0	0	N/A
2008 Weed & Seed Grant	21,103	0	0	N/A
2008 COPS Technology Program Grant	67,350	0	0	N/A
2009 Winston-Salem Foundation Police Benefit Fund	19,259	0	0	N/A
COPS Hiring Recovery Program Grant	1,196,348	1,313,590	549,210	-58.2%
Coverdell Forensic Police Grant	23,956	0	0	N/A
2009 Byrne Memorial Police Grant	163,854	0	0	N/A
2009 Smart Policing Grant	162,488	0	0	N/A
2009 COPS Technology Program Grant	287,139	0	0	N/A
Governor's Crime Commission COPS Equipment Grant	178,850	0	0	N/A
2010 Justice Assistance Grant	101,444	0	0	N/A
Governor's Crime Commission Project ACE	10,654	0	0	N/A
Governor's Highway Safety Program DWI Task Force Grant	186,258	0	0	N/A

Total Grants Fund Expenditures **\$2,418,823** **\$1,313,590** **\$549,210** **-58.2%**

Forfeiture Funds

United States Department of Justice	\$266,166	\$0	\$0	N/A
United States Department of Treasury	138,296	0	0	N/A
Controlled Substance Tax	147,482	0	0	N/A

Total Forfeiture Fund Expenditures **\$551,944** **\$0** **\$0** **N/A**

State Emergency Telephone System Fund Expenditures **\$2,313,739** **\$606,060** **\$421,080** **-30.5%**

Total Expenditures by Program **\$62,641,772** **\$61,451,600** **\$61,642,450** **0.3%**

POLICE DEPARTMENT

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$49,211,206	\$51,265,280	\$51,796,000	1.0%
Supplies and Services	6,397,525	6,525,700	7,112,820	9.0%
Capital Outlay	7,255	0	0	N/A
Equipment Leasing Expense	1,741,279	1,740,970	1,763,340	1.3%
Total General Fund Expenditures	\$57,357,265	\$59,531,950	\$60,672,160	1.9%
Grants Fund				
Personnel	\$0	\$0	\$0	N/A
Supplies and Services	2,033,273	1,313,590	549,210	-58.2%
Capital Outlay	385,550	0	0	N/A
Total Grants Fund Expenditures	\$2,418,823	\$1,313,590	\$549,210	-58.2%
Forfeiture Funds				
Supplies and Services	\$398,642	\$0	\$0	N/A
Capital Outlay	34,178	0	0	N/A
Equipment Leasing Expense	109,984	0	0	N/A
Transfer to Grants Fund	9,140	0	0	N/A
Total Forfeiture Fund Expenditures	\$551,944	\$0	\$0	N/A
State Emergency Telephone System Fund				
Supplies and Services	\$1,618,004	\$594,110	\$409,540	-31.1%
Capital Outlay	595,203	0	0	N/A
Equipment Leasing Expense	88,752	0	0	N/A
Transfer to General Fund	11,780	11,950	11,540	-3.4%
Total State Emergency Telephone Fund Expenditures	\$2,313,739	\$606,060	\$421,080	-30.5%
Total Expenditures by Type	\$62,641,772	\$61,451,600	\$61,642,450	0.3%

POLICE DEPARTMENT

RESOURCES BY TYPE	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Service Charges	\$207,229	\$142,300	\$146,800	3.2%
Interfund Charges	1,483,799	1,929,440	943,810	-51.1%
Forsyth County	238,858	245,430	244,730	-0.3%
WS/FC Schools (School Resource Officers)	321,440	1,364,560	1,976,720	44.9%
SuperKids Reimbursement	125,000	125,000	125,000	0%
False Alarm Fee	85,435	165,000	148,000	-10%
Miscellaneous Revenues	162,202	112,920	140,920	24.8%
Transfer from State Emergency Telephone System Fund	11,780	11,950	11,540	-3.4%
Other General Fund Revenues	54,721,521	55,435,350	56,934,640	2.7%
Total General Fund Resources	\$57,357,265	\$59,531,950	\$60,672,160	1.9%
Grants Fund				
Federal Grants	\$642,377	\$0	\$0	N/A
Federal Stimulus Grant	1,360,201	1,313,590	549,210	-58.2%
State Grants	373,171	0	0	N/A
Other Revenue	36,229	0	0	N/A
Interest Income	616	0	0	N/A
Transfer from Police Forfeiture Funds	9,140	0	0	N/A
Total Grants Fund Resources	\$2,421,735	\$1,313,590	\$549,210	-58.2%
Forfeiture Funds				
Federal Grants	\$412,887	\$0	\$0	N/A
Controlled Substance Tax	99,474	0	0	N/A
Interest Income	2,047	0	0	N/A
Contributions	530	0	0	N/A
Total Forfeiture Funds Resources	\$514,939	\$0	\$0	N/A
State Emergency Telephone System Fund				
Reimbursement from E911 Wireless Board	\$1,085,907	\$575,320	\$582,770	1.3%
State Emergency Communications System Grant	1,540,188	0	0	N/A
Interest Income	6,740	0	0	N/A
Fund Balance Appropriation	0	30,740	0	N/A
Addition to Fund Balance	-319,096	0	-161,690	N/A
Total State Emergency Telephone Fund Resources	\$2,313,739	\$606,060	\$421,080	-30.5%
Total Resources by Type	\$62,607,677	\$61,451,600	\$61,642,450	0.3%

POLICE DEPARTMENT

Positions	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Change
Full-Time				
Sworn	518	532	540	+8
Sworn (Grant-Funded)	29	29	29	0
Non-Sworn	162	162	162	0
Non-Sworn (Grant-Funded)	5	4	4	0
Total	714	727	735	+8
Part-Time (FTE's)	4.5	4.5	4.5	0

BUDGET HIGHLIGHTS

Total General Fund Budget

- The Police Department’s general fund budget is increased \$1,140,210, or 1.9%, as a result of the following changes:
 - Increased personnel expenditures to reflect the adopted \$250 merit pay adjustment, increased health care costs, and an increased contribution to the Winston-Salem Police Officers Retirement System to meet actuarial requirements of the system (+\$1,441,950). These increases are partially offset by reductions in salary expenditures due to retirements and attrition (-\$901,620) and the elimination of the budget for one police recruit class (-\$542,720).
 - Addition of eight officers to expand the School Resource Officer Program to six additional schools (+\$708,670 in salaries, benefits, supplies, and equipment)
 - Replacement of police pursuit vehicles, other vehicles assigned to various Police Department divisions, computers, and other equipment (+\$525,120)
 - Full year of operating expenses for the new indoor firearms training facility (+\$349,090). The opening of this new training facility will reduce travel time, enhance officers’ proficiency with firearms, and reduce officers’ time away from their beats.
 - Increased fuel expenditures based on anticipated increases in fuel prices (+\$195,840). The Police Department is developing measures to manage fuel usage in order to meet the City-wide goal of reducing consumption by 5%.

- In April 2011, the City Council approved entering into a five-year contract with the Winston-Salem/Forsyth County Board of Education to provide Winston-Salem police officers as school resource officers in 14 schools, an addition of 10 schools from the original contract. For the second year of the contract, the Police Department will add six schools, bringing the total number served by the department to 20. The following table lists the middle and high schools within the city that will be assigned a school resource officer.

Hanes-Lowrance Middle School	Atkins High School
Jefferson Middle School	Carver High School
Kennedy Middle & High School	Career Center High School
Main Street Academy	Glenn High School
Mineral Springs Middle School	Kingswood High School
Meadowlark Middle School	Mount Tabor High School
Northwest Middle School	North Forsyth High School
Paisley Middle School	Parkland High School
Philo Middle School	Reynolds High School
Wiley Middle School	
Winston-Salem Preparatory Middle & High School	

POLICE DEPARTMENT

BUDGET HIGHLIGHTS – Continued

The Board of Education will reimburse the City for the 11 months that the officers will serve as school resource officers. The City will cover the cost of the remaining month. The FY 12-13 budget for the expanded program totals \$2,336,940 and includes increased expenditures for the addition of eight sworn positions (six police officers and two supervisory positions), including salaries, benefits, supplies, and equipment (+\$708,670). The budgeted reimbursement from the Board of Education is increased from \$1,364,560 to \$1,976,720 to cover the expanded program for 11 months (+\$612,160). The remaining increase of \$96,510 will be covered by the City's general purpose revenues.

- Starting in FY 10-11, the County now shares in the cost of the arrestee processing unit at the Forsyth County Law Enforcement Detention Center and a newly consolidated evidence management operation. The County's share of these two programs is decreased 0.3% due to increased costs being offset by a reduction in the County's share of arrestee processing costs from 30% to 22%, based on the number of arrestees processed in FY 10-11.
- Equipment lease payments reflect a net increase of \$22,370 as a result of the completion of payments for previously approved equipment in FY 11-12 and the addition of \$525,120 in payments for purchase of the following equipment: 39 pursuit vehicles and related equipment, 13 desktop computers, 65 mobile data computers, a document scanning system upgrade, software to manage access to Department of Justice criminal information systems, shelves for the evidence management facility, and replacement vehicles for several Police divisions, including Information Systems, Special Enforcement Team, and Development and Training. In addition, the adopted budget includes payments for equipment to expand the School Resource Officer Program, including pursuit vehicles, emergency lighting equipment, radios, and mobile data computers for eight new officers (+\$56,640).
- The budget includes a full year of cost for 33 positions funded from federal and state grants. These positions include 25 police officers, four crime analysis positions, and four police officers for the DWI Task Force. Interfund revenues for FY 12-13 are decreased \$985,630, or 51.1%, to reflect the use of the remaining balances of these grants. For the 25 police officer positions funded from a federal stimulus grant, the City is required to fund these positions for an additional year after the grant funds have been expended. These positions represent 8% of the total number of officers assigned to the Patrol Division (323).

Grants and Forfeiture Funds

- The budget does not include appropriations for other grants or forfeiture funds. As the Police Department receives those funds, budget amendments will be prepared to appropriate them.

State Emergency Telephone System Fund

- On January 1, 2008, the administration of 911 funds was consolidated under a single State 911 Board. The charge for all 911 services, wireline and wireless, now are placed in a new State 911 Fund from which monthly allocations are made to primary public safety answering points (PSAP's). Currently, the Police Department uses these funds to purchase replacement computers for the communications center and to cover the maintenance costs of communications center equipment. In December 2010, the State 911 Board approved a new funding method that calculated distributions based on the last five years of approved eligible expenditures reported to the Board. Winston-Salem's distribution for FY 12-13 totals \$582,770.
- The adopted budget for the State Emergency Telephone System Fund totals \$421,080. Based on the Police Department's projected expenditures for the communications center and its FY 12-13 distribution, the budget includes an addition to fund balance \$161,690.

FIRE DEPARTMENT

MISSION STATEMENT

The mission of the Fire Department is to provide effective and efficient fire, rescue, and medical response services which ensure the health, safety and well-being of its citizens with dedication to openness, integrity, equity and accountability. The Fire Department maintains an open and ethical work environment which is conducive to the development of innovative and creative solutions by employees to meet the ever-changing community needs.

PROGRAM DESCRIPTIONS

Fire Suppression

- Confines and extinguishes fires to minimize the losses resulting from fires and other hazardous incidents posing a threat to the community
- Conducts annual fire inspections, pre-fire surveys of hazardous occupancies, fire safety education programs, and first responder medical service
- Operates 19 fire stations located throughout the city to respond to emergency calls for service
- Responds to incidents involving technical rescues which include confined space, extrication, high & low angle, structural collapse, trench and water.

Fire Prevention

- Enforces fire codes and ordinances throughout the City, and coordinates fire prevention activities by fire suppression personnel
- Reviews construction and renovation plans for compliance with fire codes and ordinances and performs code compliance inspections during rough-in phase of construction

- Investigates the causes of all undetermined, suspicious and incendiary fires and prosecution of those involved if necessary

Hazardous Material Team (HazMat)

- Responds to incidents involving hazardous materials, confined space, and high angle rescue throughout Forsyth County

Fire Vehicular Maintenance

- Maintains all first-line and reserve fire apparatus and firefighting tools and equipment
- Modifies and renovates equipment as needed to extend its serviceable life

Fire Administration

- Provides direction and supervision for all Fire Department programs

EXPENDITURES BY PROGRAM

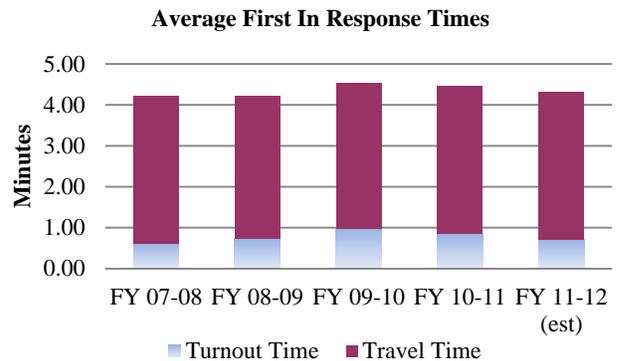
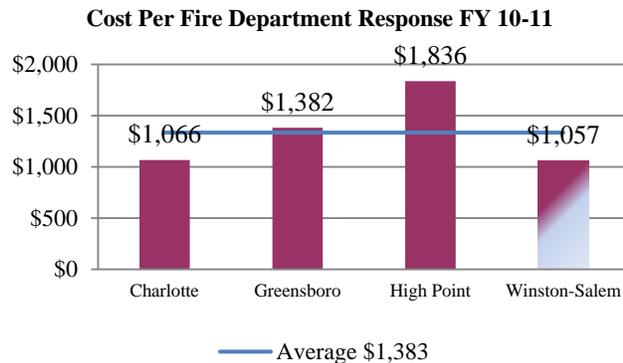
	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
General Fund				
Fire Suppression	\$21,410,381	\$21,935,560	\$22,210,480	1.3%
Fire Prevention	1,090,902	1,182,450	1,192,080	0.8%
Fire Vehicular Maintenance	594,234	600,070	673,920	12.3%
HAZMAT	26,573	46,140	44,770	-3.0%
Fire Administration	992,301	1,107,070	1,145,580	3.5%
Total General Fund Expenditures	\$24,114,391	\$24,871,290	\$25,266,830	1.6%
Grants Fund				
Assistance to Firefighters Grant	\$113,207	\$0	0	N/A
Total Grants Fund Expenditures	\$113,207	\$0	\$0	N/A
Total Expenditures by Program	\$24,227,598	\$24,871,290	\$25,266,830	1.6%

FIRE DEPARTMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Respond to fire/medical/rescue calls within a 4 minute average	3.64 min	3.60 min	3.60 min
Maintain an average turnout time of less than 1 minute	0.85 min	.72 min	.75 min
Percentage of fire/medical/rescue calls responded to within 4 minutes	64.6%	65.0%	66.0%
Respond to hazardous materials incidents within a 10 minute average	10.05 min	10.50 min	10.50 min
Percentage of HazMat incidents responded to within 10 minutes	62%	60%	60%
Contain at least 70% of structure fires within the room of origin	78%	70%	70%
Determine cause of at least 85% of fires	96%	97%	95%
Keep actual fires to no more than 5 per 1,000 population	3.86	5.00	5.00
Inspect 100% of commercial properties annually	99%	98%	98%
Workload			
Building fires	321	300	310
Medical calls	17,638	18,000	18,000
Hazardous materials calls	139	150	200
Participants in fire prevention education events	36,902	60,000	60,000
Annual Inspections performed by suppression	6,211	6,000	6,000
Annual Inspections performed by inspectors	3,039	3,200	3,500

FY 10-11 N.C. BENCHMARK PROJECT RESULTS



Source: NC Local Government Performance Measurement Project, *Final Report on City Services for Fiscal Year 2010-2011*, May 2012

EXPENDITURES BY TYPE

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
General Fund				
Personnel	\$21,167,480	\$21,964,660	\$22,081,240	0.5%
Supplies and Services	2,255,438	2,158,920	2,322,510	7.6%
Equipment Leasing Expense	692,064	747,710	863,080	15.4%
Transfer to Grants Fund	-591	0	0	N/A
Total General Fund Expenditures by Type	\$24,114,391	\$24,871,290	\$25,266,830	1.6%

FIRE DEPARTMENT

EXPENDITURES BY TYPE- Continued	Actual	Budget	Adopted	Percent
Grants Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Supplies and Services	\$113,207	\$0	\$0	N/A
Total Grants Fund Expenditures by Type	\$113,207	\$0	\$0	N/A
Total Expenditures by Type	\$24,227,598	\$24,871,290	\$25,266,830	1.6%
RESOURCES BY TYPE				
General Fund				
Licenses and Permits	\$196,578	\$115,500	\$115,500	0.0%
Service Charges	14,299	9,000	9,000	0.0%
Forsyth County (for HazMat)	95,236	107,330	108,480	1.1%
Property Rental (cellular phone tower)	16,140	15,280	15,280	0.0%
Contributions/Reimbursements	3,398	3,000	3,000	0.0%
Other General Fund Revenues	23,788,740	24,621,180	25,015,570	1.6%
Total General Fund Resources	\$24,114,391	\$24,871,290	\$25,266,830	1.6%
Grants Fund				
Transfers from General Fund	\$78,709	\$0	\$0	N/A
Federal Grants	90,566	0	0	N/A
Total Grants Fund Resources	\$169,275	\$0	\$0	N/A
Total Resources by Type	\$24,283,666	\$24,871,290	\$25,266,830	1.6%
Positions				<u>Change</u>
Full-Time	343	345	345	0

BUDGET HIGHLIGHTS

- Supplies and services expenses are increased a net of \$167,430, or 7.8%, mainly attributable to increases for fuel (+\$104,910), continuing fire service contracts with volunteer fire departments (+\$35,680), increased energy costs for stations (\$27,020), and national fire accreditation programming (+\$20,000)
- Equipment leasing expenses are increased by \$115,370, or 15.4%, the net of completion of payments on previously approved items during FY 11-12 and leasing payments for the purchase of one pumper (+\$51,000), one battalion chief command van (+\$10,000), two extinguisher training devices (+\$4,000), sixty-one Self Contained Breathing Apparatus (SCBA) air packs (+\$115,847), thirteen rescue air pack kits (+\$13,910), and twenty-two desktop computers (+\$3,790). The sixty-one SCBA air packs and thirteen rescue kits represent half of the breathing apparatus in need of replacement. The other half will be budgeted in FY 14-15.

EMERGENCY MANAGEMENT

MISSION STATEMENT

The mission of the Winston-Salem/Forsyth County Office of Emergency Management is to aid the community before, during, and after unusual events and major disasters through educational services, open communications, and cooperative efforts.

PROGRAM DESCRIPTIONS

Emergency Response, Recovery, and Disaster Mitigation

- Coordinates the preparation of City/County agencies and other community resources for an orderly response to and recovery from disasters and unusual events on a 24-hour basis through multi-hazard planning and local hazard and strategy assessments

Public Information/Training

- Prepares and distributes appropriate information on emergency preparedness to the public; coordinates and delivers preparedness training to various community groups, non-profit agencies, industries, and City/County emergency response agency personnel

Superfund Amendments and Reauthorization Act (SARA) and North Carolina Right-to-Know Act Administration

- Assists with the preparation of hazardous materials reports by certain manufacturers, users, and suppliers of hazardous chemicals; compiles the information for planning and response use by the City/County emergency agencies
- Serves as staff to the Forsyth County Local Emergency Planning Committee (LEPC), which is charged under the SARA legislation with community hazardous materials planning responsibilities
- Performs resource coordination for the City/County Hazardous Materials Team, including reimbursements for the costs of certain hazardous materials responses

Federal Flood Insurance Program Community Rating System Management

- Provides Winston-Salem and Forsyth County floodplain property owners with public information on flood preparedness and flood damage reductions; maintains maps and information on flood zone regulations that reduce the National Flood Insurance premiums for City/County property owners

Coordination of the Forsyth County Homeland Security/Domestic Preparedness Task Force

- Provides coordination of the Forsyth County Homeland Security/Domestic Preparedness Task Force, which consists of more than 20 local emergency response agencies
- Coordinates the management of the State/Federal Homeland Security Grant activities within the City/County
- Coordinates Weapons of Mass Destruction training for local emergency responders
- Coordinates Homeland Security exercises for local emergency responders

Coordination of the implementation of the National Incident Management System (NIMS) in the City/County

- Coordination of the implementation of the NIMS in municipal and county emergency response and recovery

EMERGENCY MANAGEMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve at least 5% flood insurance premium discount for property owners through the National Flood Insurance Program's Community Rating System	10%	10%	10%
Workload			
Hazardous material incidents in City/County	30	20	22
Other emergency situations in City/County involving emergency management response	11	6	6
Persons receiving emergency information training	866	924	900
Disaster simulations (without people and equipment) with multi-agency response	3	2	2
Disaster simulations (with people and equipment) with multi-agency response	2	2	2
Agencies involved in coordination efforts	28	26	26
National Incident Management System responders trained	211	175	150
National Incident Management System training hours provided	120	110	120

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
General Fund				
Personnel	\$363,303	\$379,220	\$386,800	2.0%
Supplies and Services	94,394	117,860	125,280	6.3%
Total General Fund Exp. by Type	\$457,698	\$497,080	\$512,080	3.0%
Grants Fund				
Personnel	\$933	\$0	\$0	N/A
Supplies and Services	63,095	0	0	N/A
Total Grants Fund Expenditures	\$64,028	\$0	\$0	N/A
Total Expenditures by Type	\$521,726	\$497,080	\$512,080	3.0%

EMERGENCY MANAGEMENT

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
General Fund				
NC Department of Crime Control and Public				
Safety, Division of Emergency Management	\$54,990	\$40,000	\$40,000	0.0%
Forsyth County	200,957	228,540	236,040	3.3%
Miscellaneous Revenue	795	0	0	N/A
Other General Fund Revenues	200,957	228,540	236,040	3.3%
Total General Fund Resources	\$457,698	\$497,080	\$512,080	3.0%
Grants Fund				
Federal and State Grants	\$72,158	\$0	\$0	N/A
Total Grants Fund Resources	\$72,158	\$0	\$0	N/A
Total Resources by Type	\$529,856	\$497,080	\$512,080	3.0%
Positions				Change
Full-Time	5	5	5	0

BUDGET HIGHLIGHTS

- Supplies and services are increased \$7,420, or 6.3%, primarily due to an increase in information systems charges.
- Revenues from Forsyth County are increased to cover the County's 50% share of operating costs.

TRANSPORTATION

Department of Transportation (DOT)	
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DOT / TRANSPORTATION SYSTEM MANAGEMENT

MISSION STATEMENT

Transportation System Management is organized into two divisions, each with its own mission. The mission of the Traffic Management Division is to operate and maintain the surface transportation system in accordance with federal, state, and local laws and regulations so as to move people and goods safely and efficiently in Winston-Salem. The mission of the Transportation Planning Division is to plan for the safe and efficient movement of people and goods with a multi-modal transportation system.

PROGRAM DESCRIPTIONS

Traffic Management Division

Technical Support and Administration

- Provides oversight for all traffic management programs, as well as on- and off-street parking and the Winston-Salem Transit Authority
- Investigates traffic problems and designs improvements to address these problems. In an average year, the program receives over 1,000 requests for traffic signs, roadway markings, traffic signals, traffic flashers, speed limit changes, site distance investigations, roadway widening investigations, and other requests.

Traffic Safety

- Operates a safety improvement program in which staff study locations that experience numerous accidents that might be eliminated or reduced using traffic engineering tools and techniques. For the most part, countermeasures selected are inexpensive and easily applied. The program's success is tied directly to the use of countermeasures that manipulate the system elements that shape drivers' decisions.

Streetlighting

- Manages the City's streetlighting system. While Division staff investigate and design streetlight requests, and Duke Power installs and maintains most of the City's streetlights under a service agreement with the Department of Transportation.
- Administers a decorative streetlighting program

Signal Construction and Maintenance

- Installs and maintains traffic signal equipment in the City. For the current year, this equipment includes 375 traffic signal controllers, 125 miles of communications cable, 10,785 traffic signal lamps, and 2,572 traffic sensors.

- Installs traffic signals for the North Carolina Department of Transportation, for private developers, and for the City's own needs

Sign Maintenance

- Fabricates, installs, and maintains traffic signs throughout the City. The division fabricates 2,500-3000 signs per year, which are used for new installations, for replacement of damaged signs, and for sales to other City and County agencies, developers, and the public.

Pavement Marking Maintenance

- Installs and reapplies traffic markings on the surface roadways in the City. Traffic markings include centerlines, edge lines, stop bars, crosswalks, and other markings. The North Carolina Department of Transportation reimburses the division under a fixed rate schedule for traffic markings applied to state roads.

Traffic Signal System

- Operates and maintains the central traffic controller computer equipment
- Develops and implements traffic signal coordination plans throughout the City. These plans are designed to minimize vehicle stops and delays so that air pollution, wasted driver time, and wasted fuel are reduced.

On-Street Parking Program

- Establishes on-street parking regulations to meet the needs of nearby businesses and residents while ensuring safe and efficient traffic movement.
- Encourages the proper use of on-street spaces through daily enforcement. In addition to downtown, the program also enforces regulations in the permit parking areas around Wake Forest University Baptist Medical Center and Reynolds High School.

DOT / TRANSPORTATION SYSTEM MANAGEMENT

PROGRAM DESCRIPTIONS - Continued

Transportation Planning Division

- Serves as the lead planning agency for the Winston-Salem Urban Area Metropolitan Planning Organization (MPO) provide the needed transportation facilities and services for the Winston-Salem Urban Area through the year 2035
- Develops and maintains a multi-modal, long-range transportation plan (LRTP) that will

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Technical Support and Administration	\$883,632	\$943,410	956,440	1.38%
Streetlighting	3,305,556	3,567,410	3,907,310	9.53%
Traffic Maintenance	2,146,046	2,244,460	2,338,680	4.20%
Traffic Signal System	125,719	198,730	201,970	1.63%
On-Street Parking	178,387	202,380	208,290	2.92%
Transportation Planning	784,969	843,190	854,990	1.40%
Subtotal General Fund Expenditures	\$7,424,308	\$7,999,580	8,467,680	5.85%
Grants Fund				
Section 104 Planning Grant	\$449,040	\$455,850	465,000	2.01%
Surface Transportation Program Grant	471,297	750,000	750,000	0%
Subtotal Grants Fund Expenditures	\$920,337	\$1,205,850	1,215,000	0.76%
Total Expenditures by Program	\$8,344,680	\$9,205,430	\$9,682,680	5.18%
Interdepartmental Charges	-\$95	\$0	\$0	N/A
Total Net Expenditures by Program	\$8,344,585	\$9,205,430	\$9,682,680	5.18%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual	Estimated	Projected
	FY 10-11	FY 11-12	FY 12-13
Effectiveness			
Respond to 95% of critical traffic signal calls within 30 minutes	90%	92%	95%
Limit 'wait time' for vehicles at traffic signals to less than 30 seconds	29.8	30	30
Maintain a 95% normal mode of operation for traffic signal system	97%	93%	95%
Respond to 95% of critical sign calls within 30 minutes	87%	94%	95%
Respond to 95% of outage calls within 24 hours	93%	95%	95%
Maintain a 95% rate of uninterrupted streetlight operation	99%	99%	99%

DOT / TRANSPORTATION SYSTEM MANAGEMENT

PERFORMANCE MEASURES AND SERVICE TRENDS - Continued

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Workload			
Number of streetlight outages reported	2336	2300	2300
Number of accident safety studies completed	129	120	120
Number of traffic calming projects completed	0	0	5
Number of timing plans evaluated	54	50	50
Number of service requests for signal requests/repairs	914	1000	1000
Number of traffic system detectors implemented	0	12	20
Lane miles marked	221	150	150
Number of traffic signals installed, rewired, and/or upgraded	61	60	60
Number of traffic signs installed and/or repaired	3066	2500	2500

	Actual <u>FY 10-11</u>	Budget <u>FY 11-12</u>	Adopted <u>FY 12-13</u>	Percent <u>Change</u>
EXPENDITURES BY TYPE				
Personnel	\$2,482,978	\$2,649,880	\$2,755,920	4.00%
Supplies and Services	4,585,954	4,896,910	5,287,020	7.97%
Equipment Leasing Expense	121,517	211,620	192,390	-9.09%
Subtotal	\$7,190,449	\$7,758,410	\$8,235,330	6.15%
Transfer to Grants Fund	233,799	241,170	\$232,350	-3.66%
Subtotal	\$233,799	\$241,170	\$232,350	-3.66%
Total General Fund Expenditures	\$7,424,248	\$7,999,580	\$8,467,680	5.85%
Grants Fund				
Supplies and Services	920,337	1,205,850	\$1,215,000	0.76%
Subtotal	\$920,337	\$1,205,850	\$1,215,000	0.76%
Total Expenditures by Type	\$8,344,680	\$9,205,430	\$9,682,680	5.18%
Interdepartmental Charges	-\$95	\$0	\$0	N/A
Total Net Expenditures by Program	\$8,344,585	\$9,205,430	\$9,682,680	5.18%

DOT / TRANSPORTATION SYSTEM MANAGEMENT

RESOURCES BY TYPE	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Licenses and Permits	\$14,977	\$8,000	8,000	0%
Parking Meter Revenue	43,261	40,000	75,000	87.50%
Service Charges	285,418	286,000	206,000	-27.97%
Interfund Revenue	547,194	475,000	525,000	10.53%
Miscellaneous Revenues	15,234	0	0	N/A
North Carolina Department of Transportation	487,319	372,000	522,000	40.32%
Forsyth County	193,020	234,100	248,590	6.19%
Transfer from Gasoline Tax Fund	1,304,528	1,320,323	1,263,103	-4.33%
Motor Vehicle Privilege Tax	1,583,639	1,633,330	1,633,330	0%
Other General Fund Revenues	2,949,659	3,630,828	3,986,658	9.80%
Subtotal General Fund Resources	\$7,424,248	\$7,999,580	8,467,680	5.85%
Grants Fund				
North Carolina Department of Transportation	\$678,388	\$964,680	972,000	0.76%
Transfer from General Fund	244,199	241,170	243,000	0.76%
Subtotal Grants Fund Resources	\$922,587	\$1,205,850	1,215,000	0.76%
Total Resources by Type	\$8,346,835	\$9,205,430	9,682,680	5.18%
Positions				<u>Change</u>
Full-Time	48	48	48	0
Part-Time (FTE's)	2.5	2.5	2.5	0

BUDGET HIGHLIGHTS

- Overall, the DOT expenditure budget is increased by a net amount of \$477,250, or 5.18%, primarily as a result of the following:
 - The general fund portion of Transportation Management Division increased \$572,500, or 5.85% primarily due to the following: Duke Power streetlighting operational electricity rate increase* for FY 12-13 (+\$339,900), and leasing payments for replacement of capital equipment in Traffic Maintenance. (+\$33,700) (See full list of equipment replacements in the Supplemental Information section, page 244 of this document.)
 - The grants funds is increased \$9,150, as a result of an increase in planning projects and studies approved by the Metropolitan Planning Organization (MPO).
 - Revenue from Forsyth County, which covers 50% of the Transportation Planning budget reflects its share of the grant match increase. (+\$14,490)

*The City pays Duke Power to maintain and operate 32,434 streetlights at an average rate of \$9.04 per light per month (excluding taxes or fuel adjustments)

- Revenues from charges for services are expected to increase (+\$50,000) for work that can be charged to other general fund departments. The budgeted level of revenue for licenses and permits, parking meters, and service charges is expected to have a net decrease (-\$5,000) due to a decrease in parking fines.

DOT / STREET MAINTENANCE

MISSION STATEMENT

The mission of the Streets Division is to maintain the infrastructure of City streets and sidewalks and to provide emergency services to ensure safe and reliable roadways.

PROGRAM DESCRIPTIONS

Street Maintenance

- Maintains 1,016 miles of City streets: street repairs, curb and gutter repairs, dirt street paving, street cleaning, pavement preparation for resurfacing, pothole repair, safety (i.e. guardrails), and ice and snow control.

Street Cut Repair

- Repairs all street cuts within the city limits made by private contractors, utility companies, and the City/County Utilities Division (for the entire county), and ice and snow control.

Sidewalk Maintenance

- Repairs, replaces, and maintains broken or cut sidewalks and curb and gutter. Repairs and replaces sidewalk and curb and gutter via policy work. Assist in ice and snow control.

Special Projects

- Provides paving, concrete repair and replacement, and other street maintenance services to City operations such as the Fire Department, Coliseum, Fairgrounds, Engineering, Department of Transportation, Recreation Department, and City/County Utilities Division.
- Provides street maintenance services to the local division of the North Carolina Department of Transportation for small urban projects, intersection improvements, and street widening on state highway system roads.

Streets Administration

- Provides leadership, planning, fiscal stewardship, and contract administration for all programs in the Streets Division.

	Actual	Budget	Adopted	Percent
EXPENDITURES BY PROGRAM	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Street Maintenance	\$3,070,557	\$3,722,880	\$3,508,200	-5.8%
Street Cut Repair	301,832	321,680	369,620	14.9%
Sidewalk Maintenance	553,987	613,570	623,650	1.6%
Special Projects	141,340	166,350	161,010	-3.2%
Streets Administration	742,153	702,840	715,180	1.8%
Total Expenditures by Program	\$4,809,869	\$5,527,320	\$5,377,660	-2.7%
Interdepartmental Charges	-\$22,905	-\$30,000	-\$30,000	0%
Net Expenditures	\$4,786,964	\$5,497,320	\$5,347,660	-2.7%

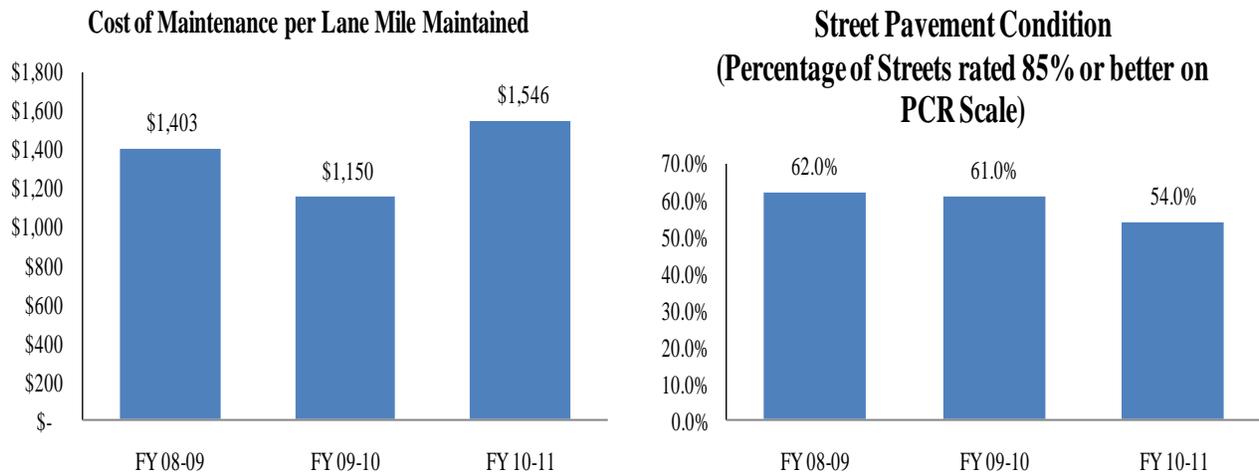
DOT / STREET MAINTENANCE

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Maintain at least 85% of all city streets at a pavement condition of 85 on the PCR Scale (Average for N.C. benchmarking cities is 53%)*	54%	60%	60%
Repair reported potholes within 24 hours 80% of the time	82%	80%	80%
Workload			
Number of lane miles maintained	2,170	2,170	2,175
Number of pot holes repaired	1,786	1,455	1,750
Number of street miles resurfaced	66	43	31

*Pavement condition ratings are projected to decline due to increase in cost of asphalt and decline in funding.

N.C. BENCHMARKING PROJECT RESULTS



Source: NC Local Government Performance Measurement Project, *Final Report on City Services for Fiscal Year 2008-2009*, March 2010; *2009-2010*, February 2011; *2010-2011*, February 2012

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$2,133,396	\$2,360,070	\$2,444,400	3.6%
Supplies and Services	2,287,389	2,811,930	\$2,606,170	-7.3%
Equipment Leasing Expense	389,084	355,320	\$327,090	-7.9%
Total Expenditures by Type	\$4,809,869	\$5,527,320	\$5,377,660	-2.7%
Interdepartmental Charges	-\$22,905	-\$30,000	-\$30,000	0.0%
Net Expenditures by Type	\$4,786,964	\$5,497,320	\$5,347,660	-2.7%

DOT / STREET MAINTENANCE

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Licenses and Permits	\$51,792	\$40,000	\$40,000	0.0%
Service Charges	822,440	450,000	450,000	0.0%
Miscellaneous Revenues	169	0	0	N/A
Transfer from Gasoline Tax Fund	3,913,587	3,960,970	3,789,310	-4.3%
General Fund	-1,024	1,046,350	1,068,350	2.1%
Total Resources by Type	\$4,786,964	\$5,497,320	\$5,347,660	-2.7%

Positions				Change
Full-Time	56	58	58	0

BUDGET HIGHLIGHTS

Street Maintenance

- The Street Maintenance budget proposal reflects a decrease of \$214,680, or 5.8%. Supplies, parts and tools (-\$150,000) and payments to contractors (-\$30,000) make up a large portion of this decrease. Leasing expenses are increased by \$20,220, as a result of the completion of payments for previously approved equipment in FY 11-12 (-\$83,780) and the addition of payments for replacement of the following: 3 crew trucks, (+\$21,000), 2 rollers (+\$20,000), 1 motorgrader, (+\$40,000), and 1 tandem dump truck (+\$23,000).

Street Cut Repair

- Street Cut Repair expenditures are increased by \$47,940, or 14.9%, primarily due to the transfer of three existing positions from Street Maintenance to Street Cut Repair.

Sidewalk Maintenance

- The budget reflects two concrete finisher positions which were added during FY 11-12. These positions were transferred from Vegetation Management, to be able to split crews in order to work on multiple projects at once, without adding to the City's overall authorized position total. A \$25,000 reduction was made to supplies, parts, and tools.

Street Resurfacing

- The majority of the funding for street resurfacing is included in the Capital Plan, financed primarily by two-thirds bonds on alternate years and by gasoline tax revenue, annually. For FY 12-13, gasoline tax of \$1,000,000 is allocated to the annual resurfacing program.

Additional Capital

- Additional capital funds are allocated from the adopted 0.9 cent tax increase for the loss of hold harmless funds from the State: \$1,900,000 for sidewalk construction and street resurfacing.

Revenues

- Revenues from licenses, permits, and service charges for utility permits for state and city streets, as well as sidewalk permits and restoration, and utility division cuts are projected to be the same as budgeted for FY 11-12.

Gasoline Tax Revenues

- The projected gasoline tax revenue of \$6,250,410 for FY 12-13 is distributed to the general fund (\$5,052,410 to cover eligible expenses in the City street maintenance, traffic signals and markings) and to the capital projects fund (\$1,000,000 for street resurfacing and \$198,000 for the traffic signal system project). The transfer to the general fund is decreased by \$228,880.

WINSTON-SALEM TRANSIT AUTHORITY

MISSION STATEMENT

The mission of the Winston-Salem Transit Authority is to provide all members of the community safe, convenient, dependable, responsive, and efficient transportation alternatives.

PROGRAM DESCRIPTIONS

Fixed Route Bus System

- Provides fixed route bus service using a fleet of 54 buses and 4 trolleys. Fixed route service includes weekday peak hour service on 27 routes, evening service on 7 routes, Saturday service on 18 routes, and morning and afternoon express service.
- Provides two central business district (CBD) park and shuttle lots and an all-day circular route in the CBD

Trans-AID of Forsyth County

- Provides transportation service to elderly and disabled residents, Monday through Saturday, using a fleet of 26 mini-buses. Trans-AID provides service to residents eligible under the Americans with Disabilities Act for a 50¢ fare.
- Manages a coordinated system that provides transportation for contracting human service agencies and nursing homes

Maintenance Services for the Piedmont Authority for Regional Transportation (PART)

- Provides maintenance services for the regional ridesharing program on a reimbursement basis with PART. This program operates a fleet of 64 ridesharing vans and one cutaway bus and covers the 12-county Piedmont Triad region.

Transit Planning

- Evaluates existing routes and schedules to determine whether changes are needed to align the system with service demand

- Implements and maintains intelligent transportation system technologies that allow for trip planning and the communication of real-time information to transit users

Vehicle and Facility Maintenance

- Provides preventive maintenance, repairs, and cleaning for 158 vehicles including fixed route buses, Trans-AID mini-buses, the PART fleet, and administrative vehicles
- Maintains the Hampton D. Haith Administration Building, the Clark Campbell Transportation Center, and its maintenance facility. (Expenses related to this program are budgeted across the fixed route, Trans-AID, and PART programs above.)

Transit Administration

- Provides leadership, planning, workplace safety training, personnel management, and fiscal stewardship
- Ensures WSTA's compliance with Federal Transit Administration and North Carolina Department of Transportation regulations. Veolia Transportation manages the day-to-day operations of WSTA for the City of Winston-Salem. (Expenses related to this program are budgeted across the fixed route and Trans-AID programs above.)

EXPENDITURES BY PROGRAM

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Enterprise Fund				
Fixed Route Bus System	\$9,600,447	\$10,049,960	\$10,488,540	4.4%
Trans-AID of Forsyth County	2,384,331	2,516,290	2,634,760	4.7%
Maintenance Services for PART	112,272	138,690	119,640	-13.7%
Subtotal Enterprise Fund Expenditures	\$12,097,049	\$12,704,940	\$13,242,940	4.2%

WINSTON-SALEM TRANSIT AUTHORITY

EXPENDITURES BY PROGRAM - Continued	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Grants Fund				
Section 5303 Planning Grant	\$103,250	\$103,520	\$109,950	6.2%
Elderly and Disabled Transportation Assistance Program	209,155	150,000	150,000	0%
Job Access/Reverse Commute Grants	284,633	0	0	N/A
New Freedom Grant	107,254	0	0	N/A
Other Grants	387	0	0	N/A
Subtotal Grants Fund Expenditures	\$704,679	\$253,520	\$259,950	2.5%
Total Expenditures by Program	\$12,801,728	\$12,958,460	\$13,502,890	4.2%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Operate 99% of fixed route bus system routes within zero to five minutes of published schedules	98%	98%	99%
Operate 85% of Trans-AID service within 15 minutes of scheduled appointments	89%	88%	88%
Maintain the number of preventable accidents to 1.30 per 100,000 miles (Trans-AID and Fixed Route Bus System)	1.54	2.49	2.40
Number of complaints	195	182	172
Efficiency			
Fixed route bus system passengers per hour	25.0	27.2	27.2
Trans-AID passengers per hour	2.8	3.2	3.2
Miles per road call	4,515	4,963	5,225
Workload			
Fixed route bus system ridership	3,183,266	3,526,281	3,526,281
Trans-AID ridership	131,951	151,791	151,791
Number of maintenance road calls	486	458	435
Number of preventable accidents	26	44	42
Number of service hours	176,844	178,589	178,589
Number of service miles	2,194,163	2,272,844	2,272,844

WINSTON-SALEM TRANSIT AUTHORITY

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Enterprise Fund				
Personnel	\$7,561,755	\$8,652,220	\$8,666,600	0.2%
Supplies and Services	4,505,030	4,037,280	4,570,000	13.2%
Subtotal	\$12,066,785	\$12,689,500	\$13,236,600	4.3%
Debt and Lease Expense	\$30,264	\$15,440	\$6,340	-58.9%
Subtotal Enterprise Fund Expenditures	\$12,097,049	\$12,704,940	\$13,242,940	4.2%
Grants Fund				
Personnel	\$60,991	\$62,700	\$63,970	2.0%
Supplies and Services	643,688	190,820	195,980	2.7%
Subtotal Grants Fund Expenditures	\$704,679	\$253,520	\$259,950	2.5%
Total Expenditures by Type	\$12,801,728	\$12,958,460	\$13,502,890	4.2%
RESOURCES BY TYPE				
Enterprise Fund				
Fixed Route Bus System				
Fares	\$1,620,056	\$1,571,100	\$1,727,290	9.9%
Motor Vehicle Privilege Tax	263,940	270,000	270,000	0%
Job Access/Reverse Commute Grant	96,200	96,200	166,160	72.7%
Contracted Services	120,882	119,900	121,900	1.7%
Advertising	40,294	25,000	25,000	0%
Other Transit Revenues	357,146	273,700	262,500	-4.1%
Damage Settlements	8,532	10,000	10,000	0%
Proceeds from the Sale of Assets	18,481	0	0	N/A
Intergovernmental Support				
Federal Transit Administration	2,899,996	2,805,600	3,041,870	8.4%
North Carolina Department of Transportation	372,932	352,310	301,180	-14.5%
Transfer from Debt Service Fund	30,264	15,440	6,340	-58.9%
Transfer from Mass Transit Tax Fund	3,790,204	4,510,710	4,556,300	1.0%
Subtotal	\$9,618,928	\$10,049,960	\$10,488,540	4.4%
Trans-AID of Forsyth County				
Fares	\$855	\$0	\$0	N/A
Services to Agencies	493,055	505,000	505,000	0%
Home and Community Care Block Grant	328,522	265,000	330,000	24.5%
Miscellaneous Revenues	5,240	2,500	2,500	0%
Proceeds from the Sale of Assets	28,595	0	0	N/A
Intergovernmental Support				
N.C. Department of Transportation	1,174,700	1,133,410	968,940	-14.5%
Forsyth County	70,070	91,560	124,250	35.7%
Transfer from Mass Transit Tax Fund	311,890	518,820	704,070	35.7%
Subtotal	\$2,412,926	\$2,516,290	\$2,634,760	4.7%

WINSTON-SALEM TRANSIT AUTHORITY

RESOURCES BY TYPE - Continued	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Maintenance Services for PART				
Reimbursement	\$112,272	\$138,690	\$119,640	-13.7%
Subtotal	\$112,272	\$138,690	\$119,640	-13.7%
Subtotal Enterprise Fund Resources	\$12,144,125	\$12,704,940	\$13,242,940	4.2%
Addition to Fund Balance	\$47,076	\$0	\$0	N/A
Grants Fund				
Intergovernmental Support				
Federal Transit Administration	\$474,487	\$82,820	\$87,960	6.2%
North Carolina Department of Transportation	10,325	10,350	10,990	6.2%
N.C. Dept. of Environment and Natural Resources	1,382	0	0	N/A
Forsyth County	202,294	150,000	150,000	0%
Transfer from Mass Transit Tax Fund	10,325	10,350	11,000	6.3%
Subtotal Grants Fund Resources	\$698,813	\$253,520	\$259,950	2.5%
Total Resources by Type	\$12,842,938	\$12,958,460	\$13,502,890	4.2%
Positions				Change
Full-Time - City	1	1	1	0
Full-Time – WSTA (Contractor)	139	140	140	0
Part-Time (FTE's) – WSTA (Contractor)	25	25	25	0

BUDGET HIGHLIGHTS

Long-Range Financial Outlook

- The City staff's current projection for mass transit tax fund reserves shows that reserves will be depleted by June 30, 2012, mainly due to state operating assistance that was lower than anticipated and increased fuel and vehicle maintenance expenses. Over the last several years, growth in operating revenues and property tax support have not kept pace with growth in operating expenses. With the exception of FY 09-10 when the City received federal stimulus funds, the City has drawn down the reserves in the mass transit tax fund to ensure the operation of the Winston-Salem Transit Authority.

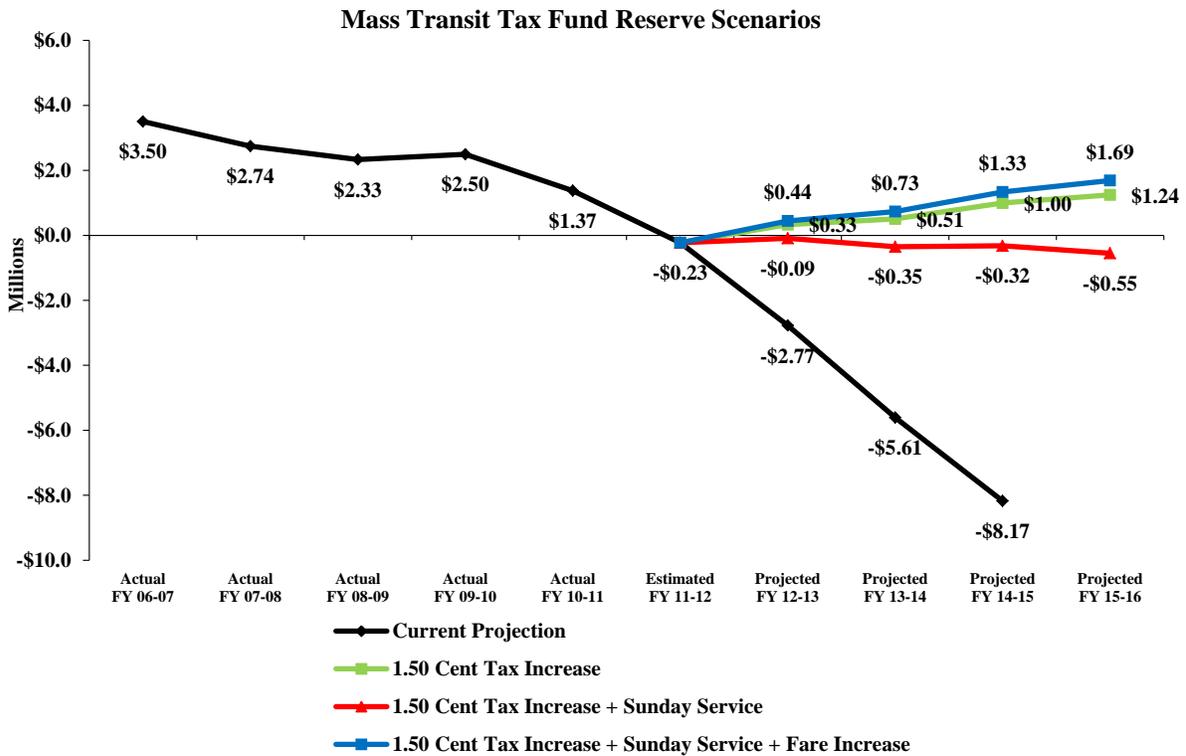
In addition to operating support, mass transit tax fund reserves are used to provide local matching funds for federal capital grants that provide for the replacement of buses, facility maintenance, and other investments in the transit system. Typically, these grants cover 80% to 90% of the cost of these capital investments. With depleted reserves, it has become a challenge for the transit authority to provide the matching funds.

To ensure the long-term financial sustainability of the transit authority, the proposed FY 12-13 budget included the following measures to increase the resources available for transit operations and future capital needs:

WINSTON-SALEM TRANSIT AUTHORITY

BUDGET HIGHLIGHTS – Continued

- Increase the mass transit tax rate by 1.5 cents, from 1.58 cents to 3.08 cents. Doing so would provide \$3.1 million in additional resources for the transit system.
- Increase the public bus fare 30 cents, from \$1.00 for a single ride to \$1.30. While increasing the bus fare may result in decreased ridership initially, City staff project that a 30-cent fare increase would generate \$533,000 in additional revenue. This estimate assumes a decrease in ridership of 12.6%.
- Currently, the Winston-Salem Transit Authority does not provide public bus and Trans-AID services on Sundays. Winston-Salem is the only system among the large cities in the state that does not provide transit services on Sundays. Over the last few years, the City Council and the Winston-Salem Transit Authority Board of Directors have heard requests from citizens for Sunday service in order to provide improved access to their jobs, places of worship, and other needs. The proposed budget also included \$421,000 in additional expenses to implement a pilot Sunday service that would include public bus service on select routes and citywide Trans-AID service. The Sunday bus service would be provided from 6:30 a.m. to 6:30 p.m.
- The following chart provides four scenarios for the mass transit tax fund outlook. The blue trend line reflects the measures incorporated into the proposed FY 12-13 budget.



WINSTON-SALEM TRANSIT AUTHORITY

BUDGET HIGHLIGHTS – Continued

- The City Council adopted a FY 12-13 budget that increased the tax rate for mass transit by 1.5 cents and delayed implementation of Sunday service (represented by the green trend line in the chart above). The delay in Sunday service will allow staff additional time to evaluate system design and pursue other sources of funding, possibly from the city's large non-taxable entities.

Fixed Route Bus System

- The FY 12-13 budget for the fixed route bus system reflects a net increase of \$438,580, or 4.4%. Personnel expenses are increased \$66,970, primarily due to the transfer of two positions from Trans-AID and projected increases for merit pay. Under the terms of the current WSTA employee agreement, employees will receive the same merit pay increase of \$250 as City employees. Supplies and services expenses are increased \$380,710 mainly due to increased fuel costs (+\$339,790) and vehicle maintenance costs (+\$21,250). The budget for fuel is based on \$3.30 per gallon for unleaded gasoline and \$3.60 per gallon for diesel, which staff will monitor during the year to determine whether any adjustments will be needed. The budget also includes a decrease in debt and lease expenses due to the completion of payments in FY 11-12 for financing the replacement of buses ten years ago (-\$9,100).
- Operating revenues are increased \$146,990, or 7.4%, mainly due to a projected increase in ridership.
- Overall funding from the Federal Transit Administration is increased \$236,270, or 8.4%, and assumes that transit systems can continue to use a portion of their federal funding for operating assistance. The FY 12-13 budget includes the same amount of operating assistance at \$905,710. The budget also includes an increase in federal Job Access/Reverse Commute grant funding to continue service on Route 23, which serves Forsyth Technical Community College, and Route 30, which serves the Green Oaks and Autumn Oaks communities (+\$69,960).
- The allocation of state assistance to the fixed route bus system is decreased \$51,130. Overall operating assistance from the North Carolina Department of Transportation is decreased \$215,600, or 14.5%, based on WSTA's FY 11-12 allocation. Last year's allocation decreased due to an overall decrease in state assistance and the transit authority's share of the state assistance.
- Support from the mass transit tax fund is increased \$45,590, or 1.0%, due to the net impact of decreased state assistance and increased operating expenses, partially offset by increased fare revenue and federal funding.

Trans-AID of Forsyth County

- The FY 12-13 budget for Trans-AID of Forsyth County is increased \$118,470, or 4.7%. Personnel expenses reflect a net decrease of \$52,590, primarily due to the transfer of two positions to the fixed route bus system. Supplies and services expenses are increased \$171,060 mainly due to increased fuel costs (+\$141,020) and vehicle maintenance costs (+\$39,000).
- The adopted budget includes a decrease of \$164,470 in the allocation of state operating assistance based on WSTA's FY 11-12 allocation. Estimated funding from the Home and Community Care Block Grant, which provides funding for transportation services to the elderly, is increased \$65,000 based on actual receipts in prior years.
- Under the revised City-County financing agreement, the City covers 85% of the operating deficit for Trans-AID, and the County covers the remaining 15%. This allocation is based on the estimated number of trips provided inside the city compared to outside the city. As a result of decreased state funding and increased

WINSTON-SALEM TRANSIT AUTHORITY

BUDGET HIGHLIGHTS – Continued

expenses, the County’s share is increased \$32,690 to \$124,250. The City’s share is increased \$185,250 to \$704,070.

Maintenance Services for PART

- The budget is decreased \$19,050 based on estimated actual expenses.

FY 11-12 Year-End Outlook

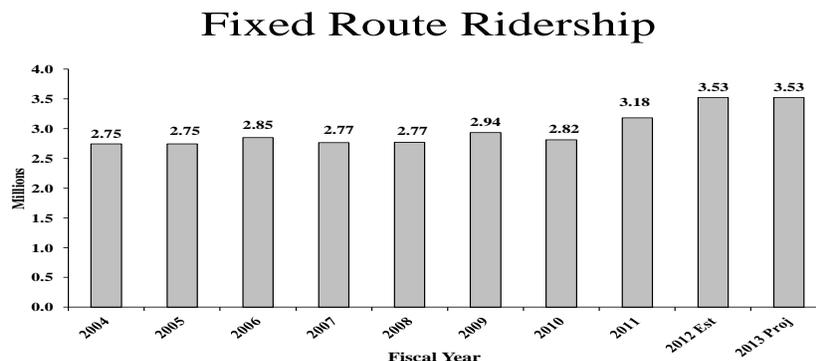
- The following table provides estimated year-end FY 11-12 revenues and expenditures for the Winston-Salem Transit Authority enterprise fund.

	Amended FY 11-12	Estimated FY 11-12
Farebox Revenue	\$1,571,100	\$1,805,925
Other Operating Revenues	1,386,680	1,593,710
Operating Expenditures	(12,741,390)	(12,700,738)
Operating Loss	(\$9,783,610)	(\$9,301,103)
Other Revenues	\$10,000	\$18,790
Intergovernmental Revenue	4,744,080	4,572,548
Debt and Lease Expenses	(15,440)	(15,431)
Transfer from Debt Service Fund	15,440	15,431
Transfer from Mass Transit Tax Fund	5,029,530	4,709,765
Net Income	<u>\$0</u>	<u>\$0</u>

- Based on these estimates, mass transit tax fund reserves would be reduced by \$1.6 million, which is less than the budgeted appropriation of \$2.0 million.

Bus Ridership

- The following chart shows the trend in fixed route bus ridership since FY 03-04. From FY 04-05 through FY 11-12, ridership has increased an average of 3.3%, which includes significant increases in ridership over the last two years.



1

The Winston-Salem Transit Authority estimates that fixed route bus ridership will total 3.53 million passengers in FY 11-12. Based on 304 service days, that total will average to 11,600 riders per day.

WINSTON-SALEM TRANSIT AUTHORITY

BUDGET HIGHLIGHTS – Continued

- Projected FY 11-12 ridership for Saturday evening service totals 40,415, which represents 12% of the total projected ridership for Saturday service (330,338).
- In May 2008, the Winston-Salem Transit Authority was awarded federal Job Access/Reverse Commute grant funds to implement a new route that would serve the Green Oaks and Autumn Oaks communities. The transit authority started this new Route 30 in September 2008. Service on this route was limited to daytime hours and hourly service. In FY 10-11, ridership on Route 30 totaled 53,825 passengers; for FY 11-12, the transit authority projects ridership will total 60,084, an increase of 11.6%.

OFF-STREET PARKING

MISSION STATEMENT

The mission of the off-street parking program is to provide an ample supply of safe, convenient, and clean off-street parking spaces at a competitive price, which meets the needs of the central business district.

PROGRAM DESCRIPTIONS

- Operates five parking decks and six parking lots throughout the downtown area. These facilities account for slightly more than 5,000 off-street parking spaces.

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Parking Administration	\$391,321	\$396,170	\$388,730	-1.9%
Cherry-Marshall Deck	400,100	423,670	158,020	-62.7%
One Triad Park Deck	674,656	251,160	9,700	-96.1%
Sixth-Cherry-Trade Deck	219,903	252,660	337,890	33.7%
Fourth and Church Deck	1,275,842	1,320,640	1,347,950	2.1%
Center City West Fourth Street Deck	629,643	597,620	628,310	5.1%
Parking Lots	91,733	97,180	139,290	43.3%
Total Expenditures by Program	\$3,683,200	\$3,339,100	\$3,009,890	-9.9%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve an occupancy rate of 75% for monthly leased spaces	89%	75%	75%
Maintain a 70% coverage ratio (excluding debt service) of operating expenses as a percentage of revenue	68%	80%	80%
Workload			
Number of hourly patrons use of parking facilities	193,103	195,000	195,000
Number of parking citations issued	16,825	18,000	18,000

OFF-STREET PARKING

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$685,962	\$741,000	\$642,280	-13.3%
Supplies and Services	778,030	822,600	595,990	-27.5%
Subtotal	\$1,463,992	\$1,563,600	\$1,238,270	-20.8%
Debt and Equipment Leasing Expenses	\$2,219,636	\$1,775,500	\$1,771,620	-0.2%
Total Expenditures by Type	\$3,683,628	\$3,339,100	\$3,009,890	-9.9%
RESOURCES BY TYPE				
Parking Services	\$2,105,707	\$1,773,000	\$989,750	-44.2%
Miscellaneous Revenue	44,000	0	0	N/A
Forsyth County	452,831	452,830	452,830	0%
Investment Income	5,226	0	0	N/A
Transfer from General Fund	1,075,864	1,113,270	613,180	-45%
Fund Balance Appropriation	0	0	954,130	0%
Total Resources by Type	\$3,683,628	\$3,339,100	\$3,009,890	-9.9%
Positions				<u>Change</u>
Full-Time	17	17	15	-2
Part-Time (FTE's)	5.8	5.8	5.8	0

BUDGET HIGHLIGHTS

- In April 2012, the Winston-Salem City Council authorized the sale of both the Cherry/Marshall and the One Triad Park parking decks with projected proceeds of \$4,040,700. The FY 13 budget reflects closing on the sale of the One Triad Park deck by July 30, 2012 and the closing on the Cherry/Marshall deck by the end of the FY 13 first quarter.
- The benefit of the sale of the two decks is primarily in future cost avoidance for maintenance and repair. The FY 13 general fund subsidy is decreased 18% from FY 12 at \$0.6 million, with an additional appropriation of close to \$1.0 million from parking fund reserves (cash from the sale of the decks). In future years, the use of general fund should remain fairly stable and the use of cash reserves should decrease by \$0.7 million a year (17% of sale revenue of \$4.04 million). The long-term forecast for the parking fund projects that the fund will be depleted in FY 18-19.

OFF-STREET PARKING

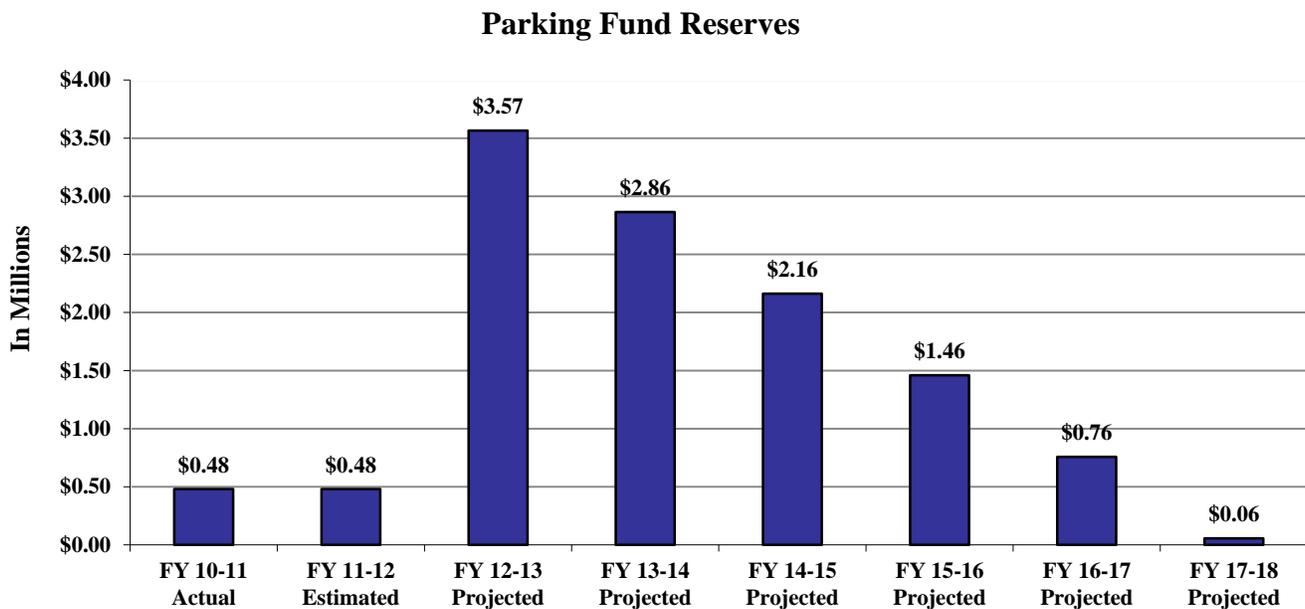
- The following table provides budgeted FY 12-13 revenues and expenditures by facility. Expenditures include an allocation of parking administration costs based on the number of spaces in each facility.

	<u>Revenues</u>	<u>Expenditures</u>	<u>Net Income/ (Loss)</u>
Cherry-Marshall	\$123,750	\$158,020	\$ (34,270)
Parking Lots	84,000	\$190,230	\$ (106,230)
One Triad Park	0	\$9,700	\$ (9,700)
Sixth-Cherry-Trade	182,000	\$420,120	\$ (238,120)
Fourth and Church	200,000	\$1,519,210	\$ (1,319,210)
Center City West Fourth Street	400,000	\$712,590	\$ (312,590)
Total	\$989,750	\$3,009,890	\$ (2,020,140)

* The deficit at Fourth and Church Deck is shared between the County (\$452,830) and the City (\$298,913).

Cash Balance

The following chart provides the outlook for the parking fund cash balance. The proceeds from the sale of the two decks provides for a projected \$3,570,000 increase in FY 13 cash.



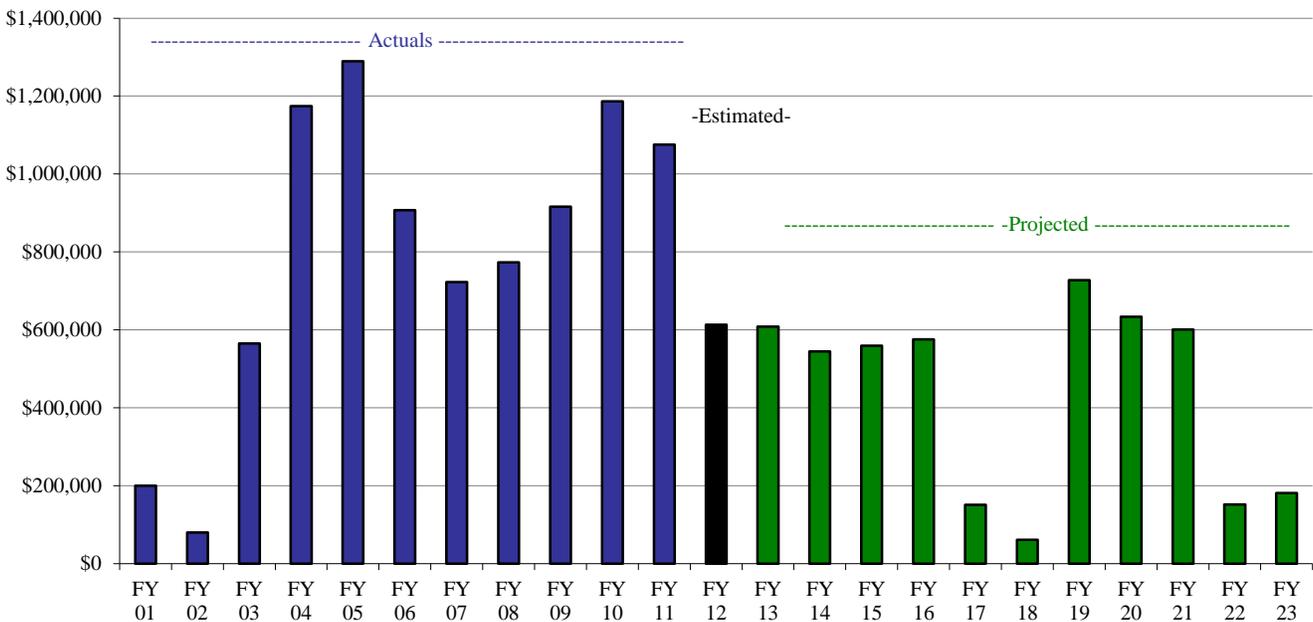
OFF-STREET PARKING

FY 11-12 Year-End Outlook

- The following table provides budgeted and estimated FY 11-12 revenues and expenditures. In FY 11-12, operating revenues are expected to be higher than budgeted, while expenditures are estimated to come in below budget. Estimated net transfer from the general fund for the year totals \$0.

	<u>Budget</u>	<u>Estimated</u>
Operating Revenues	\$1,773,000	\$2,086,229
Operating Expenditures	<u>1,563,600</u>	<u>1,511,516</u>
Operating Income	\$209,400	\$574,713
Non-operating Expenditures/Revenues		
Debt and Lease Expenses	(\$1,775,500)	(\$1,774,795)
Forsyth County Contribution	452,830	452,830
Investment Income	0	4,479
Fund Balance	0	0
Transfer from General Fund	<u>\$1,113,270</u>	<u>\$742,773</u>
Net Income/(Loss)	<u>\$0</u>	<u>\$0</u>

Long-Range Projection of General Fund Subsidy to the Parking Fund



Notes:

FY2012: Retired debt service for Center City West, Church & 4th, and One Triad Parking Decks

FY2017: Retired additional debt service for Center City West Deck

TRANSPORTATION NON-DEPARTMENTAL

Listed below are the appropriations related to transportation that are not included in any of the departmental budgets in this section of the document.

EXPENDITURES	Actual	Budget	Adopted	Percent
Mass Transit Tax Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Transfers to Transit-Related Funds	\$4,316,387	\$5,131,410	\$5,455,170	6.3%
Operating Expenses	92,608	69,430	75,300	8.5%
Subtotal	\$4,408,995	\$5,200,840	\$5,530,470	6.3%
Powell Bill Fund (Gasoline Tax)	\$5,218,112	\$5,281,290	\$5,052,410	-4.3%
Transfer to General Fund	1,848,557	1,000,000	1,198,000	19.8%
Transfer to Capital Projects Fund	\$7,066,669	\$6,281,290	\$6,250,410	-0.5%
Subtotal				
General Fund Transfers				
Transfer to Parking Fund	\$1,075,864	\$1,113,270	\$613,180	-45%
Transfer to Capital Projects Fund	\$0	\$0	\$2,387,910	0%
Subtotal	\$1,075,864	\$1,113,270	\$3,001,090	170%
Total Expenditures	\$12,551,528	\$12,595,400	\$14,781,970	17.4%
 RESOURCES				
Mass Transit Tax Fund				
Property Tax - Current Year	\$3,224,544	\$3,205,820	\$6,266,340	95.5%
Property Tax - Prior Year	55,182	0	0	N/A
Interest Income	5,033	0	0	N/A
Fund Balance Appropriation	0	1,995,020	(735,870)	-136.9%
Subtotal	\$3,284,760	\$5,200,840	\$5,530,470	6.3%
 Powell Bill Fund (Gasoline Tax)				
Gasoline Tax	\$6,159,094	\$6,181,290	\$6,241,410	1.0%
Investment Income	22,613	100,000	9,000	-91.0%
Fund Balance Appropriation	0	0	0	N/A
Subtotal	\$6,181,708	\$6,281,290	\$6,250,410	-0.5%
 General Fund				
Other General Fund Resources	\$3,085,059	\$1,113,270	\$3,001,090	169.6%
Subtotal	\$3,085,059	\$1,113,270	\$3,001,090	169.6%
Total Resources	\$12,551,528	\$12,595,400	\$14,781,970	17.4%

TRANSPORTATION CAPITAL PROJECTS

Listed below are the adopted capital appropriations for transportation related funds and entities.

EXPENDITURES

<u>Project Title</u>	<u>Adopted FY 12-13</u>
Streets and Sidewalks:	
Street Resurfacing Projects	\$1,000,000
STP-DA ¹ Bicycle and Pedestrian Projects	1,247,500
New Sidewalk Construction	1,900,000
New Traffic Signal System	468,000
Mass Transit:	
Large Bus Replacements (5)	\$3,675,960
TOTAL EXPENDITURES	\$8,291,460

FUNDING SOURCES

Intergovernmental Resources:	
Federal Transit Administration	\$3,308,360
Powell Bill Funds (Gasoline Tax)	1,198,000
North Carolina Department of Transportation	941,800
Other:	
Motor Vehicle Privilege Tax	\$270,000
Transfers:	
From General Fund	\$2,389,500
From Mass Transit Tax Fund	183,800
TOTAL FUNDING SOURCES	\$8,291,460

1- Surface Transportation Program-Direct Apportionment

RECREATION AND CULTURE

Recreation and Parks.....	146
Winston-Salem Entertainment-Sports Complex	151
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Recreation and Culture Non-Departmental	164
Recreation and Culture Capital Projects	165

RECREATION AND PARKS

MISSION STATEMENT

The mission of the Recreation and Parks Department is to enhance the quality of life for the citizens of Winston-Salem by providing a variety of indoor/outdoor leisure and cultural activities through professionally trained staff in facilities that are physically attractive, conveniently located, accessible, safe, and well maintained.

PROGRAM DESCRIPTIONS

Recreation Centers

- Supervises year-round activities at seventeen community and neighborhood recreation centers
- Provides activities such as arts and crafts, dance, sports, and games
- Provides a summer program for teens
- Provides summer camps at six centers
- Provides spring & winter camps at two centers
- Provides two basketball camps at Hanes Hosiery
- Provides fall Festivals and Easter Egg Hunts at all locations
- Provides WinstonNet computer labs at all recreation centers
- Provides all non-custodial maintenance and repairs of facilities

Athletics

- Organizes, plans, schedules, and administers adult sports leagues and tournaments for various sports which include: soccer, softball, golf, volleyball, flag football, and dodgeball
- Serves more than 11,000 participants annually
- Responsible for the preparation and day-to-day care of athletic fields

Joe White Tennis Center

- Provides 20 lighted tennis courts, 14 clay and six hard courts, year round
- Offers clinics, monthly instructional programs, tournament play and open play

Parks Maintenance

- Maintains 77+ parks, 47 playgrounds, 10 greenways (23 miles), 54 shelters, and 43 soccer fields covering approximately 3,650 acres

Golf Courses

- Operates two, City-owned, 18-hole golf courses, Winston Lake and Reynolds Park (Winston Lake is City-operated and Reynolds Park is under contract management)
- Provides golf lessons and tournaments
- Provides summer camps and Earnest Morris, Jr. Golf Program
- Provides a home for First Tee of the Triad at Winston Lake Golf Course

Pools

- Provides organized and supervised swimming opportunities at eight City-owned pools

- Provides maintenance and repairs of pool facilities

Salem Lake and Winston Lake Parks

- Operates Salem Lake, a 1,465 acre park with a 365-acre lake, which is open to both pier and boat anglers and has a trail measuring 7 miles for annual races, horseback riders, walkers and nature enthusiasts
- Operates Winston Lake, a 467 acre park with a 20-acre lake that includes facilities such as sports fields, picnic shelters, and playgrounds

Special Populations

- Offers community wide and neighborhood special events for seniors and persons with disabilities, which include Spring Prom, Fair Night, Senior Fishing Festival, and citywide Senior Bingo
 - Offers on-going community wide and neighborhood programs for seniors and persons with disabilities which include wheelchair basketball, community reintegration, various support groups, blind bowling, ceramics, sitercise, and leisure education
 - Administers the day-to-day operations of Special Olympics of Forsyth County which includes training and competition for 13 different Olympic-type sports for persons with intellectual disabilities
 - Administers the day-to-day operation of Piedmont Plus Senior Games which includes sports competition in 38 different athletic events as well as the arts- heritage, literary, performing and visual
 - Events to be added to the Senior Games for 2012 are CornHole and Pikleball
 - Provides a WinstonNet computer lab at the Black-Phillips-Smith Government Center
- ### Historic Bethabara
- Preserves and adds to the historical artifacts of the site, as well as interprets, to the public, the site's historic, spiritual and cultural significance
 - Provides educational opportunities in cultural and natural history in Forsyth County
 - Coordinates maintenance and improvements of the park's buildings and ground

RECREATION AND PARKS

PROGRAM DESCRIPTIONS – Continued

Recreation Administration

- Provides direction and supervision for all Recreation and Parks programs
- Prepares and administers departmental annual budget and capital improvement program
- Provides clerical, accounting and administrative support to the entire department
- Provides community education, including video production, website design and publishing of newsletters and brochures
- Coordinates the reservations of City-operated picnic shelters and other recreation and park facilities

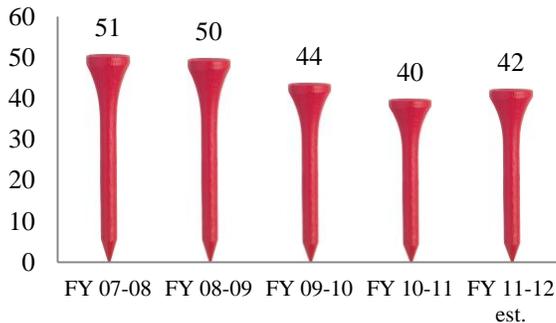
EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
General Fund				
Recreation Administration	\$693,328	\$828,610	\$837,270	1.0%
Recreation Centers	3,276,772	3,364,430	3,326,060	-1.1%
Athletics	803,126	941,960	763,730	-18.9%
Joe White Tennis Center	28,054	37,890	38,210	0.8%
Parks Maintenance	1,755,921	1,813,080	1,992,440	9.9%
Golf Courses	569,099	668,410	676,230	1.2%
Lakes	232,012	223,010	220,260	-1.2%
Historic Bethabara	414,637	433,620	428,330	-1.2%
Aquatics	552,089	560,030	555,080	-0.9%
Special Populations	380,575	490,730	507,430	3.4%
Community Agency Funding	61,430	61,430	61,430	0.0%
Total General Fund Expenditures by Program	\$8,767,043	\$9,423,200	\$9,406,470	-0.2%
Grants Fund				
Recreation Center Grants	\$38,903	\$0	\$0	N/A
Senior Citizen Services	17,367	0	0	N/A
Miscellaneous Grants	523	0	0	N/A
Winston Lake Junior Golf	12,046	0	0	N/A
Therapeutic Recreation Programs	467	0	0	N/A
Total Grants Fund Expenditures	\$69,306	\$0	\$0	N/A
Total Expenditures by Program	\$8,836,348	\$9,423,200	\$9,406,470	-0.2%

RECREATION AND PARKS

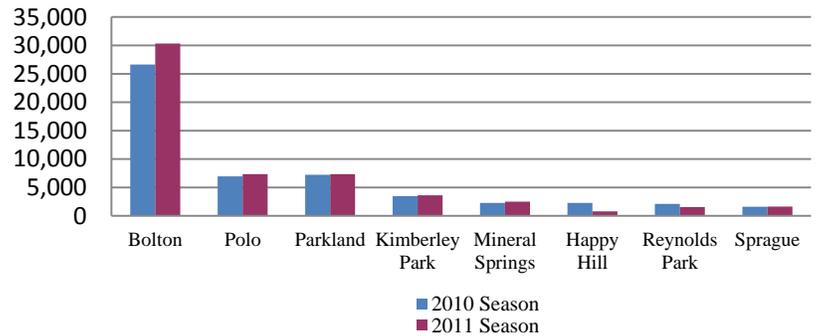
PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Complete 95% of recreation/park maintenance work orders within 48 hours	93%	95%	95%
Efficiency			
Achieve \$18 of revenue per round of golf at Winston Lake Golf	\$16.95	\$14.10	\$16.85
Recover at least 14% of Recreation and Parks Department expenditures through service fees	12%	12%	14%
Workload			
WePLAY Tabloids Distributed	20,000	21,000	21,000
Swimming Pool Attendance	55,088	55,000	55,000
Golf Rounds Played at Winston Lake	14,572	15,500	15,550
Picnic Shelter Reservations	1,331	1,300	1,300

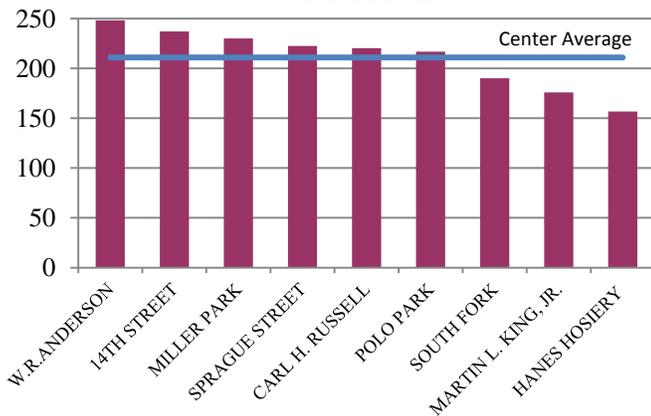
Winston Lake Golf Course
Average Daily Rounds Played



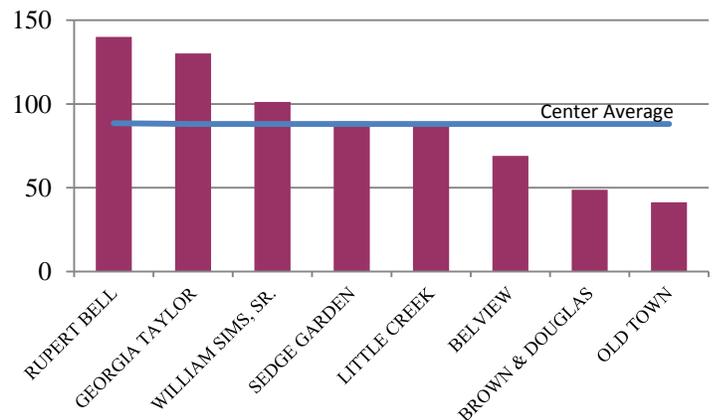
Pool Attendance Comparison



Average Daily Programming Attendance by Community Center FY 10-11



Average Daily Programming Attendance by Neighborhood Center FY 10-11



RECREATION AND PARKS

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
General Fund				
Personnel	\$5,679,045	\$6,141,030	\$5,732,210	-6.7%
Supplies and Services	2,898,529	3,058,010	3,490,700	14.1%
Equipment Leasing Expense	185,141	224,160	183,560	-18.1%
Total General Fund Expenditures by Type	\$8,762,716	\$9,423,200	\$9,406,470	-0.2%
Grants Fund				
Supplies and Services	\$69,306	\$0	\$0	N/A
Total Grants Fund Expenditures by Type	\$69,306	\$0	\$0	N/A
Total Expenditures by Type	\$8,832,021	\$9,423,200	\$9,406,470	-0.2%
RESOURCES BY TYPE				
General Fund				
Service Charges	\$39,710	\$39,710	\$40,920	3.0%
Admission Fees	114,497	156,400	118,400	-24.3%
Entry Fees	136,000	132,500	139,000	4.9%
Equipment Use Fees	104,954	143,200	109,500	-23.5%
Facility Use Fees	305,052	274,800	296,800	8.0%
Other Charges for Service	188,300	167,000	153,750	-7.9%
Rentals	177,937	154,000	124,000	-19.5%
Miscellaneous	13,359	2,500	2,500	0.0%
Other General Fund Revenues	7,752,213	8,353,090	8,421,600	0.8%
Total General Fund Resources by Type	\$8,832,021	\$9,423,200	\$9,406,470	-0.2%
Grants Fund				
Contributions	\$50,392	\$0	\$0	N/A
Other Revenues	16,317	0	0	N/A
Total Grants Fund Resources by Type	\$66,709	\$0	\$0	N/A
Total Resources by Type	\$8,898,730	\$9,423,200	\$9,406,470	-0.2%
Positions				Change
Full-Time	101	91	91	0
Part-Time (FTE's)	74.054	74.054	70.825	-3.229

RECREATION AND PARKS

BUDGET HIGHLIGHTS

- Personnel expenditures are decreased 6.7% (-\$408,820) due to the transfer of eleven positions to other departments as part of the property and facility maintenance reorganization, during FY 11-12. Through the reorganization, nine custodians were moved to custodial services, one recreation warehouse employee was moved to central warehouse, and one building maintenance supervisor was moved to facilities maintenance. There is no net effect to the general fund resulting from these transfers. The reorganization of property and facilities management functions provides opportunities for service consistency and efficiency by consolidating functions (e.g., warehouse, custodial services) into centralized departments.
- Supplies and services expenditures are increased 14.1% (+\$432,690), a net result of increases in information systems charges (+\$8,550), fuel costs, (+\$21,710), energy costs (\$18,140), and charges for custodial services (+\$452,410) and decreases in general operating expenses. The charge for custodial services is an interdepartmental charge from facilities maintenance and has no net effect on the general fund.
- Equipment leasing expenses are decreased 18.1%, a net result of the completion of payments for previously approved equipment replacements and additions for replacements based on need. Replacements for FY 11-12 include replacing all 62 golf carts at Winston Lake Golf Course (+\$32,240), utility bed trucks (+\$13,000), and one cargo van (+\$4,200).
- Departmental resources are decreased by 8.0% (-\$85,240), a net result of decreases related to golf courses (-\$93,000) and swimming pools (-\$38,000), and increases related to the reopening of Salem Lake (+\$41,250).

WINSTON-SALEM ENTERTAINMENT-SPORTS COMPLEX

MISSION STATEMENT

The mission of the Winston-Salem Entertainment-Sports Complex is to provide premier public assembly facilities, which offer entertainment, sporting and civic events, conventions, and trade shows for the citizens of Winston-Salem, Forsyth County, the Piedmont Triad, and northwest North Carolina.

PROGRAM DESCRIPTIONS

Lawrence Joel Veterans Memorial Coliseum

- Operates a 14,500-seat Coliseum for concerts, family shows, basketball games, and other events

Coliseum Annex

- Operates a 3,600-seat Annex for public ice skating, other ice activities, basketball games, and trade shows

Education and Bolton Home & Garden Building

- Operates 30,000 square foot Education Building and 7,500 square foot Bolton Home & Garden Building for trade shows, banquets, community events, and other rentals

Other Venues

- Operates other facilities that include Fairgrounds midway, Cattle Barn, Yesterday Village for festivals, special events, livestock shows, and other agricultural events
- Manages contracted catering services for the Winston-Salem Entertainment-Sports Complex and other outside customers. Also manages contracted concessions and catering services at six city-wide locations including LJVM Coliseum, Coliseum Annex, Bowman Gray Stadium, Fairgrounds, and Bolton Pool.
- Oversees traffic control and parking at all venues
- Administers vending contracts for Polo, Parkland, Kimberly Park, Happy Hill, Reynolds Park, Mineral Springs, and Sprague Street pools and various City office locations including City Hall, the Bryce A. Stuart Municipal Building, the Public Safety Center, and City Yard

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
LJVM Coliseum	\$4,007,326	\$4,300,900	\$4,203,760	-2.3%
Fairgrounds	643,569	574,100	647,720	12.8%
Total Expenditures by Program	\$4,650,895	\$4,875,000	\$4,851,480	-0.5%

WINSTON-SALEM ENTERTAINMENT-SPORTS COMPLEX

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Budgeted FY 11-12	Estimated FY 11-12	Projected FY 12-13
Effectiveness				
% of available days that are booked	63.2%	49.0%	60.7%	52.8%
% of operating expenses covered by revenues	76.2%	77.0%	82.0%	76.1%
Efficiency				
Attendees per event (booking)	6,435	10,515	7,562	9,927
Revenue per attendee	\$3.47	\$3.38	\$3.96	\$3.58
Workload				
Total bookings	146	99	116	98
Total Event Days (New Measure)	N/A	461	484	442
Total usage days	692	536	664	578
Total attendance	939,628	1,041,055	877,300	972,891
Available days for bookings (3 buildings at 365 days per year)	1,095	1,095	1,095	1,095

Note: These measures apply to the Coliseum Complex, which includes the Arena, Annex, and Education Building.

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$2,138,805	\$2,315,030	\$2,252,530	-2.7%
Supplies and Services	2,211,469	2,333,080	2,411,690	3.4%
Subtotal	\$4,350,274	\$4,648,110	\$4,664,220	0.3%
Debt and Lease Expense	269,372	226,890	187,260	-17.5%
Transfer to Bowman Gray Stadium Fund	31,249	0	0	N/A
Total Expenditures by Type	\$4,650,895	\$4,875,000	\$4,851,480	-0.5%

RESOURCES BY TYPE

Parking Services	\$752,903	\$847,790	\$815,190	-3.8%
Concessions/Catering	356,981	341,000	323,320	-5.2%
Equipment Use Fees	43,947	45,030	44,000	-2.3%
Facility Use Fees	189,720	146,560	178,310	21.7%
Admissions Fees	68,661	80,050	80,050	0.0%
Non-Fair Event Revenues	344,721	394,150	369,980	-6.1%
Video Board Advertising	167,025	162,070	162,070	0.0%
Other Charges for Service	308,911	314,970	323,280	2.6%
Rentals	729,806	839,110	893,940	6.5%
Miscellaneous Revenues	295,270	352,030	292,670	-16.9%
Transfer from Bowman Gray Stadium Fund	0	0	1,990	NA
Transfer from General Fund	760,273	771,660	730,890	-5.3%
Transfer from Occupancy Tax Fund	150,000	150,000	150,000	0%
Transfer from Fair Fund	482,677	430,580	485,790	12.8%

WINSTON-SALEM ENTERTAINMENT-SPORTS COMPLEX

	<u>Actual</u>	<u>Budget</u>	<u>Adopted</u>	<u>Percent</u>
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Total Resources by Type	\$4,650,895	\$4,875,000	\$4,851,480	-0.5%
Positions				<u>Change</u>
Full-Time	36	36	36	0
Part-Time (FTE's)	34.2	31.7	34.3	2.6

BUDGET HIGHLIGHTS

- On April 30, 2012, the Public Assembly Facilities Commission approved a resolution recommending to the City Council the adoption of the FY 12-13 budget for the Winston-Salem Entertainment-Sports Complex. The following highlights focus on the budgets for the Arena, Annex, and Fairgrounds operations. The budget for Bowman Gray Stadium is presented separately.
- The recession continues to impact the arena industry, and the budget for the Complex includes adjustments in expenditures and revenues to manage through these difficult times. The FY 12-13 budget for the Winston-Salem Entertainment-Sports Complex is decreased \$23,520, or 0.5%, primarily due to the allocation of full-time and part-time staff to other public assembly facilities, including the fairgrounds. The net reduction in personnel expenditures (-\$62,500), as well as the reduction in debt and lease expenses (-\$39,630), is offset by increases in supplies and services expenditures, including temporary labor costs, fuel, contractual services, and the City's indirect cost allocation (+\$78,610).
- While the LJVM Coliseum budget is decreased 2.3%, the fairgrounds budget is increased 12.8% due to the increased allocation of full-time and part-time staffing, fuel, and increased use of temporary labor (+\$73,620). As a result, the transfer from the fair fund, which covers 75% of the fairgrounds budget, is increased \$55,210.
- Operating revenues for the Complex are decreased \$39,950, or 1.1%, based on the Complex's event forecast for FY 12-13. While attendance may improve for some events, recent experience has shown that concessions and parking revenues may not increase. The FY 12-13 budget reflects these trends. The adopted budget includes a transfer of \$1,990 in budgeted net income from the Bowman Gray Stadium fund.
- General fund support for the Complex is decreased \$40,770, or 5.3%, primarily due to the increased transfer from the fair fund.

FY 11-12 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the LJVM Coliseum fund.

	<u>Budget</u>	<u>Estimated</u>
	<u>FY 11-12</u>	<u>FY 11-12</u>
Operating Revenues	\$3,522,760	\$3,475,003
Operating Expenditures	(4,648,110)	(4,315,058)
Operating Loss	(\$1,125,350)	(\$840,055)
Debt and Lease Expenses	(226,890)	(226,890)
Transfer from Bowman Gray Stadium	0	33,143
Transfer from Occupancy Tax Fund	150,000	150,000
Transfer from Fair Fund	430,580	418,663
Transfer from General Fund	771,660	465,139
Net Loss	<u>\$0</u>	<u>\$0</u>

WINSTON-SALEM ENTERTAINMENT-SPORTS COMPLEX

BUDGET HIGHLIGHTS - Continued

Note: Debt service on funds borrowed for renovations at the LJVM Coliseum, Annex, and fairgrounds is not included in the budget information above. The FY 12-13 debt service payment of \$628,490 is included in the debt service fund budget. The outstanding debt is \$7,932,673.

BOWMAN GRAY STADIUM

MISSION STATEMENT

As part of the Winston-Salem Entertainment-Sports Complex, Bowman Gray Stadium provides a public assembly facility that offers entertainment and sporting events for the citizens of Winston-Salem, Forsyth County, the Piedmont Triad, and northwest North Carolina.

PROGRAM DESCRIPTION

- Operates an open-air stadium with a quarter mile asphalt race track equipped to handle spectator events including auto racing, football games, band competitions, concerts, and other mass spectator events

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Budgeted FY 11-12	Estimated FY 11-12	Projected FY 12-13
Effectiveness				
% of available days that are booked	22.0%	24.0%	32.0%	29.0%
% of operating expenses covered by revenues	105.0%	121.7%	122.6%	120.5%
Efficiency				
Attendees per event (Event Day)	N/A	7,012	5,815	6,088
Revenue per attendee	\$2.98	\$2.48	\$2.75	\$3.04
Workload				
Total bookings	5	4	3	3
Total Event Days (New Measure)	N/A	25	28	24
Total usage days	22	25	33	30
Total attendance	137,964	175,300	162,822	146,100
Available days for bookings	104	104	104	104

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$105,883	\$108,920	\$105,320	-3.3%
Supplies and Services	286,174	247,700	241,990	-2.3%
Subtotal	\$392,057	\$356,620	\$347,310	-2.6%
Debt and Lease Expense	50,887	77,540	69,960	-9.8%
Transfer to LJVM Coliseum Fund	0	0	1,990	N/A
Total Expenditures by Type	\$442,944	\$434,160	\$419,260	-3.4%

BOWMAN GRAY STADIUM

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Parking Services	\$12,957	\$10,000	\$14,000	40.0%
Concessions	148,182	166,950	134,900	-19.2%
Equipment Use Fees	114	750	0	-100.0%
Video Board Advertising	56,855	54,990	55,560	1.0%
Winston-Salem State University	55,608	57,700	54,100	-6.2%
Other Charges for Service	11,780	9,500	10,000	5.3%
Rentals	108,001	112,070	127,910	14.1%
Miscellaneous Sales and Services	18,198	22,200	22,790	2.7%
Transfer from LJVM Coliseum Fund	31,249	0	0	NA
Total Resources by Type	\$442,944	\$434,160	\$419,260	-3.4%

Positions

Full-time and part-time Complex staff are allocated based on work assignments.

BUDGET HIGHLIGHTS

- On April 30, 2012, the Public Assembly Facilities Commission approved a resolution recommending to the City Council the adoption of the FY 12-13 budget for Bowman Gray Stadium.
- The FY 12-13 budget for Bowman Gray Stadium is decreased \$14,900, or 3.4%, primarily due to the increased use of Complex personnel to provide facility maintenance, including the football field, and lower debt and lease expenses.
- Operating revenues also are decreased \$14,900, or 3.4%, based on FY 11-12 year-end projections for concessions. This decrease is partially offset by increases in parking and rental revenues.
- Under the operating agreement with the City, Winston-Salem State University pays most of the operating costs of the field house. The estimated FY 12-13 payment totals \$54,100, a decrease of 6.2%, due to lower utilities expenses.
- Based on projected revenues and expenditures, Bowman Gray Stadium is budgeted to realize net income of \$1,990, which will be transferred to the LJVM Coliseum budget to cover a portion of the budgeted net loss. Because operating revenues are projected to cover expenditures, the budget for Bowman Gray Stadium will not require a transfer from the Coliseum fund to cover any losses.

BOWMAN GRAY STADIUM

BUDGET HIGHLIGHTS - Continued

FY 11-12 Year-End Outlook

➤ The following table provides estimated year-end revenues and expenditures for Bowman Gray Stadium.

	Budget	Estimated
	<u>FY 11-12</u>	<u>FY 11-12</u>
Operating Revenues	\$434,160	\$448,340
Operating Expenditures	(356,620)	(365,797)
Operating Income	\$77,540	\$82,543
Debt and Lease Expenses	(77,540)	(49,400)
Transfer to LJVM Coliseum Fund	0	(33,143)
Transfer from LJVM Coliseum Fund	0	0
Net Loss	<u>\$0</u>	<u>\$0</u>

Note: Debt service on funds borrowed for construction of the field house and other improvements is not included in the budget information above. The FY 12-13 debt service payment of \$323,080 is included in the debt service fund budget. The outstanding debt is \$7,186,681.

M.C. BENTON, JR. CONVENTION AND CIVIC CENTER

MISSION STATEMENT

The mission of the M.C. Benton, Jr. Convention and Civic Center is to provide a state-of-the-art, professionally managed convention and civic facility to attract out-of-town visitors that will provide economic benefits to the community and to enhance the social well-being of our citizens by providing a facility for social, educational, fraternal, and entertainment activities and events.

PROGRAM DESCRIPTIONS

Convention Center Operations

- Under a contract with Noble-Interstate, LLC, operates a 90,000-square foot public assembly facility that hosts conventions, meetings, banquets, and trade shows

Sales and Marketing

- Works with the Convention and Visitors Bureau and hotel sales staffs to:
 - Develop sales proposals
 - Present bids to prospective clients
 - Develop sales strategies and marketing plans

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Budgeted FY 11-12	Estimated FY 11-12	Projected FY 12-13
Effectiveness				
Percent of available days that are booked	76.3%	70.0%	61.3%	70.3%
Actual operating loss as a percent of budgeted loss	94.0%	N/A	98.1%	N/A
Workload				
Total number of events	194	290	184	201
Total usage days	278	255	223	256
Total attendance	84,898	85,750	80,500	86,800
Available days for bookings	365	365	365	365

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Supplies and Services	\$806,549	\$818,990	\$818,990	0%
Total Expenditures by Type	\$806,549	\$818,990	\$818,990	0%

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
RESOURCES BY TYPE				
Transfer from Occupancy Tax Fund	\$250,000	\$250,000	\$250,000	0%
Transfer from General Fund	543,269	568,990	568,990	0%
Fund Balance Appropriation	13,280	0	0	N/A
Total Resources by Type	\$806,549	\$818,990	\$818,990	0%

M.C. BENTON, JR. CONVENTION AND CIVIC CENTER

BUDGET HIGHLIGHTS

- On April 30, 2012, the Public Assembly Facilities Commission approved a resolution recommending to the City Council the adoption of the FY 12-13 budget for the Convention Center.
- In March 2004, the City Council approved entering into a 15-year agreement with Noble-Interstate, LLC to manage the convention center. Noble-Interstate, LLC took over the day-to-day operations of the convention center on July 1, 2004. Under the agreement, the City continues to be responsible for covering all operating losses for the convention center. While the tourism industry is showing signs of improvement, it is expected that the Triad, in particular Winston-Salem, will lag behind national trends. In April, Noble-Interstate, LLC submitted a budget for FY 12-13 that projects no growth in operating revenues and expenses. Noble-Interstate, LLC has increased its sales and marketing budget to more aggressively market the convention center and compete with new facilities that have opened in the state. Based on Noble-Interstate, LLC's adopted budget, general fund support remains at \$568,990 for FY 12-13.
- Of the \$818,990 budgeted for FY 12-13, the City staff has budgeted \$634,090 to cover operating losses. The remaining City expenditures include \$163,200 for Noble-Interstate, LLC's management fee, \$16,990 for property insurance, \$3,000 for repairs by the Property and Facilities Management Department, and \$1,710 for stormwater fees.
- Under the agreement with Noble-Interstate, LLC, the City provides \$250,000 annually for capital needs. The 2013-2018 Capital Plan includes an appropriation of \$250,000 to fund capital expenditures submitted by Noble-Interstate, LLC for FY 12-13. The City will finance these expenditures over five years through the North Carolina Municipal Leasing Corporation, with the general fund covering the annual lease payment of \$50,000. Including lease payments for FY 10-11 through FY 12-13, total general fund support for the convention center amounts to \$718,990 for FY 12-13.

FY 11-12 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the Convention Center fund.

	Budgeted	Estimated
	<u>FY 11-12</u>	<u>FY 11-12</u>
Operating Income/(Loss)	(\$644,630)	(\$621,895)
Non-Operating Expenses		
Management Fee	\$153,160	\$158,670
Liability Insurance	16,490	16,491
Facility Maintenance	3,000	4,293
Miscellaneous Expenses	1,710	1,710
Loss Before Transfers	(\$818,990)	(\$803,059)
Transfer from Occupancy Tax Fund	250,000	250,000
Transfer from General Fund	568,990	553,059
Use of Fund Balance	<u>\$0</u>	<u>\$0</u>

Note: Debt service on funds borrowed for renovations at the M.C. Benton, Jr. Convention Center is not included in the budget information above. The FY 12-13 debt service payment of \$561,310 is included in the debt service fund budget. The outstanding debt is \$6,632,453.

FAIR

MISSION STATEMENT

The mission of the Fair is to plan, promote, and produce the annual Dixie Classic Fair and to enhance the quality of life of citizens by providing year-round facilities for agricultural, fraternal, educational, social, and entertainment activities and events without taxpayer expense.

PROGRAM DESCRIPTIONS

Fair Administration

- Plans, promotes, and produces the annual Dixie Classic Fair

Farmers Market

- Operates a year-round Farmers Market at the Fairgrounds (each Saturday)

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY PROGRAM				
Fair Administration	\$2,518,244	\$2,907,520	\$3,008,830	3.5%
Farmers Market	13,332	14,300	19,520	36.5%
Downtown Farmers Market	7,747	9,440	0	-100.0%
Total Expenditures by Program	\$2,539,324	\$2,931,260	\$3,028,350	3.3%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Budgeted FY 11-12	Estimated FY 11-12	Projected FY 12-13
Effectiveness				
Operating revenue to operating expense ratio	1.67	1.18	1.54	1.28
Efficiency				
Revenue per attendee (total attendance)	\$7.87	\$7.45	\$8.00	\$8.09
Cost per attendee (total attendance)	\$4.71	\$6.32	\$5.15	\$6.34
Workload				
Total attendance	353,762	325,000	357,416	325,000
Total paid attendance	204,346	195,000	207,925	195,000
Number of exhibits entered	33,372	33,000	33,389	33,000

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$506,442	\$538,960	\$553,340	2.7%
Supplies and Services	1,159,559	1,496,570	1,520,700	1.6%
Subtotal	\$1,666,001	\$2,035,530	\$2,074,040	1.9%

FAIR

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE-Continued	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Debt and Lease Expense	\$390,646	\$465,150	468,520	0.7%
Transfer to LJVM Coliseum Fund	482,677	430,580	485,790	12.8%
Total Expenditures by Type	\$2,539,324	\$2,931,260	\$3,028,350	3.3%
RESOURCES BY TYPE				
Fair Admissions	\$1,415,157	\$1,269,500	\$1,391,200	9.6%
Farmers Market	17,525	14,350	13,200	-8.0%
Other Fair Revenues	1,310,364	1,102,250	1,233,200	11.9%
Parking Services	34,055	33,000	33,000	0.0%
Miscellaneous Revenues	7,840	3,300	2,800	-15.2%
Interest Income	7,616	0	0	NA
Fund Balance Appropriation	0	508,860	354,950	-30.2%
Total Resources by Type	\$2,792,557	\$2,931,260	\$3,028,350	3.3%
Addition to Fund Balance	\$253,233	\$0	\$0	NA
Positions				<u>Change</u>
Full-Time	2	2	2	0
Part-Time (Person Weeks)	501.7	380.2	424.5	44.3

BUDGET HIGHLIGHTS

- On April 30, 2012, the Public Assembly Facilities Commission approved a resolution recommending to the City Council the adoption of the FY 12-13 budget for the Dixie Classic Fair.
- The FY 12-13 budget represents the eighth year of the merger between the LJVM Coliseum Complex and the fairgrounds. The budget is increased \$97,090, or 3.3%. The costs included in the fair budget only relate to the direct costs of producing the Dixie Classic Fair in October. Expenditures related to the annual operation and maintenance of the fairgrounds facilities are accounted for in the LJVM Coliseum Complex budget. A transfer is made from the fair fund to cover 75% of these costs based on an allocation between fair and non-fair event revenues.
- Personnel expenses reflect a net increase of \$14,380, or 2.7%, primarily due to the adopted merit pay increase of \$250 and increased health insurance costs. The budget also reflects an allocation of full-time and part-time Complex staff based on actual work assignments.
- Overall, operating revenues are increased \$251,000, or 10.4%, to bring estimates more in line with actual receipts. The Public Assembly Facilities Commission approved a \$1 increase in weekend ticket prices to encourage more attendance on weekdays (+\$45,200).

FAIR

BUDGET HIGHLIGHTS - Continued

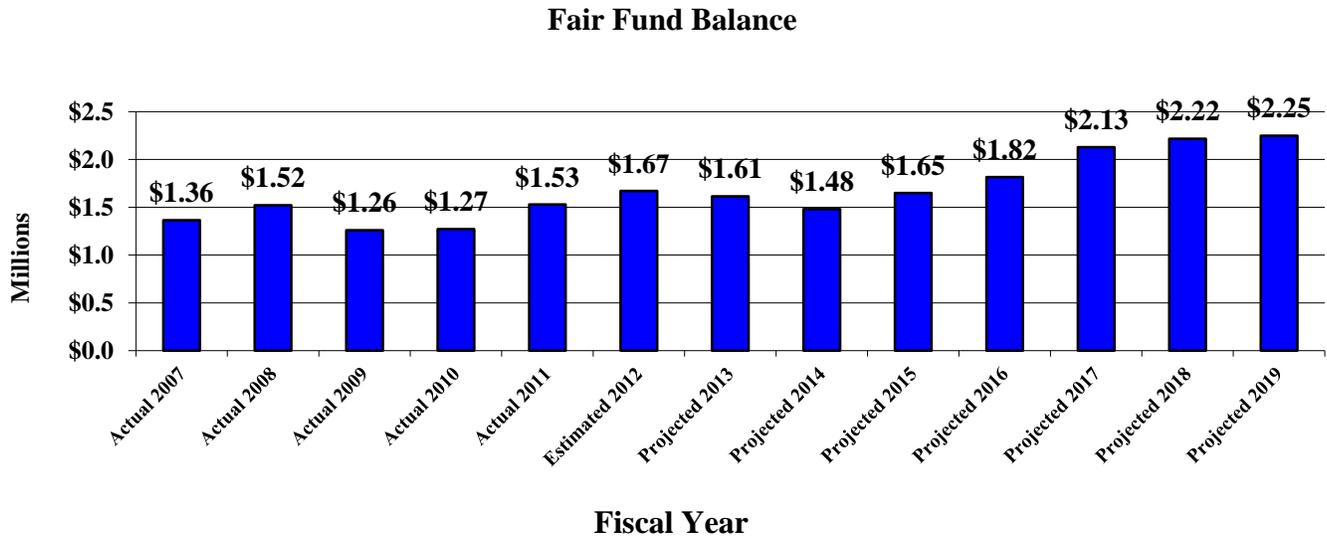
FY 11-12 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the fair fund.

	Budgeted FY 11-12	Estimated FY 11-12
Operating Revenues	\$2,422,400	\$2,831,382
Operating Expenditures	(2,035,530)	(1,839,036)
Operating Income	\$386,870	\$992,346
Investment Income	0	4,081
Debt and Lease Expenses	(465,150)	(387,018)
Transfer to LJVM Coliseum Fund	(430,580)	(418,663)
Net Profit (Loss)	<u>(\$508,860)</u>	<u>\$190,746</u>

Long-Range Financial Outlook

- The following chart provides a fund balance projection for the fair fund. The FY 12-13 budget includes a fund balance appropriation of \$354,950, a decrease of 30.2% from FY 11-12. In FY 13-14, the fair fund will make the final payment on long-term debt financings set up in the 1990's, for a savings of \$322,830 in FY 14-15. In addition, the projection assumes ticket price increases of \$1 in FY 16-17. As a result, the fund balance provides reserves that could be used for future capital improvements.



DOWNTOWN BALLPARK

PROGRAM DESCRIPTION

- Accounts for the principal and interest payments required to pay off debt financings acquired to purchase the land and construct the new downtown ballpark (i.e., BB&T Ballpark).
- Resources include lease payments from the developer, baseball ticket surcharges, and the incremental property tax revenue generated from the new development.

EXPENDITURES BY TYPE

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
Principal Retirement	\$116,667	\$200,000	\$379,550	89.8%
Capital Lease Charges	70,400	70,400	72,490	3.0%
Interest Payments	779,967	982,000	962,040	-2.0%
Fiscal Charges	23,000	23,000	23,000	0%
Total Expenditures by Type	\$990,034	\$1,275,400	\$1,437,080	12.7%

RESOURCES BY TYPE

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
Lease Payments	\$708,139	\$710,110	\$993,980	40.0%
Ticket Surcharge	350,000	350,000	350,000	0%
Transfer from General Fund	90,250	90,250	93,100	3.2%
Fund Balance Appropriation	0	125,040	0	-100.0%
Total Resources by Type	\$1,148,389	\$1,275,400	\$1,437,080	12.7%
Addition to Fund Balance	\$158,355	\$0	\$0	N/A

BUDGET HIGHLIGHTS

- In January 2007, the City Council approved economic development assistance for the Brookstown Development Project, a downtown revitalization project that included the construction of a new baseball stadium. The City's initial investment in the stadium totaled \$12 million, which was funded from several sources. In July 2009, the City Council approved an additional \$14.7 million in order to complete the construction of the stadium. This additional investment was funded from the issuance of special obligation bonds. The total cost of the baseball stadium was \$48.7 million, of which the City's total investment was \$26.7 million, including \$2 million from a federal grant for stadium infrastructure improvements. The developer provided the remaining \$22 million in funding.
- The FY 12-13 budget appropriates \$1,437,080 for debt service associated with the City's investment in the stadium. Under the development agreement, the developer will make a lease payment to the City that will cover the debt service on the City's additional \$12.7 million investment, excluding the federal grant. In addition to the lease payment, a ticket surcharge is assessed and applied to the debt service associated with the City's initial \$12 million investment. For FY 12-13, estimated revenues from the surcharge total \$350,000. Taxes on \$19 million in additional tax base created from the original investment in the stadium also will be used to pay the debt service associated with the City's initial investment. For FY 12-13, the incremental tax payment totals \$93,100.

RECREATION AND CULTURE NON-DEPARTMENTAL

Listed below are the appropriations related to recreation and culture that are not included in any of the departmental budgets in this section of the document.

General Fund	Actual	Budgeted	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Transfers:				
To LJVM Coliseum Fund	\$760,273	\$771,660	\$730,890	-5.3%
To Convention Center Fund	543,269	568,990	568,990	0%
To Downtown Ballpark Fund	90,250	90,250	93,100	3.2%
Other:				
Travel Reductions	0	0	-1,970	N/A
Subtotal	\$1,393,792	\$1,430,900	\$1,391,010	-2.7%
Occupancy Tax				
Mid-Eastern Athletic Conference	\$25,000	\$25,000	\$0	-100.0%
North Carolina State Games	0	0	25,000	N/A
Contingency	0	0	25,000	N/A
Convention Center Sprinkler System Improvements	25,035	0	0	N/A
N.C. League of Municipalities 2010 Annual Meeting	117,653	0	0	N/A
Transfers				
To LJVM Coliseum Marketing	75,000	75,000	75,000	0%
To LJVM Coliseum Promotions	75,000	75,000	75,000	0%
To Convention Center Fund	250,000	250,000	250,000	0%
Subtotal	\$567,688	\$425,000	\$450,000	5.9%
Total Expenditures	\$1,961,480	\$1,855,900	\$1,841,010	-0.8%
Resources				
General Fund Resources	\$1,393,792	\$1,430,900	\$1,391,010	-2.7%
Reimbursements	43,462	0	0	N/A
Occupancy Tax Revenue	440,500	420,000	450,000	7.1%
Occupancy Tax Interest Income	1,600	0	0	N/A
Occupancy Tax Fund Balance Appropriation	82,126	5,000	0	-100.0%
Total Resources	\$1,961,480	\$1,855,900	\$1,841,010	-0.8%

RECREATION AND CULTURE CAPITAL PROJECTS

Listed below are the adopted capital appropriations for recreation and culture related funds and entities.

EXPENDITURES

<u>Project Title</u>	<u>Adopted FY 12-13</u>
Recreation Facilities/Parks Renovations and Expansions:	
Playground Renovations	\$100,000
Greenways and Trails:	
Other Greenway Development	\$270,000
Public Assembly Facilities:	
Convention Center Capital Renovations	\$250,000
TOTAL EXPENDITURES	\$620,000

FUNDING SOURCES

Other:	
Motor Vehicle Privilege Tax	\$270,000
North Carolina Municipal Leasing Corporation	250,000
Contributions/Sponsorships	100,000
TOTAL FUNDING SOURCES	\$620,000



Winston-Salem

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FINANCIAL MANAGEMENT SERVICES

MISSION STATEMENT

The mission of Financial Management Services (FMS) is to provide high quality, responsive financial services, using innovative solutions. FMS facilitates understanding of financial information and the impacts of decisions upon short-term objectives, as well as long-term goals, and the City's financial accountability and integrity.

PROGRAM DESCRIPTIONS

Accounting Services

- Provides financial reporting and analysis for all City funds
- Reviews financial transactions of North Carolina Municipal Leasing Corporation (NCMLC) and Risk Acceptance Management Corporation (RAMCO)
- Coordinates payroll and income tax functions
- Provides financial administration of employee benefits funds
- Provides administrative support for all City employees under the North Carolina Local Government Employees Retirement System and Winston-Salem Police Officers' Retirement Plan and Separation Allowance program

Financial Systems

- Coordinates information technology services with Information Systems department and outside vendors and consultants
- Designs, programs, and implements client-server applications for specialized needs
- Administers security and performs system configuration and report creation for vended FMS department systems
- Programs and troubleshoots system interfaces between vended and custom-built client-server systems

Revenue Collections

- Provides centralized billing and payment processing and revenue collection services for City income sources including water and sewer, stormwater, solid waste, mortgage loans, special assessments, business privilege licenses, parking enforcement, other City invoices, and general collections

Internal Audit

- Reviews financial and operational processes to verify compliance with the City's mission, policies, statutes, and grant or contract requirements.

- Conducts department and major program audits
- Performs major inventory count and reconciliation
- Reviews internal controls on assets; conducts random checks on cash
- Assists external auditors with annual audit and single audit processes

Treasury

- Administers state and City financial policies and procedures for cash management, daily deposits of City funds, cash receipt control and accounting, cash disbursements, debt management, and investment of City funds

Risk Management

- Assists City departments by evaluating risks and determining the best means to minimize those risks.
- Obtains indemnification and insurance on contracts with the City, monitors significant contracts, and advises City departments concerning liability issues relating to risk
- Provides complete claims investigation, evaluation, and settlement of claims against the City
- Provides safety inspections, safety training, and ensures compliance and record keeping for OSHA mandated programs and general safety programs to all City departments
- Provides driver improvement training and issues the City Driver License

Administration

- Directs and coordinates the department's activities and provides City elected officials and management with financial advice regarding City operations and activities

Purchasing

- Provides procurement of necessary goods and services for the City of Winston-Salem, Forsyth County, the City-County Utility Commission, and the Winston-Salem Transit Authority

FINANCIAL MANAGEMENT SERVICES

PROGRAM DESCRIPTIONS- Continued

- Disposes of City surplus personal property, and assists in the administration of the City's Minority and Women's Business Enterprise (M/WBE) program to foster effective broad-

based competition for City business from all segments of the vendor community, including small businesses, locally owned, minority owned, and women owned enterprises

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Accounting/Financial Reporting	\$597,412	\$628,870	\$644,320	2.5%
Financial Systems and Employee Accounting	2,042,493	2,425,250	2,439,790	0.6%
Revenue Collections	2,500,593	2,573,950	2,598,400	0.9%
Treasury	624,576	663,300	659,420	-0.6%
Risk Management	545,175	566,280	607,870	7.3%
Finance Administration	413,728	432,550	456,260	5.5%
City-County Purchasing	396,828	395,390	401,510	1.5%
Internal Audit	244,271	190,250	200,070	5.2%
COPS Repayment	0	0	1,000,000	N/A
Total Expenditures by Program	\$7,365,076	\$7,875,840	\$9,007,640	14.4%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve a 92% Average Revenue Collections Rate:			
Housing/Economic Development loans	96%	96%	96%
Water/Sewer	94%	94%	94%
Stormwater	89%	86%	89%
Assessments (all types)	67%	68%	68%
Business License	96%	100%	100%
Percentage of parking tickets collected within 60 days	64%	69%	69%
Average Revenue Collection rate (all categories):	85%	85%	86%
Keep citywide accident/illness/incident rate to less than 7 per every 200,000 hours worked ¹	3.1	Less than 7	Less than 7
Hold number of City vehicle accidents to less than 5 per 100 employees	5.0	Less than 5	Less than 5
Exceed market index benchmarks for equity investment returns (net of fees)	-1.47%	0.00%	0.00%
Maintain Highest (AAA) Credit Rating (by Fitch, Moody's, and Standard and Poors)	AAA	AAA	AAA
Efficiency			
Number of purchase orders and contracts per Purchasing position	964	1,000	1,000
Workload			
Total number of purchase orders and contracts written	2,981	3,000	3,000
Past due debt collected through <i>Debt Setoff</i> program	\$343,241	\$300,000	\$300,000
Number of Accounts Payable transactions processed	41,159	42,527	42,530

1- The Occupational Safety and Health Administration's (OSHA) acceptable guideline is to remain less than 7 per 200,000.

FINANCIAL MANAGEMENT SERVICES

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$4,379,423	\$4,457,100	\$4,553,920	2.2%
Supplies and Services	2,945,685	3,354,750	\$3,389,730	1.0%
Equipment Leasing Expense	39,969	63,990	\$63,990	0.0%
COPS Repayment	0	0	\$1,000,000	N/A
Total Expenditures by Type	\$7,365,076	\$7,875,840	\$9,007,640	14.4%
RESOURCES BY TYPE				
Interfund Revenues (Utilities and Stormwater Collections)	\$2,934,080	\$2,793,830	\$2,684,280	-3.9%
Purchase Card Rebates	111,159	153,980	164,960	7.1%
Reimbursements from RAMCO	380,410	384,790	405,560	5.4%
Miscellaneous Revenues	134,308	167,940	133,450	-20.5%
Forsyth County (Purchasing Services)	86,730	97,410	148,290	52.2%
Sale of Property/Equipment	207,979	150,000	150,000	0.0%
Transfer from Water and Sewer Fund (Safety Program)	55,860	57,440	58,680	2.2%
Transfer from Workers' Compensation Fund (Safety Program)	122,380	124,050	143,630	15.8%
General Fund Balance Appropriation	0	0	1,000,000	N/A
Other General Fund Revenues	3,332,170	3,946,400	4,118,790	4.4%
Total Resources by Type	\$7,365,076	\$7,875,840	\$9,007,640	14.4%
Positions				Change
Full-Time	66	63	63	0

BUDGET HIGHLIGHTS

Financial Systems

- Total expenditures are increased a net of \$14,540, mainly attributable to an increase in Information Systems charges (+\$39,650) related to computer replacement and direct software application support and a decrease (-\$26,060) in consulting services based on historical spending.

Risk Management

- Supplies and services in Employee Safety are increased \$34,670, mainly attributable to the purchase of eight automated external defibrillators (+\$14,930) and moving safety training and hearing testing expenditures (+\$23,000) from the Workers Compensation Fund. Revenues from the Workers Compensation Fund and the Risk Acceptance Management Corporation offset all expenditure increases in Employee Safety.

Purchasing

- Forsyth County will reimburse the City 38.23% of purchasing services expenses, based on the prior year percentage of purchase order line-item activity, the percentage of total dollar volume purchase orders, and the percentage of administrative time dedicated to each jurisdiction. The County share was 25.54% in FY 11-12 and 22.48% in FY 10-11.

FINANCIAL MANAGEMENT SERVICES

Revenue Collections

- Supplies and services expenditures are increased (+\$6,650 net) as a result of increases for debt collection services (+\$25,000) and decreases in general operating costs. The increase for debt collection services is offset by increased business license revenue resulting from the service.

COPS Repayment

- A one-time payment of \$1,000,000 is budgeted in financial management to help pay the final installment of debt service on bonds issued for benefits funding.

Resources

- Interfund revenue is decreased -\$109,550, mainly attributable to decreased IS charges related to Cayente system maintenance that is charged to the Water and Sewer fund. Purchase card rebate revenue (+\$10,980) increased due to increased usage. Miscellaneous revenue decreases are mainly attributable to loan service fee decreases.

BUDGET AND EVALUATION

MISSION STATEMENT

The mission of the Budget and Evaluation Office is to assist the City Manager in the allocation of public resources to meet the service, program and facilities needs and expectations of the community, as determined by the Mayor and City Council, in accordance with federal, state and local laws and regulations.

PROGRAM DESCRIPTIONS

Budget and Evaluation

- Prepares the City Manager’s operating budget and six-year capital plan
- Coordinates the City’s performance measurement program
- Undertakes special projects and conducts analytical studies as identified by the City Manager
- Coordinates City participation in the North Carolina Local Government Performance Measurement Project
- Provides staff support to the Citizens’ Budget Advisory Council

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve 0 to +4% variance in general fund budgeted revenues compared to actuals (excluding fund balance appropriation)	1.8%	+1.2%	0 to 4%
Achieve no greater than +/-2.5% variance in general fund budgeted expenditures compared to actuals	-3.3% *	-0.5%	+/-2.5%

* Hiring freezes, delayed purchases of capital outlay items and other expenditure reduction measures were implemented in response to the continued decline in sales tax and construction-related revenues.

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$601,255	\$568,500	\$570,830	0.4%
Supplies and Services	85,575	91,340	89,550	-2.0%
Total Expenditures by Type	\$686,830	\$659,840	\$660,380	0.1%
RESOURCES BY TYPE				
Other General Fund Revenues	\$686,830	\$659,840	\$660,380	0.1%
Total Resources by Type	\$686,830	\$659,840	\$660,380	0.1%
Positions				Change
Full-Time	6	6	6	0

CLAIMS FOR DAMAGES

PROGRAM DESCRIPTIONS

- Includes payments to the Risk Acceptance Management Corporation (RAMCO), a non-profit risk management corporation, to cover current claims expense for general, auto, and professional liability claims.
- Includes premium payments for general property claims

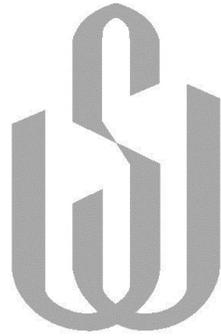
EXPENDITURES	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
General Property Insurance	\$66,274	\$64,400	\$81,960	27.3%
Payments to RAMCO:				
RAMCO Auto Liability (Non-Departmental)	319,420	325,810	332,330	2.0%
RAMCO General Liability (Non-Departmental)	180,460	184,870	187,850	2.0%
Miscellaneous General Claims	0	21,000	21,000	0.0%
Total General Fund Expenditures	\$566,154	\$596,080	\$623,140	4.5%

BUDGET HIGHLIGHTS

- Payments to the Risk Acceptance Management Corporation (RAMCO) for auto and general liability are required to be increased 2% per year, per the terms of an operating memorandum between the City and RAMCO.
- General property insurance increases are mainly attributable to the additions of the Lowery Street Facility (\$11,520) and the Joint Firearms Training Facility (\$2,940).
- The payments listed above are for the general fund only. A summary of payments budgeted in all funds is provided below:

PAYMENTS TO RAMCO BY FUND

Fund	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
General Fund	\$507,070	\$518,010	\$527,660	2.0%
Fleet Services	91,220	93,050	94,920	2.0%
Solid Waste Disposal Fund	7,510	7,660	7,820	2.0%
Water and Sewer Fund	104,680	106,780	108,910	2.0%
Parking Fund	5,550	5,660	5,770	2.0%
Transit Fund	192,204	199,750	203,740	2.0%
Coliseum/Fairgrounds	15,640	15,940	16,260	2.0%
Total Payments	\$923,874	\$946,850	\$965,080	2.0%



Winston-Salem

HUMAN RESOURCE MANAGEMENT

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Employee Benefits 179

HUMAN RESOURCES

MISSION STATEMENT

The mission of the Human Resources Department is to be the leader in providing for and serving the human capital needs of the City's workforce so that we attract and retain diverse and skilled employees who deliver value to our citizens. The mission of Employee Wellness and Development is to promote comprehensive wellness initiatives that give City employees, their family members and retirees the tools they need to take charge of their own personal health and wellbeing, thereby reducing overall healthcare expenditures.

PROGRAM DESCRIPTIONS

Recruitment and Selection

- Administers organizational staffing programs, which include direct and web-based recruitment, selection, promotions/transfers, pre-employment and promotional testing, career plan programs, and all related compliance programs
- Coordinates contracted seasonal workforce, community volunteers, and a non-traditional workforce initiative

Human Resources Information Systems

Management

- Maintains computerized records and imaged employee database management systems to maximize access to and utilization of employee records and applicant information

Classification and Pay Administration

- Manages the City's classification and pay plan and performance appraisal system
- Administers the City's diversity initiatives that support fairness and equal access in recruiting, selection, retention, training, and benefits, and weaves diversity considerations throughout all aspects of the organization.

Benefits Administration

- Designs, administers, and maintains a cost effective comprehensive benefits package for active and retired employees, which include health and dental insurance, medical and dependent spending accounts, life insurance, retirement, work/life counseling assistance, supplemental retirement, disability, long-term care, education assistance, retirement/deferred compensation/401k plans and various paid leaves of absence

Employee Relations/General Administration

- Administers and directs general human resource programs that enhance employee relations, policy development, long-range planning and

overall program compliance with federal and state regulations

- Administers and directs the City's wellness initiatives through *LifeSmart*
- Provides consultation to employees and supervisors in resolving discipline and morale problems and grievances, and administers internal employee communications regarding benefits and policy/procedure changes

Employee Training and Development

- Provides services designed to develop and improve individual and work group employee performance
- Offers both classroom and on-line training, individual performance improvement planning, specialized training based on department needs and internal consulting for organizational development
- Provides development and managerial training to assure mandated federal and state regulations are adhered to
- Administers the Employee Service Excellence initiative which strives to create a culture of excellent customer service

Education and Training

- Educational programs on personal health and wellness.
- OSHA mandated bloodborne pathogens training.

Record Keeping

- Maintains OSHA, Labor Department and Industrial Commission mandated records for employee injuries, medical records, and training requirements.

Medical Services

- Provides medical treatment and/or triage for employees injured on the job and nursing care for employees who have minor illnesses/injuries.

HUMAN RESOURCES

PROGRAM DESCRIPTIONS – Continued

- Provides personal medical services for employees; blood pressure monitoring, allergy shots, general health consulting and referrals.
- Provides a comprehensive Wellness Program that includes on-site medical screening.
- Provides OSHA mandated medical surveillance, audiometric testing, TB skin tests, pulmonary function tests

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Human Resources	\$1,511,301	\$1,628,920	\$1,641,930	0.8%
Employee Wellness and Development	172,476	187,570	188,200	0.3%
Total Expenditures by Program	\$1,683,777	\$1,816,490	\$1,830,130	0.8%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Post 80% of position requests within 24 hours	83%	90%	90%
Process 95% of benefit claims within 10 days	97%	95%	95%
Maintain an 95% accuracy rate for annual enrollment change requests	96%	97%	95%
Resolve 75% of injuries within Employee Health	69%	70%	75%
Maintain a 90% OSHA mandated training standard	93%	92%	90%
Achieve 90% participation rate in voluntary health screenings	100%	94%	90%
Workload			
Number of Applications Received	23,233	21,500	21,500
Number of Medical Claims Processed	214,349	220,225	220,000
Number of employee development programs (i.e. LifeSmart, education assistance, Spanish incentive)	120	120	120
Number of risk-reduction or patient education programs (i.e. smoking cessation, weight management, diabetes) per year*	129	150	150
Number of flu shots	1,512	1,327	1,350
Number of injury clinic visits	396	345	325

*Reporting methodology changed effective September 1, 2010. Actual FY 10-11 data is extrapolated from ten months of available reporting.

HUMAN RESOURCES

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$880,439	\$987,900	\$971,790	-1.6%
Supplies and Services	803,338	828,590	858,340	3.6%
Total Expenditures by Type	\$1,683,777	\$1,816,490	\$1,830,130	0.8%
RESOURCES BY TYPE				
Interfund Revenue	\$120	\$0	\$0	N/A
Contributions	3,600	0	0	N/A
Other General Fund Revenues	1,680,057	1,816,490	1,830,130	0.8%
Total Resources by Type	\$1,683,777	\$1,816,490	\$1,830,130	0.8%
Positions				<u>Change</u>
Full-Time	13	14	14	0

BUDGET HIGHLIGHTS

- Personnel expenses are decreased by 1.6% (-\$16,110), as a net of the results of merit increases and savings realized from turnover in positions.
- Supplies and services expenses are increased by 3.6% (+\$29,750), mainly attributable to increases for information systems charges (+\$33,730).

EMPLOYEE BENEFITS

MISSION STATEMENT

The mission of the Employee Benefits program is to create, administer, and communicate a cost effective comprehensive benefits package for active and retired employees that includes health, dental, flexible benefits spending, life, retirement, supplemental retirement, employee wellness, disability, education assistance and various paid leaves of absence.

PROGRAM DESCRIPTIONS

- Administers the employee benefits program, which combines subfunds used for employee health care, retiree health care and death benefit, dental, flexible benefits spending, and workers' compensation
- Accounts for employee benefits expenditures, such as social security (FICA), North Carolina retirement system contributions, 401(k), unemployment insurance, life insurance, tuition reimbursements, and deferred compensation
- Funds the employee wellness programs

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Workers Compensation	\$2,213,413	\$2,335,700	\$5,899,080	152.6%
Retiree Life and Health	7,161,417	7,665,500	9,729,350	26.9%
Health Benefit Fund	15,877,169	15,475,860	18,817,000	21.6%
Dental and Flex Spending Fund	2,136,835	1,791,000	1,950,000	8.9%
Employment Taxes and Benefits Fund	19,833,064	20,691,710	24,180,630	16.9%
Total Expenditures by Program	\$47,221,898	\$47,959,770	\$60,576,060	26.3%

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$473,981	\$532,860	\$648,510	21.7%
Operations	1,377,999	1,697,060	1,812,650	6.8%
Cash Capital	0	0	25,000	N/A
Leasing Payments	0	0	4,640	N/A
Payments to Health Providers	21,904,729	22,429,800	27,437,350	22.3%
Medicare Supplement Insurance	1,533,409	1,000,000	1,400,000	40.0%
Employer Paid Benefit Expenses	19,246,080	20,092,750	20,377,030	1.4%
Claims and Benefits Reserves	514,717	370,250	370,250	0.0%
Dental Care Expenses	1,161,403	1,058,000	1,080,000	2.1%
Flexible Benefits Spending	887,200	655,000	777,000	18.6%
Transfer to General Fund (Employee Safety Program)	122,380	124,050	143,630	15.8%
Interfund Transfer	0	0	1,000,000	N/A
COPS Repayment	0	0	5,500,000	N/A
Total Expenditures by Type	\$47,221,898	\$47,959,770	\$60,576,060	26.3%

EMPLOYEE BENEFITS

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
City Contribution	\$37,504,942	\$40,022,710	\$43,398,970	8.4%
Employee Contribution	6,682,736	7,100,000	7,360,200	3.7%
Other Agency Contributions	5,769	118,800	118,800	0.0%
Reimbursements	83,618	145,200	147,750	1.8%
Investment Income	8,379,196	500,000	1,000,000	100.0%
Interfund Transfer	0	0	1,000,000	N/A
Fund Balance Appropriation	0	73,060	7,550,340	N/A
Total Resources by Type	\$52,656,262	\$47,959,770	\$60,576,060	26.3%
Change in Fund Balance/Reserves	\$5,434,363	\$0	\$0	0.0%
Positions				Change
Full-Time	9	9	9	0

BUDGET HIGHLIGHTS

- Workers Compensation expenditures are increased for a one-time payment of \$3,500,000 dollars to repay COPS issued for benefits funding.
- Expenditures in the Retiree Life and Health Fund and Health Benefits Fund are increased 23.6% (+\$5,404,990), because of projected growth in medical costs (+\$5,007,550) based on historical trends and Medicare Supplemental Insurance costs (+\$400,000).
- The Employment Taxes and Benefits Fund expenditures are increased \$3,488,920, or 16.9%, mainly due to a one-time payment of \$2,000,000 dollars to repay COPS issued for benefits funding, a transfer to the Health Benefits fund (\$1,000,000), and increases in the costs for claims and insurance (\$200,000).
- City contributions are increased by \$3,376,260, or 8.4% primarily as a result of increasing health care and claims costs.
- As noted above, fund balance appropriations are increased mainly due to the repayment of COPS (\$5,500,000) and a transfer to the Health Benefits Fund from the Employment Taxes and Benefits Fund (\$1,000,000). The Retiree Life and Health Fund (\$106,600), the Workers' Compensation Fund (\$562,080), and the Employee Taxes and Benefits Fund (\$381,660) appropriated fund balance for operations.
- Investment income in the Retiree Life and Health fund is increased \$500,000, or 100%, based on current market conditions and projected FY 11-12 revenue. Budgeted investment income in the Retiree Life and Health fund represents an estimated 2.5% return on investments.

INTERDEPARTMENTAL SERVICES

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OFFICE OF THE CITY ENGINEER

MISSION STATEMENT

The mission of the Municipal Engineering and Real Estate Division is to provide effective and efficient services to complete approved capital improvement projects, to assist in acquisition of property and inspection of privately constructed street and utility projects to ensure compliance with City standards, to provide information to private developers and other City departments in the marketing and disposition of community development, foreclosure, surplus and lease property; and to provide other engineering and survey services required for the efficient and safe operation of the City of Winston-Salem. The mission of the Capital Building Projects Division is to oversee the planning, design, and construction of major City building and facility projects (vertical construction).

PROGRAM DESCRIPTIONS

Municipal Engineering Division

- Provides all field-related engineering services, including the administration of contractor-performed projects and quality control inspections
- Provides contract administration services and engineering/utility information to the public and developers
- Provides subdivision review services and driveway permits
- Performs design engineering for City/County, state, and federally funded infrastructure projects in Winston-Salem and Forsyth County
- Provides leadership, planning, and fiscal stewardship with contractors, the public, and other City divisions

Capital Building Projects Division

- Works closely with architects and consulting engineers to develop plans that meet the needs of the City, including scheduling and adherence to approved budgets.
- Ensures that projects are constructed in a quality manner in accordance with approved plans and makes recommendations regarding any change orders or costs for extra work beyond the original contract.

Real Estate Division

- Acquires and disposes of real property for City departments
- Provides management and disposition of foreclosed properties
- Administers the city's Lease Management Program

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Municipal Engineering Division	\$2,923,642	\$3,175,720	\$3,213,320	1.2%
Capital Building Projects Division	217,061	233,870	235,900	0.9%
Real Estate Division	491,561	507,760	490,460	-3.4%
Total Expenditures by Program	\$3,632,264	\$3,917,350	\$3,939,680	0.6%
Interdepartmental Charges	-\$6,611	-\$20,000	-\$20,000	0%
Net Expenditures by Program	\$3,625,653	\$3,897,350	\$3,919,680	0.6%

OFFICE OF THE CITY ENGINEER

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Maintain engineering costs below 20% of construction costs for 85% of major projects*	33%	85%	85%
Review 90% of driveway permits within 15 working days	100%	100%	90%
Review 100% of subdivision plans within 20 working days	100%	100%	100%
Process 90% of payments within five working days of receipt	100%	100%	90%
Acquire 90% of project within 90 days of estimated due date	100%	95%	90%
Acquire 70% of properties at initial value authorized by the City Council or City/County Utility Commission	88%	85%	85%
Acquire 60% of properties without condemnation	86%	70%	70%
Workload			
North Carolina Department of Environment and Natural Resources water and sewer permits issued	62	58	50
Linear feet of water designs completed	8,153	6,000	5,000
Linear feet of sewer designs completed	1,475	1,264	1,400
Subdivision street miles inspected	4	4	4
Properties acquired for road/sidewalk construction	116	0	10
Properties acquired for water and sewer	82	42	60
Properties acquired for public facilities	4	2	1
Properties acquired for greenways	3	3	0
City Leases maintained	120	120	120

*In FY 10-11, there were only 3 major projects and the percentages for each were 21.8%, 23.1%, and 8.1%, for an average of 17.7%.

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$2,931,519	\$3,099,820	\$3,145,900	1.5%
Supplies and Services	658,505	772,060	756,630	-2.0%
Equipment Leasing Expense	35,629	25,470	17,150	-32.7%
Net Expenditures by Type	\$3,625,653	\$3,897,350	\$3,919,680	0.6%
RESOURCES BY TYPE				
Interfund Revenues	\$1,723,769	\$1,800,000	\$1,777,000	-1.28%
Service Charges	14,790	35,000	35,000	0.00%
Rental Revenue	15,400	12,900	12,900	0.00%
Sale of Property	0	15,000	10,000	-33.33%
Rebate from Risk Acceptance Management Corp.	83,100	83,100	83,100	0.00%
Miscellaneous Revenue	11,900	0	0	N/A
Other General Fund Revenues	1,776,694	1,951,350	\$2,001,680	2.6%
Net Resources by Type	\$3,625,653	\$3,897,350	\$3,919,680	0.6%

OFFICE OF THE CITY ENGINEER

Positions	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Change
Municipal Engineering Division	41	39	39	0
Capital Building Projects Division	2	2	2	0
Real Estate	5	5	5	0
Part-Time (FTE's)	0.5	0.2	0	-0.2

BUDGET HIGHLIGHTS

- Personnel expenditures reflect an increase of \$46,080, or 1.5%, primarily due to the merit and benefits increases. The budget also reflects transfer of a vacant position to the City Manager’s Office during FY 11-12, as well as the elimination of a part-time construction inspector.
- Supplies and services are decreased by \$15,430, or 2.0%. This is a combination of increases to areas like rent and information systems charges and decreases to fuel, software, and other general operating areas.
- Equipment leasing expenditures for FY 12-13 are decreased \$8,320, primarily as a result of the completion of payments for previously approved items.
- The budgeted level of revenue from plan review charges, commercial driveway permits, bond review fees, zoning/subdivision fees, and rebates is expected to remain the same as budgeted for FY 11-12. Revenue from the sale of property is reduced \$5,000 or 33.3%.

MAIL AND PRINTING SERVICES

PROGRAM DESCRIPTIONS

The City has contracted with a private company to provide the following services:

- Receive, process, and deliver all incoming City mail as well as pick up, process, and dispatch all outgoing mail
- Provide printing and copying services to all City departments
- Supply and maintain all copy machines located in City departments
- Provide and maintain multi-function devices in various City departments that are providing copying, printing, faxing, and scanning capabilities

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Management Contract	\$517,119	\$627,440	\$627,440	0%
Other Supplies and Services	56,867	50,860	51,850	2.0%
Total Expenditures by Type	\$573,986	\$678,300	\$679,290	0.1%

RESOURCES BY TYPE

Sales and Services	\$140	\$0	\$0	N/A
Other Revenues	13,384	0	0	N/A
Other General Fund Revenues	560,462	678,300	679,290	0.1%
Total Resources by Type	\$573,986	\$678,300	\$679,290	0.1%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve 90% rate of print jobs completed accurately	96.3%	97.0%	98.0%
Complete 99% of print jobs within requested time frame	95.4%	98.0%	99.0%
Achieve a customer satisfaction rating of “Satisfied” or “More than Satisfied” from 95% of customers	98.5%	98.0%	98.0%
Workload			
Number of mail pieces metered	245,479	245,028	245,000
Number of black and white impressions	1,156,404	986,784	975,000
Number of color impressions	322,808	316,680	310,000

BUDGET HIGHLIGHTS

- The cost of the print shop contract is recovered from non-general fund departments through indirect cost charges.
- The \$990, or 0.1%, increase in expenditures is due to an increase in rent at the Bryce A. Stuart Municipal Building and a slight increase in equipment rental for a post office box.

PROPERTY AND FACILITIES MANAGEMENT/ FLEET SERVICES

MISSION STATEMENT

The mission of the Fleet Services Division of the Property and the Facilities Management Department is to assist City organizations in the effective and efficient completion of their missions by providing safe, appropriate, and well-maintained vehicles at a competitive cost with high quality service.

PROGRAM DESCRIPTIONS

Contract Administration/Other Fleet Services

Fleet Services Administration

- Manages and oversees vehicle acquisition and fuel management program
- Administers fleet services programs and provides for market research, testing and demonstration of new equipment, specification writing, bidding and procuring of equipment, working with City personnel to determine departmental needs, assigning leased vehicles, billing reporting, managing resources, and problem solving

Service Station

- Provides fuel at three separate locations and monitors usage by a computerized fuel information system, using a 2,000-gallon tanker truck to fuel off-road equipment and landfill equipment
- Operates an automated truck and car wash facility

Leased and Pool Vehicles

- Leases just under 300 automobiles and light trucks to various City departments and divisions

Vehicle Maintenance Service Contract

Heavy Equipment Repair

- Provides maintenance and repair services for trucks weighing one ton or more
- Covers off-road equipment repairs and small engine repairs

Light Equipment Repair

- Maintains and repairs automobiles and light trucks below three-quarter ton, including scheduled maintenance, unscheduled repairs, in-service preparation, North Carolina inspections, and coordinating work with outside vendors

Tire Shop

- Provides most tire changes and repairs for any City vehicle, including on-site and off-site service
- Disposes of surplus tires

Auto Parts

- Maintains an inventory of vehicle parts and supplies for all shop personnel

EXPENDITURES BY PROGRAM

Contract Administration and Other Fleet Services

	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Fleet Services Administration	\$350,698	\$397,340	\$268,720	-32.4%
Service Station	4,242,994	3,706,010	4,672,230	26.1%
Leased and Pool Vehicles	618,800	512,470	492,310	-3.9%
Subtotal	\$5,212,492	\$4,615,820	\$5,433,260	17.7%

Vehicle Maintenance Service Contract

Fleet Maintenance and Repair Administration	\$178,977	\$219,550	\$207,820	-5.3%
Heavy Equipment Repair	1,208,843	1,137,000	1,342,300	18.1%
Light Equipment Repair	890,896	882,290	873,010	-1.1%
Tire Shop	88,507	91,000	101,840	11.9%
Auto Parts	1,547,509	1,547,720	1,644,100	6.2%
Subtotal	\$3,914,731	\$3,877,560	\$4,169,070	7.5%

Total Expenditures by Program

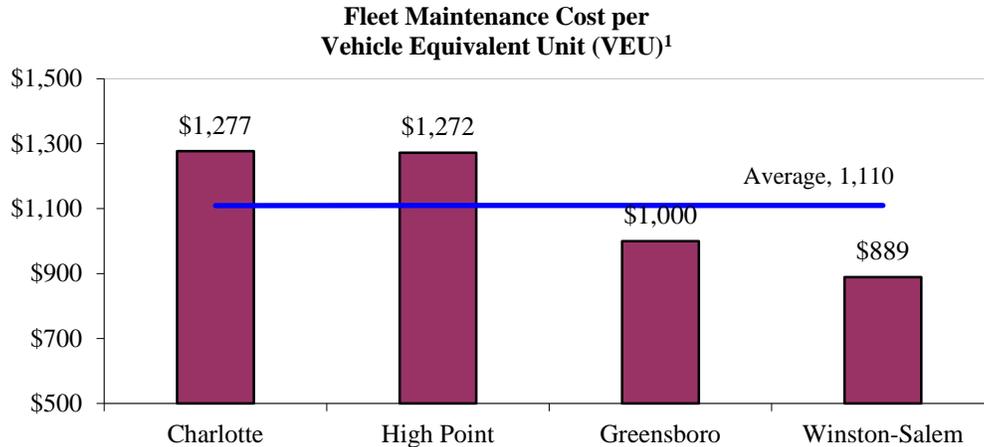
	\$9,127,222	\$8,493,380	\$9,602,330	13.1%
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PROPERTY AND FACILITIES MANAGEMENT/ FLEET SERVICES

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Complete 70% of repairs within 24 hours	76%	73%	72%
Complete 90% of repairs in 72 hours	85%	83%	82%
Efficiency			
Bill 80% of technician time	75%	78%	80%
Workload			
Number of fleet work orders completed	9,894	11,100	11,500
Number of new vehicles/equipment purchased annually	74	160	130
Gallons of fuel dispensed	1,460,232	1,450,000	1,450,000

FY 10-11 N.C. BENCHMARKING PROJECT RESULTS



¹ Vehicle Equivalent Unit (VEU) is a weighted measure of the maintenance effort associated with different classes of vehicles. A normal-use car is equal to one VEU.

Source: N.C. Local Government Performance Measurement Project, *Final Report on City Services for Fiscal Year 2010-2011*, February 2012

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$1,572,408	\$1,699,260	\$1,573,020	-7.4%
Supplies and Services	7,034,909	6,396,690	7,640,040	19.4%
Subtotal	\$8,607,317	\$8,095,950	\$9,213,060	13.8%
Debt and Lease Expense	\$519,906	\$397,430	\$389,270	-2.1%
Total Expenditures by Type	\$9,127,222	\$8,493,380	\$9,602,330	13.1%

PROPERTY AND FACILITIES MANAGEMENT/ FLEET SERVICES

RESOURCES BY TYPE	Actual	Budget	Adopted	Percent
Contract Administration and Other Fleet Services	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Fuel Sales	\$3,960,714	\$3,651,010	\$4,617,230	26.5%
Fixed Rate Charge- Leased Vehicles	543,635	507,470	487,310	-4.0%
Pool Vehicle Rentals	4,238	5,000	5,000	0.0%
Contract Administration Surcharge	412,890	397,340	268,720	-32.4%
Truck/Car Wash Service Charge	47,326	55,000	55,000	0.0%
Miscellaneous Revenues	27,810	0	0	N/A
Subtotal	\$4,996,612	\$4,615,820	\$5,433,260	17.7%
Vehicle Maintenance Service Contract				
Fleet Charges - Target Services	\$3,437,446	\$3,189,070	\$3,436,860	7.8%
Fleet Charges - Non-Target Services	636,904	562,790	606,510	7.8%
Fleet Charges - Non-Contract Services	43,934	125,700	125,700	0.0%
Subtotal	\$4,118,284	\$3,877,560	\$4,169,070	7.5%
Total Resources by Type	\$9,114,896	\$8,493,380	\$9,602,330	13.1%
Positions				<u>Change</u>
Full-Time	33	32	32	0

BUDGET HIGHLIGHTS

Fleet Services Administration

- Fleet services administration expenditures are reduced \$128,620, mainly due to transferring one position to Facilities Management during FY 11-12. Contract administration surcharge revenues have been reduced to reflect this change.

Service Station

- Fuel purchases are budgeted at \$3.30 and \$3.65 per gallon for unleaded and diesel, respectively, and assume departments will reduce current levels of consumption by 5% overall. With fuel prices fluctuating greatly, staff will monitor closely fuel prices and departmental usage to determine whether additional conservation measures will be required to keep costs in line with the budget.

Leased and Pool Vehicles

- Debt and lease expenses reflect a net decrease of \$21,420 as a result of the final payment in FY 11-12 of previously approved equipment (-\$133,630) and the replacement of ten administrative sedans, eight compact pickup trucks, five half-ton pickup trucks, and three vans (+\$112,210). Two of the administrative sedans are electric vehicles, purchased partially with federal stimulus (ARRA) funding.

Vehicle Maintenance Service Contract

- The budget for vehicle maintenance services is increased \$291,510, or 7.5%, primarily due to increased expenditures for parts and outside vehicle services due to anticipated maintenance requirements for the fleet (+\$284,000) and lease payments for a new tire truck (+\$10,970).

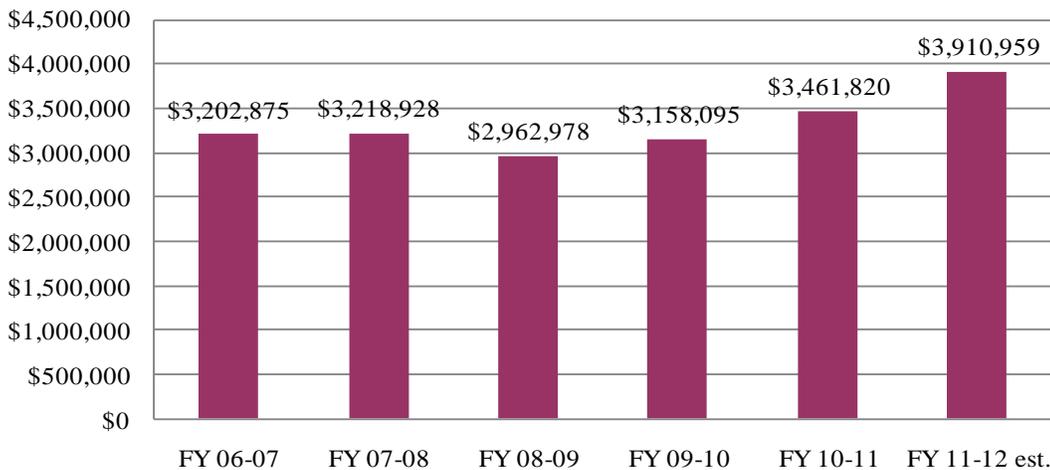
PROPERTY AND FACILITIES MANAGEMENT/ FLEET SERVICES

BUDGET HIGHLIGHTS - Continued

Vehicle Maintenance and Replacement

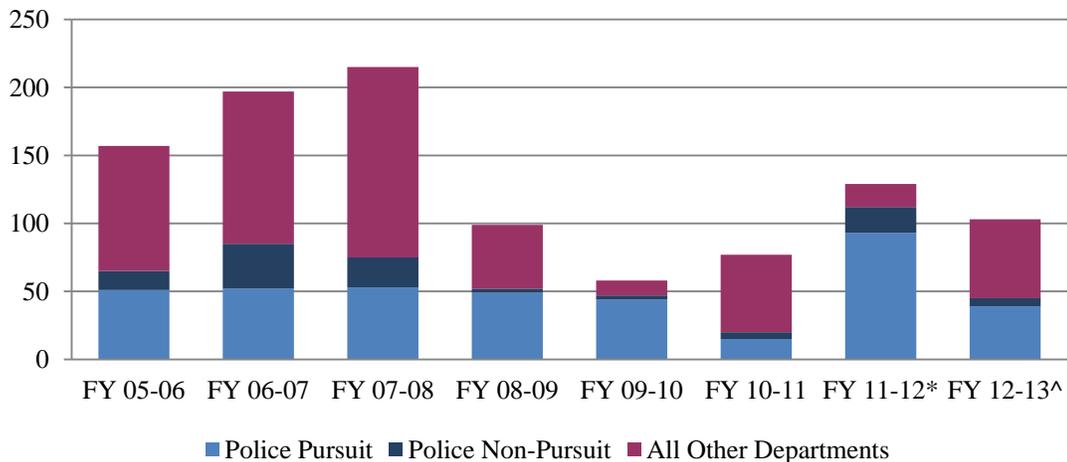
- As part of the FY 12-13 budget, additional funds have been added for replacement of vehicles and equipment; however, as the average age of the fleet continues to increase, repair and maintenance costs will continue to increase. The chart below depicts the actual maintenance and repair costs for all departments excluding wrecks.

Vehicle and Equipment Maintenance and Repair Expenditures



- Due to budget constraints caused by the economic downturn that began in FY 07-08, the City made difficult decisions in order to balance the budget. Among those decisions was the choice to delay replacement of vehicles and equipment. The chart below illustrates the number of rolling stock replacements and additions since FY 05-06, reported based on acquisition date.

Acquired Rolling Stock by Type by Year



*FY 11-12 includes 32 police pursuit vehicles to be delivered in June 2012

^FY 12-13 includes budgeted rolling stock

PROPERTY AND FACILITIES MANAGEMENT/ FACILITIES MANAGEMENT

MISSION STATEMENT

The mission of the Facilities Management Division of the Property and Facilities Management Department is to provide leadership to other City departments in the area of asset management for all City facilities and to provide effective and efficient facility management and maintenance services.

PROGRAM DESCRIPTIONS

Centralized Building Operations

City Hall

- Provides facility maintenance services for City Hall, including utilities, maintenance, repairs, custodial services, and security

Bryce A. Stuart Municipal Building

- Provides facility maintenance services for the Bryce A. Stuart Municipal Building, including utilities, maintenance, repairs, custodial services, and security

Public Safety Buildings

- Provides facility maintenance services for the Public Safety Center, including utilities, maintenance, repairs, custodial services, and security
- Provides facility maintenance services for the Alexander R. Beaty Public Safety Training & Support Center, including utilities, maintenance, repairs, custodial services, and security

Joint Firearms Training Facility

- Provides facility maintenance services, including utilities and maintenance, for the Joint Firearms Training Facility located at 550 Brookwood Business Park Dr., which opened for operation in March 2012

Premises Maintenance

- Accounts for preventive maintenance and repair services for approximately 100 additional City buildings including all fire stations, recreation centers, City Yard buildings, City Yard Annex buildings, Reynolds Park and Winston Lake Golf Course buildings, Winston-Salem Transit Authority facilities, and Hanes Mill Road Landfill buildings
- Manages utilities accounts and other services for City Yard facilities

Lowery Street Facility

- Provides facility maintenance services, including utilities and maintenance, for the former Flakt-Bahnsen building located at 2000 Lowery Street, which the City purchased in April 2011

Facility Maintenance Services

Building Repairs

- Provides for the regular, comprehensive service of heating and cooling systems, painting, roof repair and inspections, and general building repairs for 368 buildings (over 3.25 million square feet of floor space), 30 pedestrian overpasses and underpasses, and 32 area utility systems

Custodial Services

- Provides custodial services for City Hall, Bryce A. Stuart Municipal Building, Public Safety Buildings, Winston-Salem Transit Authority, Black-Phillips-Smith Neighborhood Government Services Office, and City Yard facilities

Facilities Management Administration

- Provides the supervision and direction for all facilities management programs
- Coordinates contractors and other City forces for the successful completion of projects at City facilities
- Administers the City's facilities renewal program
- Administers the City's energy management program

PROPERTY AND FACILITIES MANAGEMENT/ FACILITIES MANAGEMENT

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
<i>Centralized Building Operations</i>				
City Hall	\$499,306	\$509,460	\$479,940	-5.8%
Bryce A. Stuart Municipal Building	127,503	128,950	130,780	1.4%
Public Safety Buildings	626,123	708,230	1,058,270	49.4%
Premises Maintenance	721,199	732,020	746,860	2.0%
Lowery Street Facility	41,899	188,600	179,600	-4.8%
Subtotal	\$2,016,031	\$2,267,260	\$2,595,450	14.5%
<i>Facility Maintenance Services</i>				
Building Repairs	\$1,398,619	\$1,395,720	\$1,373,980	-1.6%
Custodial Services	708,910	701,560	1,120,240	59.7%
Facilities Management Administration	477,621	520,380	757,200	45.5%
Subtotal	\$2,585,150	\$2,617,660	\$3,251,420	24.2%
Total Expenditures by Program	\$4,601,181	\$4,884,920	\$5,846,870	19.7%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Complete 100% of premise maintenance and building repair work orders within 30 days	95%	100%	100%
Keep percentage of building repair and premise maintenance work orders requiring repeat repair to less than 1%	5%	2%	0%
Efficiency			
Number of square feet receiving custodial services per FTE position ¹	21,820	28,874	28,874
Workload			
Number of facilities receiving premise maintenance services	95	95	96
Total square feet of space under premise maintenance program	689,012	689,012	691,012
Number of facilities included in building repair service	373	374	375
Total square feet of space included in building repair service	3,950,929	3,950,929	3,952,929
Total number of building repair and premise maintenance work orders issued	9,735	10,300	10,800
Number of facilities receiving custodial services	18	42	42
Total square feet of space under custodial services program	533,077	711,832	710,328

1- Reference ICMA "Performance Measures and Benchmarks in Local Government Facilities Maintenance" (Benchmark: 14,000 SF/FTE)

PROPERTY AND FACILITIES MANAGEMENT/ FACILITIES MANAGEMENT

	<u>Actual</u>	<u>Budget</u>	<u>Adopted</u>	<u>Percent</u>
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$2,174,124	\$2,260,170	\$2,860,460	26.6%
Supplies and Services	2,365,166	2,476,860	2,861,360	15.5%
Subtotal	\$4,539,290	\$4,737,030	\$5,721,820	20.8%
Equipment Leasing Expense	\$61,891	\$27,890	\$5,050	-81.9%
Transfer to Leasing Fund	0	120,000	120,000	0.0%
Total Expenditures by Type	\$4,601,181	\$4,884,920	\$5,846,870	19.7%
RESOURCES BY TYPE				
Service Charges to General Fund Departments	\$3,117,873	\$3,144,930	\$3,950,060	25.6%
Service Charges to Non-General Fund Departments	781,152	1,051,970	1,035,810	-1.5%
Rental Revenues	0	144,000	144,000	0.0%
Reimbursement	102,321	102,320	102,320	0.0%
Other General Fund Revenues	599,835	441,700	614,680	39.2%
Total Resources by Type	\$4,601,181	\$4,884,920	\$5,846,870	19.7%
Positions				<u>Change</u>
Full-Time	38	49	49	0
Part-Time Custodians (FTE's)	21.0	25.0	25.0	0

BUDGET HIGHLIGHTS

Centralized Building Operations

- The FY 12-13 budget for centralized building operations is increased \$328,190, or 14.5%, primarily due to the addition of operating costs for the Joint Firearms Training Facility. Construction of the facility was officially completed in March 2012, and at that time, the City assumed all operating costs for the facility.
- City Hall operating expenditures are decreased \$29,520, or 5.8%, primarily due to decreased natural gas costs.
- Premises Maintenance expenditures are increased \$18,840, or 2.0%, primarily due to increased energy costs.

Facility Maintenance Services

- The FY 12-13 budget for facility maintenance services is increased \$663,760, or 24.2%, primarily due to the transfer of custodial positions (nine full-time and eight part-time) and supplies costs from Recreation and Parks to provide services for recreation centers, during FY 11-12. Increased administrative costs are related to the transfer of one building coordinator and one deputy department director, also during FY 11-12.

PROPERTY AND FACILITIES MANAGEMENT/ FACILITIES MANAGEMENT

BUDGET HIGHLIGHTS - Continued

- Service charges to general fund departments are increased \$805,130, or 25.6%, mainly due to the reorganization of Property and Facilities Management and the opening of the new firing range.

Total Facilities Management Department

- Equipment leasing expenses are decreased \$22,840, or 81.9%, as a result of the completion of payments for previously approved equipment.

PROPERTY AND FACILITIES MANAGEMENT/ CENTRAL WAREHOUSE

MISSION STATEMENT

The mission of the Central Warehouse Division of the Property and Facilities Management Department is to provide City departments with supplies and operating equipment and to manage surplus disposal in a cost efficient and effective manner through consolidated purchasing and centralized storage.

PROGRAM DESCRIPTIONS

- Stores fire/police items such as uniforms, weapons, badges, safety/emergency items, and janitorial supplies.
- Stores items used primarily by Utilities Construction and Maintenance such as pipe, manhole sections, water connections, fire hydrants, and repair parts.
- Furnishes and sells yard waste carts, cart stickers, and trash carts to the public
- Collects, stores, and disposes of all surplus properties except real estate and motor vehicles

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Maintain year-end inventory variance ¹ to less than 2%	0%	0%	0%
Workload			
Number of requisitions filled	8,846	8,000	8,000

1- Difference between the actual quantity of an inventory item in stock compared to the balance shown in the inventory records.

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$168,352	\$172,920	\$215,200	24.5%
Supplies and Services	96,532	93,080	\$91,220	-2.0%
Debt and Lease Expense	0	5,610	5,260	-6.2%
Total Expenditures by Type	\$264,884	\$271,610	\$311,680	14.8%

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Service Charges	\$246,853	\$256,610	\$296,680	15.6%
Miscellaneous Sales and Services	11,006	15,000	15,000	0.0%
Fund Balance Appropriation	7,025	0	0	N/A
Total Resources by Type	\$264,884	\$271,610	\$311,680	14.8%

Positions				Change
Full-Time	4	5	5	0

PROPERTY AND FACILITIES MANAGEMENT/ CENTRAL WAREHOUSE

BUDGET HIGHLIGHTS

- Personnel expenditures are increased \$42,280, or 24.5%, due to the transfer of one warehouse supervisor position from Recreation and Parks as part of the property and facilities management reorganization during FY 11-12. The reorganization provides opportunities for service consistency and efficiency by consolidating similar warehouse functions into a centralized department.
- Service charges to departments are increased by \$40,070, or 15.6%, to account for the transfer of the warehouse supervisor position. Increased warehouse charges to the general fund are offset by the transfer of that position.

PROPERTY AND FACILITIES MANAGEMENT / SUSTAINABILITY

MISSION STATEMENT

The mission of the City’s Sustainability Program within the Property and Facilities Management Department is to ensure full implementation of the City’s strategic energy and sustainability initiatives.

PROGRAM DESCRIPTIONS

- Provides the supervision and direction for the City’s Sustainability Program
- Provides staff support for the Citizens’ Sustainability Program Committee
- Coordinates the City’s sustainability (green) initiatives, Departmental Task Force initiatives, and Cool Cities programming

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
EXPENDITURES BY TYPE				
General Fund				
Personnel	\$74,832	\$76,940	\$78,470	2.0%
Supplies and Services	47,589	149,280	45,460	-69.5%
Total General Fund Expenditures	\$122,421	\$226,220	\$123,930	-45.2%
Grants Fund				
Personnel	\$20,959	\$0	\$0	N/A
Supplies and Services	148,887	0	0	N/A
Total Grants Fund Expenditures	\$169,846	\$0	\$0	N/A
Total Expenditures by Type	\$292,267	\$226,220	\$123,930	-45.2%
RESOURCES BY TYPE				
General Fund				
Interfund Charges	\$84,745	\$75,820	\$0	-100.0%
Contributions	21,500	56,000	0	-100.0%
Miscellaneous Revenues	9,476	0	0	N/A
Other General Fund Resources	6,701	94,400	123,930	31.3%
Total General Fund Resources	\$122,421	\$226,220	\$123,930	-45.2%
Grants Fund				
Federal Stimulus (ARRA) Funds	\$162,855	\$0	\$0	N/A
Total Grants Fund Resources	\$169,846	\$0	\$0	N/A
Total Resources by Type	\$292,267	\$226,220	\$123,930	-45.2%
Positions				<u>Change</u>
Full-Time	1	1	1	0
Part-Time (FTE’s)	6	6	0	-6

PROPERTY AND FACILITIES MANAGEMENT / SUSTAINABILITY

BUDGET HIGHLIGHTS

- Supplies and services are decreased by 69.5% (-\$103,820) due to the elimination of GoExpo (-\$56,000) and reductions of one-time funding in FY 11-12 for thermostat covers (-\$10,000) and energy audits (-\$40,000).
- Interfund revenues are reduced by 100% as funds allocated to cover the cost of the sustainability director from the City's Energy Efficiency Conservation Block Grant (EECBG), awarded through the federal stimulus program, have been exhausted. Contributions obtained as part of the GoExpo program are decreased by 100% as the program has been eliminated.
- During FY 11-12, the City reallocated EECBG funding to establish a City weatherization program. The reallocation was appropriated through an amendment and was not part of the original budget (\$125,000).
- During FY 10-11, the City received a grant from the State Energy Office to hire six interns for eighteen months to staff the sustainability resource center. The reduction of part time personnel in sustainability is a result of the expiration of that grant funding.

PROPERTY AND FACILITIES MANAGEMENT / VEGETATION MANAGEMENT

MISSION STATEMENT

The mission of the Vegetation Management Division of the Property and Facilities Management Department is to contribute to a safe, sustainable, and visually appealing urban environment by involving and educating citizens and by effectively and efficiently managing and enhancing the City of Winston-Salem’s vegetative assets growing in parks, athletic fields and rights-of-way, and cemeteries as well as promoting sustainable (green) initiatives throughout the City.

PROGRAM DESCRIPTIONS

Administration

- Maintains all personnel and cost accounting records
- Responsible for oversight and payment of all utilities and building-related expenses

- Responsible for a citywide herbicidal spray program
- Plants and maintains all flowerbeds on City property

Grounds Maintenance

- Mows and maintains all city and state rights-of-way within the city limits, with the exception of Interstate 40
- Maintains vegetation at three landfills
- Mows and maintains all turf within City parks, as well as other City properties
- Mows and maintains athletic fields to accepted recreational specifications

Urban Forestry

- Manages the urban forestry program, which coordinates Community Roots Day and enforces City ordinances and policies related to trees within the City
- Maintains, removes, and plants trees along all rights-of-way, parks, and City-owned property
- Responsible for removal of storm damaged trees, and removing downed trees from City rights-of-way

Landscape Maintenance

- Designs, installs, and maintains landscaped areas within all city and state rights-of-way, except Interstate 40
- Plants and maintains all landscaped areas in all City parks
- Maintains areas of landscaping within the downtown Winston-Salem area

Keep Winston-Salem Beautiful

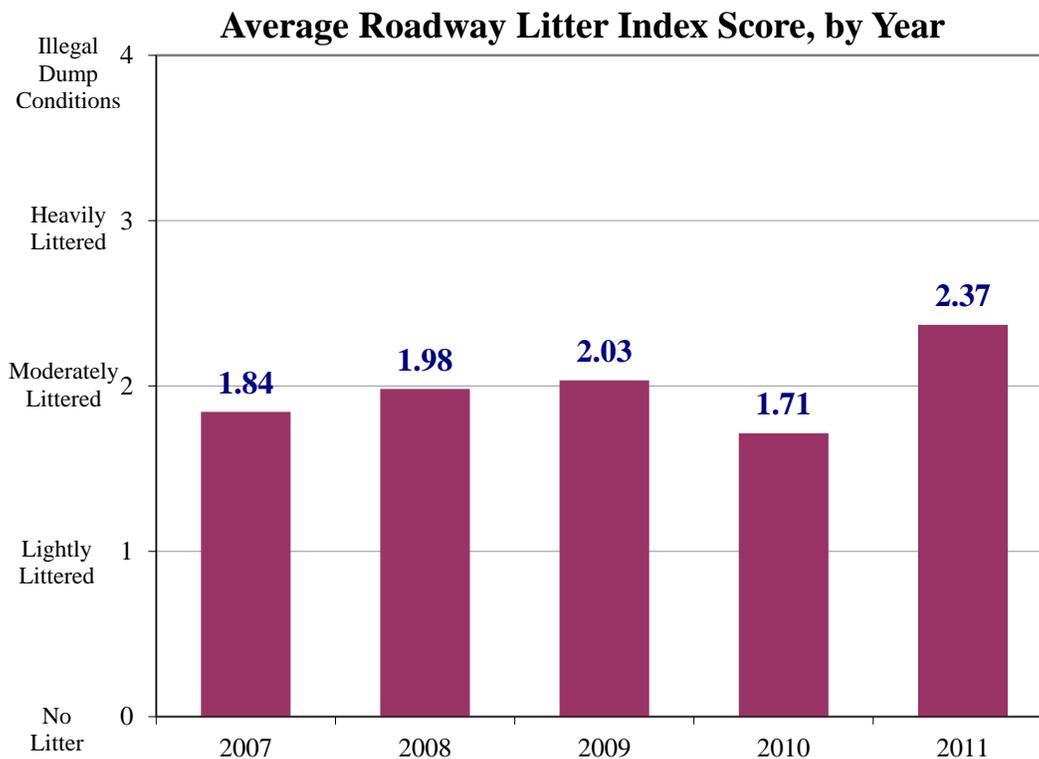
- Coordinates environmental programs that promote recycling and citizen education concerning litter, debris, and the improper disposal of solid waste

	Actual	Budget	Adopted	Percent
EXPENDITURES BY PROGRAM	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Vegetation Management Administration	\$337,943	\$376,970	\$342,070	-9.3%
Grounds Maintenance	1,763,731	2,017,431	1,775,280	-12.0%
Landscape Maintenance	1,206,298	1,536,029	1,404,070	-8.6%
Urban Forestry	755,532	879,610	849,740	-3.4%
<i>Keep Winston-Salem Beautiful</i>	131,631	140,750	143,570	2.0%
Total Expenditures by Program	\$4,204,937	\$4,950,790	\$4,514,730	-8.8%
Interdepartmental Charges	-\$9,802	0	0	N/A
Net Expenditures by Program	\$4,195,135	\$4,950,790	\$4,514,730	-8.8%

PROPERTY AND FACILITIES MANAGEMENT / VEGETATION MANAGEMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Complete 95% of mowing cycles on time during the mowing season	95%	92%	95%
Complete 95% of athletic field mowing cycles on time during the mowing season	94%	91%	95%
Keep 95% of landscaped beds weed-free	95%	95%	95%
Achieve a 95% tree survival rate after one year after planting	93%	97%	95%
Remove 90% of hazardous trees within 3 weeks of identification	91%	93%	90%
Eliminate 95% of sight distance problems within one week of identification	96%	95%	95%
Workload			
Cubic yards of mulch applied	5,910	6,100	6,000
Number of annuals planted	8,850	9,000	9,000
Gallons of herbicide applied	34,738	35,000	35,000
Number of trees planted	1,212	700	1,000
Number of hazardous trees removed	557	400	450



The average roadway litter index score represents the composite average of the following streets: New Walkertown, N. Peters Creek Parkway, S. Peters Creek Parkway, Silas Creek Parkway, S. Stratford Road, S. Stratford/Hanes Mall Boulevard, Hanes Mall/Jonestown Road, University Parkway and Patterson Avenue.

PROPERTY AND FACILITIES MANAGEMENT / VEGETATION MANAGEMENT

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$2,416,820	\$2,850,790	\$2,762,950	-3.1%
Supplies and Services	1,499,120	1,760,220	1,579,330	-10.3%
Capital Outlay	0	24,000	0	-100.0%
Equipment Leasing Expense	288,996	315,780	172,450	-45.4%
Total Expenditures by Type	\$4,204,937	\$4,950,790	\$4,514,730	-8.8%
 RESOURCES BY TYPE				
Service Charges	\$168,526	\$237,000	\$41,000	-82.7%
N.C. Department of Transportation	80,000	80,000	80,000	0.0%
Miscellaneous Revenues	2,474	0	0	N/A
Other General Fund Revenues	3,953,937	4,633,790	4,393,730	-5.2%
Total Resources by Type	\$4,204,937	\$4,950,790	\$4,514,730	-8.8%
 Positions				<u>Change</u>
Full-Time	66	62	62	0
Part-Time (FTE's)	11.5	11.5	11.5	0

BUDGET HIGHLIGHTS

- Personnel expenditures are decreased by 3.1% (-\$87,480) due to the transfer of two vacant positions to the streets department and one vacant position to the office of community assistance, during FY 11-12: two maintenance worker positions (-\$53,980) and one crew coordinator position (-\$41,950), respectively.
- Supplies and services are decreased by 10.3% (-\$180,890), due to renegotiation of annual mowing contracts and prior years actual spending trends.
- Equipment leasing expenditures are decreased a net of 32.1% as a result of the completion of payments for previously approved equipment.
- Service charges are decreased by 82.7% (-\$196,000), due to reductions in service for utilities and completion of capital projects.

PROPERTY AND FACILITIES MANAGEMENT / CEMETERIES

MISSION STATEMENT

The mission of the City's Cemetery Division of the Property and Facilities Management Department is to respond professionally and efficiently to the requests for cemetery-related services, to provide the requested services and products in a timely and cost-effective manner, and to maintain the cemetery properties at or above the expected standard of the community and the consumer.

PROGRAM DESCRIPTION

- The Cemetery Division provides year-round maintenance for two City-owned cemeteries—New Evergreen, a 48-acre cemetery located on New Walkertown Road, and Woodland, a 27-acre cemetery located at the intersection of Reynolds Boulevard and Indiana Avenue—while daily preparing individual gravesites for interment and routinely installing markers and monuments at the request of property owners. The Division maintains historical records of all interments in City-owned cemeteries and ensures financial accountability for cemetery operations and perpetual care.



PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Resolve 95% of service requests/complaints within 24 hours	100%	100%	100%
Maintain a revenue collection rate of 98% or better	99%	99%	99%
Workload			
Number of interments	274	327	296
Number of grave maintenance complaints	6	2	2
Total graves (capacity) at Woodland	14,417	14,417	14,417
Number of single graves unsold as of June 30 th at Woodland	1,068	1,056	1,042
Single graves sold per year at Woodland	13	12	14
Total graves (capacity) at New Evergreen	32,278	31,653	31,653
Number of single graves unsold as of June 30 th at New Evergreen (Section J)	606	406	181
Single graves sold per year at New Evergreen (Section J)	143	200	225

Note: Single grave sites are available for sale in Section J at New Evergreen Cemetery. Any remaining unsold grave sites outside of Section J only would be available in blocks of four, which may take time to sell. Therefore, the number of sold and unsold graves in Section J is a better indicator of the annual revenue-generating capacity of the cemetery. Number of unsold graves in Section J does not include infant, oversize or cremation graves.

EXPENDITURES BY TYPE	Actual FY 10-11	Budgeted FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$238,471	\$284,780	\$223,920	-21.4%
Supplies and Services	288,883	264,970	295,220	11.4%
Subtotal	\$527,354	\$549,750	\$519,140	-5.6%
Debt and Lease Expense	\$22,862	\$0	\$34,430	N/A
Contribution to Perpetual Care Fund	106,050	105,700	121,800	15.2%
Total Expenditures by Type	\$656,267	\$655,450	\$675,370	3.0%

PROPERTY AND FACILITIES MANAGEMENT / CEMETERIES

RESOURCES BY TYPE	Actual FY 10-11	Budgeted FY 11-12	Adopted FY 12-13	Percent Change
Service Charges	\$416,250	\$448,350	\$495,740	10.6%
Contribution from Cemetery Perpetual Care Fund	107,529	105,480	118,270	12.1%
Investment Income	290	0	0	N/A
Transfer from General Fund	0	101,620	61,360	-39.6%
Damage Settlement	19,852	0	0	N/A
Fund Balance Appropriation	112,346	0	0	N/A
Total Resources by Type	\$656,267	\$655,450	\$675,370	3.0%
Positions				Change
Full-Time	7	6	6	0
Part-Time (FTE's)	2.7	2.7	2.7	0

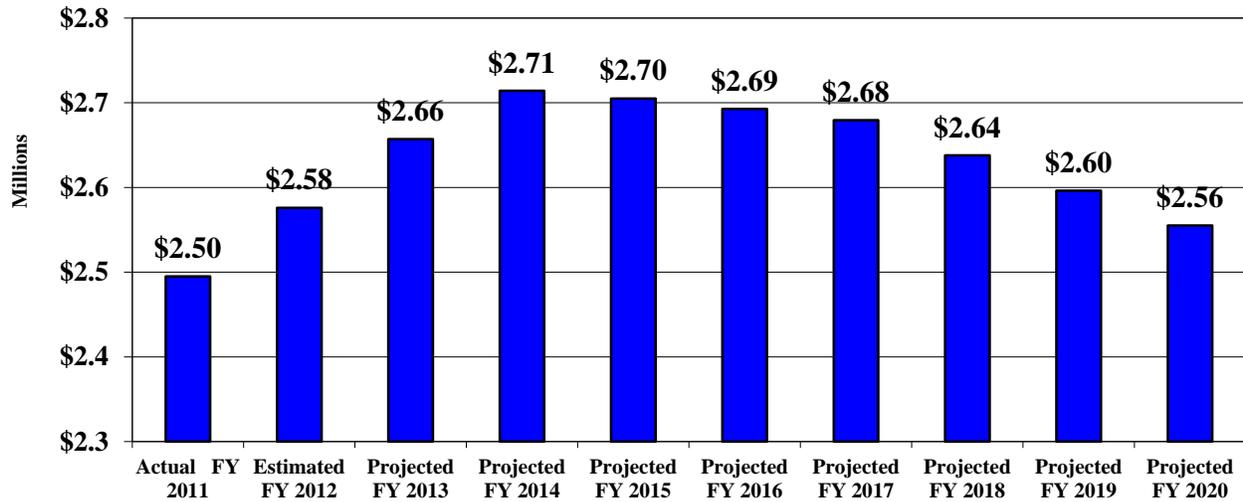
BUDGET HIGHLIGHTS

- The budget for the Cemetery Division is increased a net of \$19,920, or 3.0%, primarily due to increases in the contribution to the cemetery perpetual care fund based on plot sale projections, improvements at Woodland Cemetery, and debt and leasing expenses for the purchase of a new dump truck. Personnel expenditures are decreased \$60,860, or 21.4%, primarily due to the transfer of one senior office assistant position to Utilities during FY 11-12 and turnover in other positions.
- The FY 12-13 budget includes \$47,950 for improvements at Woodland Cemetery. To market the cemetery and provide a better service for customers, the budget includes appropriations for a lease payment for a new fence (+\$22,950) and one time funding in FY 12-13 for increased staffing to provide increased landscaping and general beautification of the cemetery.
- Revenues from service charges are increased \$47,390, or 10.6%, based on an increase in estimated lot sales, grave openings, and marker sales. Increased marketing of the limited number of remaining single plots at New Evergreen is expected to yield more plot sales in FY 12-13.
- The cemeteries operating budget includes a contribution from the cemetery perpetual care fund to cover maintenance expenses associated with those areas of the cemeteries that are occupied. The amount of the contribution is based on 5% of the average of the immediately preceding three year-end balances of the fund. For FY 12-13, the contribution from the cemetery perpetual care fund is increased \$12,790, or 12.1%, due to increased investment income in the fund in FY 10-11. The following chart provides a projection of the combined fund balance for the cemetery and cemetery perpetual care funds. The decrease in perpetual care fund balance beginning in FY 14-15 is reflective of the decrease in plot sales at New Evergreen Cemetery. Plot sales, and subsequent contributions to the perpetual care fund, will continue to decrease as sections of New Evergreen Cemetery fill to capacity.

PROPERTY AND FACILITIES MANAGEMENT / CEMETERIES

BUDGET HIGHLIGHTS - Continued

Cemetery/Perpetual Care Fund Balance



FY 12-13 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the cemeteries fund operations.

	Budgeted <u>FY 11-12</u>	Estimated <u>FY 11-12</u>
Operating Revenues	\$448,350	\$460,735
Operating Expenditures	(549,750)	(473,275)
Operating Loss	(\$101,400)	(\$12,540)
Contribution from Cemetery Perpetual Care Fund	105,480	107,309
Investment Income	0	0
Debt and Lease Expense	0	0
Transfer to Cemetery Perpetual Care Fund	(105,700)	(113,225)
Transfer from General Fund	101,620	18,456
Net Income/(Loss)	\$0	\$0

Cemeteries cash reserves were depleted at the end of FY 10-11. Going forward, any operating deficits within the cemeteries fund will be covered by transfers from the general fund.

INFORMATION SYSTEMS (GENERAL FUND)

MISSION STATEMENT

The mission of the Information Systems Department is to lead the use of information technology by providing technology infrastructure, planning, guidance, and resource management to assist the City in achieving its business objectives. Delivery of efficient and effective services is deployed through a focus on forward-looking methodology using best practices and performance measurement techniques.

PROGRAM DESCRIPTIONS

Telecommunications

- Manages and maintains the City’s telephone network, including telephones, cellular phones, pagers, and voice mailboxes
- Provides telephone management and service, including desktop connections, wireless services, pagers, voice mailboxes, and cable television

Radio System Management

- Provides administrative oversight for the 800 MHz radio system, of which Forsyth County pays the full cost and is reimbursed by the City for 50% of the cost

Information Systems Administration

- Provides leadership, planning, training, support, and fiscal stewardship of all Information Systems programs
- Establishes policies and procedures for managing the City’s information technology assets

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Information Systems Administration	\$306,424	\$355,510	\$355,790	0.1%
Telecommunications	469,426	505,450	394,330	-22.0%
Radio System Management	183,618	214,560	217,940	1.6%
Total Expenditures by Program	\$959,468	\$1,075,520	\$968,060	-10.0%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
% of staff with industry Best Practices certification	100%	100%	100%
Workload			
Number of unplanned work changes	40	36	40
Number of competitively bid renewals of major service contracts	4	4	4
Number of supported telephones	950	960	975
Number of supported cellular telephones	725	750	820
Number of requests for service received by the Customer Support Center	12,600	14,000	12,291

INFORMATION SYSTEMS (GENERAL FUND)

	Actual	Budget	Adopted	Percent
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$523,850	\$565,610	\$580,660	2.7%
Supplies and Services	294,896	350,740	333,550	-4.9%
Equipment Leasing Expense	140,722	159,170	53,850	-66.2%
Total Expenditures by Type	\$959,468	\$1,075,520	\$968,060	-10.0%
RESOURCES BY TYPE				
Interfund Revenue	\$46,600	\$46,600	\$46,600	0%
Miscellaneous Revenue	-3,056	0	0	N/A
Other General Fund Revenues	915,924	1,028,920	921,460	-10.4%
Total Resources by Type	\$959,468	\$1,075,520	\$968,060	-10.0%
Total Information Services Positions				<u>Change</u>
Full-Time	5	6	6	0

BUDGET HIGHLIGHTS

Telecommunications

- The 22.0% decrease in the Telecommunications budget for FY 12-13 reflects a decrease in annual lease purchase payments (-\$105,320) primarily due to the completion of lease payments for the Internet Protocol Telephone System in FY 11-12. The added lease payments include funding for an upgrade to this telephone system (+\$30,000).

Radio System Management

- The FY 12-13 expenditure budget for the 800 MHz radio system is \$217,940, reflecting a negotiated contract increase for building rental space. This is paid to Forsyth County for operating and maintaining the shared system. The City's cost is spread among departmental budgets, based on the number of radios in use.

INFORMATION SYSTEMS (INTERNAL SERVICES)

MISSION STATEMENT

The mission of the Information Systems Department is to lead the use of information technology by providing technology infrastructure, planning, guidance, and resource management to assist the City in achieving its business objectives. Delivery of efficient and effective services is deployed through a focus on forward-looking methodology using best practices and performance measurement techniques.

PROGRAM DESCRIPTIONS

Technical Services and Computer Operations

- Develops and maintains the City-wide computing network, servers, e-mail, and storage infrastructure, including a secondary data center that also serves as our disaster recovery operations center

Applications Services

- Provides application and data management support
- Provides applications support and lead in the development of new computer technologies and applications

Office Systems

- Orders, installs and maintains workstations, peripheral equipment, and standard desktop applications
- Provides a problem reporting, tracking, and resolution service for users of information technology systems
- Identifies and develops new computer technologies and applications

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Computer Operations and Technical Services	\$3,675,250	\$4,227,530	\$4,273,160	1.1%
Application Services	2,104,069	2,401,440	2,505,160	4.3%
Office Systems	1,448,652	1,729,660	1,876,450	8.5%
Total Expenditures by Program	\$7,227,971	\$8,358,630	\$8,654,770	3.5%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve 90% of “Excellent” survey responses from system users	94.1%	95.0%	94.0%
Maintain 99% availability of Core Network systems	99.9%	99.9%	99.9%
Efficiency			
Maintain 10% increase in the number of payments through the City website	19.0%	10.0%	10.0%
Workload			
Number of supported workstations	1,238 connected, 890 desktop service	1,293 connected, 945 desktop service	1,423 connected, 945 desktop service
Number of supported software applications	207	217	238

INFORMATION SYSTEMS (INTERNAL SERVICES)

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$3,597,643	\$3,916,530	\$4,006,290	2.3%
Supplies and Services	3,217,535	3,629,620	\$3,758,350	3.5%
Subtotal	\$6,815,178	\$7,546,150	\$7,764,640	2.9%
Debt and Lease Expense	\$412,793	\$812,480	\$890,130	9.6%
Total Expenditures by Type	\$7,227,971	\$8,358,630	\$8,654,770	3.5%
RESOURCES BY TYPE				
Service Charges to Other Funds	\$6,152,326	\$7,758,630	\$8,065,050	3.9%
Other Revenue	13,565	0	0	N/A
Fund Balance Appropriation	1,062,080	600,000	589,720	-1.7%
Total Resources by Type	\$7,227,971	\$8,358,630	\$8,654,770	3.5%
Positions				Change
Full-Time	43	43	43	0

BUDGET HIGHLIGHTS

- Supplies and services expenditures are increased 3.5%, or \$128,730. Increases include computer license fees (+\$49,700), other contracts for web content management and previously approved HR Modules (+\$104,200), and software for items like email archiving (+\$77,100). Decreases such as reduced maintenance due to the removal of outdated infrastructure (-\$30,580) and target reductions across areas like consulting and supplies (-\$41,340) help offset some of the increase.
- Debt and lease expenditures are increased by \$77,650. This includes \$43,860 for various infrastructure projects in FY 12-13 that will be determined over the course of the fiscal year. Also included is \$39,780 for the Web Content Management project approved by the I.S. Steering Committee. A list of these projects and their cost can be found on the Interdepartmental Services Capital Projects page. Payments for replacement of about one-sixth of laptop and desktop computers (+\$72,330) are budgeted as well.
- The fund balance appropriation, while decreased by \$10,280, covers the first year's lease payment (\$38,250) for the Master Address Solution and Management Software.

INTERDEPARTMENTAL SERVICES NON-DEPARTMENTAL

Listed below are the appropriations related to interdepartmental services that are not included in any of the departmental budgets in this section of the document.

EXPENDITURES	Actual	Budget	Adopted	Percent
General Fund Transfer	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
To Cemeteries Fund	\$0	\$101,620	\$56,090	-44.8%
Total Expenditures	\$0	\$101,620	\$56,090	-44.8%
RESOURCES				
General Fund				
Other General Fund Resources	\$0	\$101,620	\$56,090	-44.8%
Total Resources	\$0	\$101,620	\$56,090	-44.8%

INTERDEPARTMENTAL SERVICES CAPITAL PROJECTS

Listed below are the adopted capital appropriations for interdepartmental services related funds and entities.

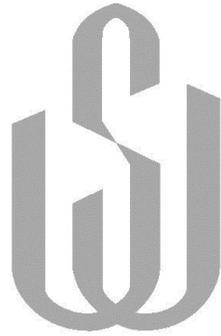
EXPENDITURES

<u>Project Title</u>	<u>Adopted FY 12-13</u>
Information Systems Department:	
Infrastructure Projects FY 12-13	\$172,000
Replace Web Content Management Application	156,000
Master Address Solution and Management Software	150,000
TOTAL EXPENDITURES	\$478,000

FUNDING SOURCES

Other:

North Carolina Municipal Leasing Corporation	\$478,000
TOTAL FUNDING SOURCES	\$478,000



Winston-Salem

GENERAL GOVERNMENT

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Office of the City Manager 214
Office of Community Assistance 216
City Link 218
City Secretary 220
Marketing and Communications 222
Human Relations 224
General Government Non-Departmental 227

POLICY LEADERSHIP

PROGRAM DESCRIPTIONS

Mayor

- Official head of City government:
 - Provides leadership in the establishment of City priorities and in the formulation of strategies to achieve those priorities
 - Presides at City Council meetings and votes in case of tie
 - Issues proclamations and carries out special responsibilities during emergencies

- Negotiates and reviews contracts
- Drafts ordinances and legislation
- Provides counsel on federal regulations, bond financings, and City Council agenda items

City Attorney

- Provides legal services for the City:
 - Provides litigation services in state/federal courts

City Council

- Eight-member governing body of the City:
 - Establishes policies and programs for effective delivery of City services
 - Approves annual financial plan and sets property tax rate and most user fees
 - Adopts all local ordinances, rules, and regulations for the welfare of the City

	Actual	Budget	Adopted	Percent
EXPENDITURES BY PROGRAM	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Mayor	\$239,769	\$261,190	\$265,080	1.5%
City Council	283,396	302,550	320,610	6.0%
City Attorney	976,962	1,061,550	1,033,100	-2.7%
Total Expenditures by Program	\$1,500,128	\$1,625,290	\$1,618,790	-0.4%

EXPENDITURES BY TYPE

Mayor

Personnel	\$151,463	\$169,820	\$173,210	2.0%
Supplies and Services	88,306	91,370	91,870	0.5%
Subtotal	\$239,769	\$261,190	\$265,080	1.5%

City Council

Personnel	\$122,159	\$121,480	\$123,260	1.5%
Supplies and Services	161,237	181,070	197,350	9.0%
Subtotal	\$283,396	\$302,550	\$320,610	6.0%

City Attorney

Personnel	\$881,488	\$956,010	\$925,660	-3.2%
Supplies and Services	95,475	105,540	107,440	1.8%
Subtotal	\$976,962	\$1,061,550	\$1,033,100	-2.7%

Total Expenditures by Type	\$1,500,128	\$1,625,290	\$1,618,790	-0.4%
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POLICY LEADERSHIP

RESOURCES BY TYPE	Actual FY 10-11	Budgeted FY 11-12	Adopted FY 12-13	Percent Change
General Fund Revenues	\$1,500,128	\$1,625,290	\$1,618,790	-0.4%
Total Resources by Type	\$1,500,128	\$1,625,290	\$1,618,790	-0.4%
Positions				Change
Mayor	3	3	3	0
City Attorney	9	9	9	0

FY 12-13 Adopted Compensation for Elected Officials

	<u>Annual Salary</u>	<u>Annual Expense Allowance</u>
Mayor	\$12,580	\$6,000
City Council	9,840	\$2,700

Memberships to Organizations in which the City is a Corporate Member

<u>Organization</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Departmental Budget</u>
National League of Cities	\$11,560	\$11,560	City Council
North Carolina League of Municipalities	46,810	46,810	City Council
UNC School of Government	21,930	24,940	City Manager
Piedmont Triad Regional Council of Governments	41,110	48,220	City Council
North Carolina Metropolitan Coalition	12,980	12,980	Mayor
US Conference of Mayors	12,250	12,250	Mayor
Downtown Winston-Salem Partnership (DWSP)	26,810	26,810	Development Office
Piedmont Triad Partnership (PTP)	30,980	30,980	Development Office
Sister Cities International	880	880	Development Office
Greater Winston-Salem Chamber of Commerce	<u>3,680</u>	<u>3,760</u>	Development Office
Total	\$208,990	\$219,190	

BUDGET HIGHLIGHTS

City Council

- The City Council budget is increased by 6.0% (\$18,060). This is driven primarily by higher dues for corporate memberships (+\$7,110), and increased seminar and training (+\$8,000) to reflect an adjustment made during FY 11-12.

OFFICE OF THE CITY MANAGER

MISSION STATEMENT

The mission of the Office of the City Manager is to ensure the implementation of the policies of the Mayor and the City Council through strategic leadership, fiscal stewardship, customer service, and innovative practices.

PROGRAM DESCRIPTIONS

As the administrative head of the City, the City Manager:

- Recommends policy to the City Council and administers City government in accordance with policies approved by the City Council; and
- Promotes the interests of the City of Winston-Salem, with Federal, State, and local governments through legislative advocacy and interaction with agency officials; and
- Monitors performance management systems and promotes civic involvement and citizen engagement in support of performance objectives and priorities; and
- Coordinates the solicitation of Federal and State grant funds for City projects.

	<u>Actual</u> <u>FY 10-11</u>	<u>Budget</u> <u>FY 11-12</u>	<u>Adopted</u> <u>FY 12-13</u>	<u>Percent</u> <u>Change</u>
EXPENDITURES BY TYPE				
Personnel	\$954,279	\$976,300	\$1,113,510	14.1%
Supplies and Services	110,117	111,350	120,940	8.6%
Equipment Leasing Expense	1,551	1,560	0	-100.0%
Total Expenditures by Type	\$1,065,947	\$1,089,210	\$1,234,450	13.3%
RESOURCES BY TYPE				
General Fund Revenues	\$1,065,947	\$1,089,210	\$1,234,450	13.3%
Total Resources by Type	\$1,065,947	\$1,089,210	\$1,234,450	13.3%
Positions				<u>Change</u>
Full-Time	6	7	7	0
Part-Time (Person Weeks)	0	6	0	-6

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Achieve a pass rate of 75% for requested local bills by General Assembly	80%	75%	75%
Obtain 25% of requested federal grant dollars	25%	25%	N/A
Achieve a completion rate of 90% for department key work items	82%	90%	90%

OFFICE OF THE CITY MANAGER

PERFORMANCE MEASURES AND SERVICE TRENDS - Continued

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Efficiency			
Ratio of grant dollars authorized to contracted lobbyist dollars spent	\$28/\$1	\$30/\$1	TBD
Workload			
City meetings with State/Federal representatives	4	5	5
Issues addressed by N.C. League of Municipalities Advocacy Agenda	5	11	35
Local bills requested	5	8	3
Amount of grant funds requested	\$6.6M	\$2.0M	TBD
Number of City Council public meetings	75	70	70

BUDGET HIGHLIGHTS

- The personnel budget for the Office of the City Manager is increased \$137,210, or 14.1%, primarily due to the addition of a performance reporting/engagement manager position during FY 11-12. A vacant position in Engineering was transferred to this program, without adding to the City’s overall authorized position total.
- The supplies and services budget is increased by \$9,590, mainly due to higher information systems charges (+\$2,640), cellular expenses including the additional position (+\$3,600), corporate membership with the UNC School of Government (+\$3,110), catering expenses to reflect increased actual spending (+\$850), and other expenses for meetings and other special events (+\$500). There are reductions in postage and rent that help offset some of these increases (-\$1,910).

OFFICE OF COMMUNITY ASSISTANCE

MISSION STATEMENT

The mission of the Office of Community Assistance is to assist individual citizens, groups, and neighborhoods address issues and concerns impacting their communities.

PROGRAM DESCRIPTION

- Proactively identifies and addresser issues and concerns that adversely impact communities
- Provides information to individual citizens, groups, and neighborhoods regarding City services and processes
- Enhances the delivery of City services

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Respond to 95% of citizen inquiries within 24 hours of receiving the initial inquiry	100%	100%	100%
Attend 100% of all neighborhood association meetings annually	100%	100%	100%
Attend 100% of all neighborhood crime watch meetings annually	100%	100%	100%
Efficiency			
Average number of inquiries received per Community Assistance Liaison	15	36	48
Average number of inquiries resolved per Community Assistance Liaison	15	36	48
Workload			
Number of citizens or citizen groups provided information regarding City services and processes	600	1,250	1,320
Number of citizen/neighborhood issues and concerns proactively identified and assisted in resolution	150	350	420
Number of ordinance violations proactively identified and referred to appropriate departments	300	750	775
Number of neighborhoods assisted in the planning and implementation of improvements or neighborhood-wide issues	3	6	7
Number of neighborhood association meetings attended	5	24	36

Note: Measurement data for FY 10-11 are based on activity since January 2011, when performance objectives were established.

OFFICE OF COMMUNITY ASSISTANCE

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$419,619	\$450,160	\$503,300	11.8%
Supplies and Services	34,845	55,360	55,950	1.1%
Total Expenditures by Type	\$454,464	\$505,520	\$559,250	10.6%
 RESOURCES BY TYPE				
Miscellaneous Revenues	\$987	\$0	\$0	N/A
Other General Fund Revenues	453,477	505,520	559,250	10.6%
Total Resources by Type	\$454,464	\$505,520	559,250	10.6%
 Positions				Change
Full-Time	6	7	7	0

BUDGET HIGHLIGHTS

- Personnel expenditures are increased \$53,140, or 11.8%, due to the addition of a full-time administrative assistant position during FY 11-12. A vacant position in Vegetation Management was transferred to this program to provide for needed administrative support, without adding to the City's overall authorized position total.
- Supplies and services expenditures are increased 1.1% to reflect additional outreach in the community, including flyer, printing, and postage costs.

CITY LINK

MISSION STATEMENT

The mission of City Link is to improve citizens’ access to information and non-emergency City services, while delivering excellent customer service. With the goal of one-contact resolution, City Link strives to be the single contact point through which citizen needs are addressed, thereby easing the burden for citizens unfamiliar with the structure of City government and responsibilities of City departments. Through one-contact resolution, City Link enhances departmental efficiency, responsiveness, and accountability.

PROGRAM DESCRIPTION

- Responds to citizen requests via phone, live chat, email, web intake, and social media
- Provides information, answers questions, and directs callers to the appropriate party to have issues resolved
- Initiates and routes service requests to appropriate departments for quick response and resolution
- Captures all relevant data for accurate reporting on volume of requests and performance against service levels

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Answer 70% of calls within 30 seconds	65.5%	70%	70%
Achieve an accuracy rate of 85% information and call flow	85.0%	85%	85%
Provide single contact resolution for 95% of calls handled	90.7%	95%	95%
Efficiency			
Average call-handle time in minutes (objective: 3 min. or less)	3 min., 42 sec.	3 min.	3 min.
Average hold time in seconds (objective: < 30 seconds)	22	30	30
Workload			
Number of calls received	295,729	313,326	383,326
Number service requests created	327,630	342,458	412,458

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Personnel	\$1,176,214	\$1,294,210	\$1,304,340	0.8%
Supplies and Services	506,024	528,700	538,640	1.9%
Equipment Leasing Expense	91,070	89,740	21,980	-75.5%
Total Expenditures by Type	\$1,773,308	\$1,912,650	\$1,864,960	-2.5%

CITY LINK

RESOURCES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Interfund Revenue	\$264,540	\$264,540	\$0	-100.0%
Other General Fund Revenues	1,508,768	1,648,110	1,864,960	13.2%
Total Resources by Type	\$1,773,308	\$1,912,650	\$1,864,960	-2.5%
Positions				Change
Full-Time	27	27	27	0

BUDGET HIGHLIGHTS

- Supplies and services expenditures are increased \$9,940, or 1.9%, primarily as a result of information systems charges (+\$8,510).
- Equipment leasing expenditures are decreased by \$67,760, or 75.5%, as a result of the completion of payments for previously approved equipment.
- Interfund revenues in City Link are decreased by 100% as a result of a change in budgeting practice. City Link no longer will charge the Utilities Division directly for its services but will recover these costs through indirect cost allocation.

CITY SECRETARY

MISSION STATEMENT

The City Secretary’s Office prepares and maintains complete and accurate records of the proceedings of the City Council, provides administrative support to members of the City Council, and provides information and assistance to citizens in a timely manner.

PROGRAM DESCRIPTIONS

City Council

- Prepares agendas for all City Council and Council committee meetings
- Maintains permanent minutes and documents resulting from those meetings
- Provides administrative support services to members of the City Council

Citizen Services

- Routes, transmits, and maintains files of applications or petitions for: certificates of public convenience and necessity, street closures, annexations, open air public meetings, pyrotechnics, going out of business sales, operation of sound–amplifying equipment, and solicitations
- Conducts research for citizens and internal departments

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Publish 100% of all legal advertisements within 10 days prior to hearing	100%	100%	100%
Distribute 100% of all adopted documents within 3 days of City Council meeting	100%	100%	100%
Prepare 100% of agenda books within 48 hours prior to meeting	100%	100%	100%
Achieve a rate of 100% for Citizen Police Review Board appeals processed within 24 hours	100%	100%	100%
Efficiency			
Cost per legal advertisement published	\$686	\$525	\$550
Cost per courtesy legal advertisement published	\$166	\$258	\$280
Workload			
Number of meetings/agendas prepared per month	5.84	5.59	5.75
Number of Council agendas per year	70	67	69
Distribution of adopted Council actions per year	23	20	22
Summary of Council meeting minutes prepared per year	26	10	20
Average number of Citizen Police Review Board complaints received per month	15	20	18
Citizen Police Review Board appeals received per year	4	3	4
Number of legal advertisements published per year	59	72	82
Number of courtesy legal advertisements published per year	24	26	28

CITY SECRETARY

	<u>Actual</u>	<u>Budget</u>	<u>Adopted</u>	<u>Percent</u>
EXPENDITURES BY TYPE	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Personnel	\$249,602	\$250,040	\$253,620	1.4%
Supplies and Services	125,198	121,960	125,950	3.3%
Total Expenditures by Type	\$374,800	\$372,000	\$379,570	2.0%
RESOURCES BY TYPE				
Other General Fund Revenues	\$374,800	\$372,000	\$379,570	2.0%
Total Resources by Type	\$374,800	\$372,000	\$379,570	2.0%
Positions				<u>Change</u>
Full-Time	4	4	4	0

MARKETING AND COMMUNICATIONS

MISSION STATEMENT

The mission of the Marketing and Communications Department is to inform and educate citizens, regional and national markets, and employees about Winston-Salem city government and its services and to provide communications support to City departments through marketing, advertising, sponsorship, and public relations efforts.

PROGRAM DESCRIPTIONS

Marketing and Communications

- Markets and promotes City services, programs, and events to citizens
- Maintains the City’s website information; trains and assists web liaisons in developing their departments’ websites
- Co-produces Rock the Block, the largest downtown music festival of the year, with the Downtown Winston-Salem Partnership
- Produces several newsletters, inserts, and advertisements, including *City Edition*, *City Now*, *CityLine*, and *Cart and Bin*
- Organizes and coordinates the City of Winston-Salem University
- Maintains the City’s presence on online social network sites, such as YouTube, Twitter, and Facebook
- Serves as media liaison and contact
- Produces local programs on WSTV 13 that educate and solicit input from citizens about services
- Sells advertising and sponsorship packages for City departments

- Broadcasts City Council and Planning Board meetings
- Assists in recruiting targeted populations for city departments

Internal Communications

- Provides audio/visual support, photography, graphic design services, and business card layouts for City and City/County departments
- Updates and designs City’s Employee Center (Intranet) pages
- Provides and enforces a City-wide standard and quality check for printed materials
- Records and rebroadcasts the annual City Employee Recognition and Service Awards Ceremony.
- Provides marketing consultation, graphic design, media placements, event planning, and speech writing services
- Manages Employee Suggestion Program

EXPENDITURES BY PROGRAM	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Marketing and Communications	\$661,078	\$597,800	\$613,200	2.6%
WSTV 13	230,414	225,630	227,960	1.0%
Total Expenditures by Program	\$891,492	\$823,430	\$841,160	2.2%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Workload			
News releases	218	300	350
Graphic projects	350	350	400

MARKETING AND COMMUNICATIONS

PERFORMANCE MEASURES AND SERVICE TRENDS - Continued

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Workload - Continued			
City of Winston-Salem University applicants	62	58	50
City of Winston-Salem University graduates	18	19	15
Rock the Block attendees	55,000	18,000	25,000
Website visits	3,608,004	4,000,000	4,600,000
“Only on 13” productions	40	60	65

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
Personnel	\$571,621	\$569,520	\$585,180	2.7%
Supplies and Services	311,326	250,330	251,780	0.6%
Equipment Leasing Expense	8,545	3,580	4,200	17.3%
Total Expenditures by Type	\$891,492	\$823,430	\$841,160	2.2%

RESOURCES BY TYPE

Miscellaneous Revenue (Rock the Block)	\$95,312	\$0	\$0	N/A
Contributions (Rock the Block)	5,249	0	0	N/A
Other General Fund Revenues	790,931	823,430	841,160	2.2%
Total Resources by Type	\$891,492	\$823,430	\$841,160	2.2%

Positions				Change
Full-Time	7	7	7	0
Part-Time	1	1	1	0

BUDGET HIGHLIGHTS

- The supplies and services budget includes an increase in information systems charges of \$3,660, offset in part by decreases in rent (-\$2,150).
- Equipment lease payments reflect a net increase of \$620 as a result of the completion of payments for previously approved equipment and the addition of a leasing payment (+\$4,200) for a van for Channel 13.
- Rock the Block, a street festival to be held in September 2012, is expected to be fully funded by sponsorships and other event revenues.

HUMAN RELATIONS

MISSION STATEMENT

The mission of Human Relations is to create, facilitate, promote, anticipate, study, and recommend programs, projects, feedback, and actions for the elimination of discrimination in any and all fields of human relationships.

PROGRAM DESCRIPTIONS

Complaint Resolution

- Receives, investigates, conciliates, and mediates complaints of alleged discrimination and/or unfair treatment in housing transactions and landlord/tenant disputes. The department also serves as a referral agency for employment and public accommodations complaints. Complaint resolution comprises approximately two-thirds of the department's work.

Education and Training

- Sponsors education, training, and other outreach programs and provides formal, informal, and other informational classes and sessions to citizens, citizen groups, businesses, and others about fair housing, landlord/tenant issues, diversity/race relations issues, disability issues (ADA), and other pertinent human and civil rights issues

Cultural and Community Relations

- Partners with and/or trains community-based groups, businesses, schools, and individual citizens in promoting equality of opportunity for all citizens, studying problems of discrimination in any or all fields of human relationship, encouraging fair treatment and mutual understanding among all ethnic groups in the city, and providing channels of communication among all ethnic groups. As a community partner to various agencies, the department encourages the employment of qualified people of all ethnic groups and encourages youth to become better trained and qualified for employment opportunities. The department also provides staff support to the City's Human Relations Commission, Youth Advisory Council, and College Advisory Board.

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
General Fund				
Human Relations	\$328,790	\$341,470	\$339,790	-0.5%
Contributions to Community Agencies:				
Mediation Services of Forsyth County	5,200	6,600	6,600	0%
Total General Fund Expenditures	\$333,990	\$348,070	\$346,390	-0.5%
Grants Fund				
Fair Housing Assistance Program Grants	\$21,940	\$36,430	\$88,620	143.3%
Fair Housing Information Fair (Fair Housing Summit and American Dream Weekend)	12,937	12,580	12,500	-0.6%
Fiesta	0	2,500	1,500	-40.0%
Total Grants Fund Expenditures	\$34,877	\$51,510	\$102,620	99.2%
Total Expenditures by Program	\$368,867	\$399,580	\$449,010	12.4%

HUMAN RELATIONS

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 10-11	Estimated FY 11-12	Projected FY 12-13
Effectiveness			
Close 10% of landlord/tenant cases due to impasse	9%	10%	10%
Close 60% of housing discrimination cases within 100 days	11%	50%	60%
Close 100% of landlord/tenant cases within 45 days	45%	45%	50%
Maintain average investigative time per landlord/tenant case of 45 days or less *	74	70	60
Maintain average investigative time per housing discrimination case of 100 days or less	261	109	100
Workload			
Total housing discrimination cases processed	47	27	30
Total landlord/tenant cases processed	80	110	90
Total forums and public discussions held	63	63	60

* Objectives for average investigative time should be achieved in the future as new staff become more experienced

	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
EXPENDITURES BY TYPE				
General Fund				
Personnel	\$272,502	\$286,600	\$284,170	-0.8%
Supplies and Services	61,488	61,470	62,220	1.2%
			0	0%
Total General Fund Expenditures	\$333,990	\$348,070	\$346,390	-0.5%
Grants Fund				
Supplies and Services	\$34,877	\$51,510	\$102,620	99.2%
Total Grants Fund Expenditures	\$34,877	\$51,510	\$102,620	99.2%
Total Expenditures by Type	\$368,867	\$399,580	\$449,010	12.4%
RESOURCES BY TYPE				
General Fund				
Human Relations Banquet Ticket Sales/Sponsorships	\$22,968	\$12,000	12,000	0%
Other General Fund Revenues	311,022	336,070	334,390	-0.5%
Total General Fund Resources	\$333,990	\$348,070	\$346,390	-0.5%

HUMAN RELATIONS

RESOURCES BY TYPE - Continued	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Grants Fund				
U.S. Department of Housing and Urban Development	\$24,303	\$50,010	\$101,120	102.2%
Fair Housing Event Sponsorships	2,239	1,500	1,500	0%
Total Grants Fund Resources	\$26,541	\$51,510	\$102,620	99.2%
Total Resources by Type	\$360,531	\$399,580	\$449,010	12.4%
Positions				Change
Full-Time	4	5	5	0

BUDGET HIGHLIGHTS

- Federal funding for the Fair Housing Assistance Program is increased by \$52,190, or 143.3%, reflecting the award of a one-year grant received during FY 11-12 for an intake specialist position to provide fair housing education and outreach to referring community agencies and potential complainants and respondents. The grant-funded position will also increase and update training documents and conduct a City-wide media campaign to publicize new HUD fair housing guidance.
- Funding for conflict resolution services provided by Mediation Services of Forsyth County is budgeted at \$6,600, same as current year.

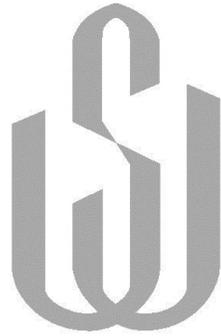
GENERAL GOVERNMENT NON-DEPARTMENTAL

Listed below are the appropriations related to general government that are not included in any of the departmental budgets in this section of the document.

EXPENDITURES	Actual	Budget	Adopted	Percent
General Fund	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Travel Reductions	\$0	\$0	-\$12,270	N/A
Property Tax Collections	527,650	552,730	575,710	4.2%
Salary Savings Adjustment	0	-2,678,020	-3,544,020	32.3%
Contingency for Fuel	0	0	0	N/A
Transfer to the Grants Fund				
Centennial Celebration	0	0	150,000	N/A
Transfer to the Debt Service Fund				
Debt Service on Dell Borrowing	400,000	400,000	400,000	0%
Lease Payments for Convention Center Renovations	50,000	100,000	150,000	50.0%
Cable Franchise Fund				
Cable Franchise Expenditures	\$173,545	\$0	\$0	N/A
Grants Fund				
Centennial Celebration	\$0	\$0	\$150,000	N/A
Total Expenditures	\$1,151,195	-\$1,625,290	-\$2,130,580	31.1%
RESOURCES				
General Fund Revenues	\$977,650	-\$1,625,290	-\$2,130,580	31.1%
Cable Franchise Revenues	-9,005	0	0	N/A
Cable Franchise Fund Balance	182,550	0	0	N/A
Total Resources	\$1,151,195	-\$1,625,290	-\$2,130,580	31.1%

HIGHLIGHTS

- Property Tax Collection. According to the City/County Cooperative Governmental Services Funding Agreement, the City reimburses Forsyth County for property tax collection services based on its proportion of all Forsyth County municipality and County tax records combined. For FY 12-13, the City's share is 33.74%. Of the City's total payment to the county, 86.7% (\$575,710) is budgeted in the general fund (Financial Management Services), 10.0% (\$63,750) in the debt service fund, and 3.3% (\$21,910) in the mass transit tax fund.
- Salary Savings Adjustment. The total general fund salary savings budgeted for FY 12-13 is \$3,544,020. It is estimated that savings generated by position turnover and other personnel-related changes will be in the range of 3% of payroll.
- Cable Franchise Fund. In FY 10-11, \$173,545 was spent in the Cable Franchise Fund for equipment for the Public, Educational, and Governmental (PEG) Access Cable Television Channel (Channel 13). These funds were previously accumulated from the cable franchise fee. On January 1, 2007, city government authority to award or renew local franchise agreements for cable services was eliminated.



Winston-Salem

DEBT MANAGEMENT

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DEBT SERVICE FUND

PROGRAM DESCRIPTION

- Debt service expenditures include the City's general governmental debt obligations; certificates of participation (COPS); limited obligation bonds (LOBs); leasing debt payments for the City's grant match for Winston-Salem Transit Authority bus replacements, for selected equipment and renovations at the Winston-Salem Entertainment-Sports Complex, for City Hall renovations, and for selected Recreation equipment and facility repairs; and the administrative expenses associated with bond ratings and issuances.
- Debt service resources include property tax revenues (4.74 cents on the property tax rate), investment income on unrestricted governmental monies, 80% of the 1983 (Article 40) one-half cent sales tax distribution, and one-third of the City's municipal ABC revenue allocation.

OBJECTIVES AND ACHIEVEMENTS

General Obligation Debt per Capita

- A municipality's general obligation debt, when expressed as an amount per capita, is used to measure the reasonableness of its debt. Generally, per capita debt of around \$600 is considered low; \$1,300 is considered high. Winston-Salem's June 30, 2011 net bonded debt per capita was \$395.

Debt Service as Percent of Expenditures

- If annual debt service expenditures get too high, the City's expenditure flexibility is reduced. Debt service is a fixed cost and its increase can indicate excessive debt and produce fiscal strain. The FY 10-11 annual financial report shows Winston-Salem at 13.4%.

Legal Debt Margin

- The City has a legal general obligation debt limitation not to exceed 8% of the total assessed valuation of the taxable property within the city's boundaries. This means that the total amount of bonds, notes, warrants, or any other type of general obligation debt issued or outstanding will not be greater than 8%. The FY 10-11 annual financial report indicates the City's net outstanding general obligation debt is \$80.9 million, which is 0.4% of the City's total assessed valuation of taxable property. This leaves a legal debt margin of approximately \$1.63 billion.

Credit Rating

- The City's credit rating is an overall indicator of financial condition, quality of financial management, and local economic factors. Winston-Salem is rated AAA by Fitch IBCA, Moody's Investors Service, and Standard and Poor's Corporation.

DEBT SERVICE FUND

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Principal Retirement	\$5,663,518	\$6,042,800	\$7,006,810	16.0%
Capital Lease Charges	1,994,247	1,721,940	1,828,220	6.2%
Interest Payments	7,287,929	7,906,750	6,896,750	-12.8%
Fiscal Charges	144,416	246,970	246,970	0%
Administrative Expenses	17,596	53,120	52,320	-1.5%
Property Tax Collection Fee	60,732	63,750	63,750	0%
Contribution Toward Pay-off of Post-Employment Benefits Debt	0	0	2,000,000	N/A
Transfer to Capital Projects Fund	991,843	0	0	N/A
Transfer to Leasing Capital Projects Fund	905,040	0	0	N/A
Transfer to Mass Transit Tax Fund	30,264	15,440	6,340	-58.9%
Total Expenditures by Type	\$17,095,585	\$16,050,770	\$18,101,160	12.8%
RESOURCES BY TYPE				
Property Taxes	\$9,841,673	\$9,617,460	\$9,643,660	0.3%
ABC Allocation	286,752	281,040	306,110	8.9%
Interest Income	579,815	502,700	400,000	-20.4%
Interest Subsidy on Recovery Zone Bonds	278,339	293,120	293,120	0%
Other Revenues	854,275	848,690	843,500	-0.6%
Transfer from General Fund				
- Debt Service on Dell Project	400,000	400,000	400,000	0%
- Lease Payment for Convention Center Capital	50,000	100,000	150,000	50.0%
Transfer from Sales Tax Fund	4,094,595	4,063,900	4,377,880	7.7%
Transfer from Capital Projects Fund	991,843	0	0	N/A
Transfer from Leasing Capital Projects Fund	905,040	0	0	N/A
Fund Balance Appropriation	0	0	1,686,890	N/A
Total Resources by Type	\$18,282,332	\$16,106,910	\$18,101,160	12.8%
Addition to Fund Balance	\$1,186,747	\$56,140	\$0	-100.0%

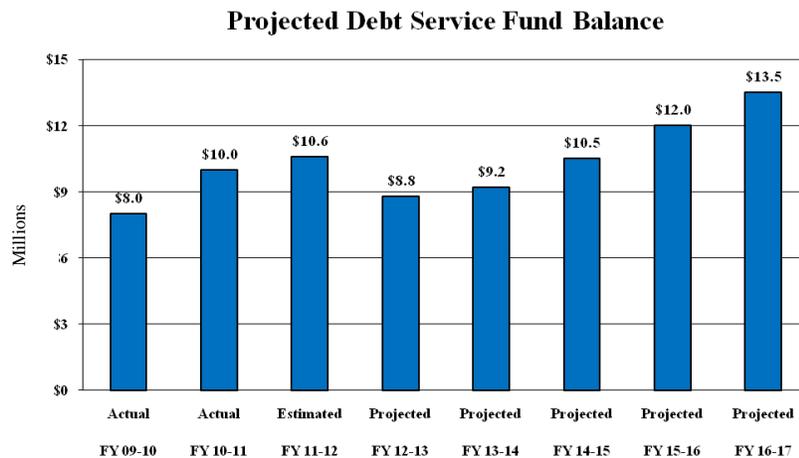
BUDGET HIGHLIGHTS

- Debt service fund expenditures are increased \$2,050,390, or 12.8%, primarily due to a budgeted contribution of \$2 million as part of a strategy to pay off the remaining debt that was issued to fund post-employment benefits for City retirees.
- Revenues from the debt service fund's allocation of the property tax and sales tax continue to show modest growth, increasing \$340,180, or 2.5%, due to the impact of the recession on the tax base and consumer spending.
- The adopted budget includes \$293,120 in an interest subsidy for Recovery Zone Bonds provided through the federal stimulus program. The City issued these bonds to finance capital improvements identified for funding from two-thirds general obligation bonds. This subsidy, in effect, reduces the interest cost of this debt.

DEBT SERVICE FUND

BUDGET HIGHLIGHTS - Continued

- The transfer from the general fund includes \$150,000 to cover the lease payments for financing \$250,000 in capital needs at the M.C. Benton, Jr. Convention and Civic Center each year since FY 10-11. Under the agreement with Noble-Interstate, LLC, the City is scheduled to provide \$250,000 each year for capital needs. The City will finance these expenditures over five years through the North Carolina Municipal Leasing Corporation, with the general fund covering the annual lease payments.
- The following chart provides a five-year outlook for the debt service fund with no new debt issuances.



- Listed below are the outstanding general obligation bonds and outstanding principal and interest requirements, as of June 30, 2012:

PROJECTED OUTSTANDING GENERAL OBLIGATION BONDS AS OF JUNE 30, 2012

<u>Purpose of Bond Issue</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Principal Balance</u>
Recreation, sidewalks, streets, and refunding	1993	\$5,499,964	\$534,165
Development, safety, streets, and refunding	2004	25,675,000	17,440,000
Development, recreation, safety, and streets	2006	19,925,000	17,315,000
Recreation, safety and streets	2008	5,105,000	4,505,000
Refunding	2009	8,435,000	6,770,000
Recreation, safety and streets	2010	4,785,000	4,785,000
Refunding	2010	24,750,000	24,260,000
Development, streets, and housing	2010	10,500,000	10,500,000
Recreation, safety, and streets	2012	2,955,000	2,955,000
Total		\$107,629,964	\$89,064,165

DEBT SERVICE FUND

BUDGET HIGHLIGHTS – Continued

PROJECTED GENERAL OBLIGATION BONDS DEBT SERVICE REQUIREMENTS TO MATURITY

<u>Year</u>	<u>General Purpose</u>
2013	\$9,933,563
2014	9,917,378
2015	9,004,650
2016	8,936,829
2017-2021	42,086,636
2022-2026	33,137,635
2027-2031	9,644,636
2032	1,109,667
Total	\$123,770,994

LEASING FUND

PROGRAM DESCRIPTIONS

- Accumulates annual payments from City departments to make lease payments to the North Carolina Municipal Leasing Corporation (NCMLC)
- Assists the City in acquiring real and personal property through the issuance of limited obligation bonds (LOBs) to fund the purchases. The corporation leases the property to the City, which provides lease payments that cover the interest and principal on the LOBs as follows: governmental funds make equal annual payments over a three-year or five-year period, depending on the type of equipment being purchased, and proprietary funds make the same scheduled payments with the addition of an annual interest payment at a rate of 5.5%.

Goals of the City’s leasing program are as follows:

- Reduce acquisition costs of real and personal property for the City by providing a low cost leasing program through the periodical issuance of LOBs.
- Increase productivity by making the purchase and budget decision concentrate on “what is needed to do the work?” rather than “how much equipment can the City afford?”
- Improve replacement policies and reduce on-going maintenance costs by making optimum replacement affordable.

EXPENDITURES BY TYPE	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13	Percent Change
Principal Retirement	\$2,246,756	\$20,018,240	\$19,854,260	-0.8%
Interest Payments	2,309,404	2,853,450	3,925,230	37.6%
Fiscal Expense	318,848	0	0	N/A
Transfer To Leasing Capital Projects Fund	600,000	0	0	N/A
Total Expenditures by Type	\$5,475,008	\$22,871,690	\$23,779,490	4.0%
 RESOURCES BY TYPE				
Lease Payments - City	\$12,578,483	\$12,855,670	\$12,879,510	0.2%
Lease Payments - Outside Agencies	1,183,287	1,174,170	819,420	-30.2%
Investment Income	1,015,474	0	0	N/A
Proceeds from Capital Leases	-6,728,714	0	0	N/A
Transfer from General Fund	52,535	172,540	172,540	0%
Fund Balance Appropriation	0	8,669,310	9,908,020	14.3%
Total Resources by Type	\$8,101,065	\$22,871,690	\$23,779,490	4.0%
 Addition to Fund Balance	 \$2,626,057	 \$0	 \$0	 N/A

LEASING FUND

BUDGET HIGHLIGHTS

- A balloon payment of \$19.9 million to retire previously authorized LOBs is scheduled for FY 12-13. Annual City payments to the leasing fund are accumulated in fund balance for future appropriation to cover the balloon payment. The budget appropriates \$9,908,020 in fund balance to cover the FY 12-13 payment.
- Lease payments from outside agencies are decreased \$354,750, or 30.2%, primarily as a result of the pay-off of capital leases by the Housing Authority of Winston-Salem from the sale of Rolling Hills and Oak Creek apartment complexes.
- The adopted budget includes a transfer from general fund to cover the lease payment on the former AC Delco building, which has been renovated into the Downtown Arts Center (\$52,540), and repayment of leasing fund reserves used to acquire the Lowery Street Facility (\$120,000). In March 2011, the City Council authorized the acquisition of property at 2000 Lowery Street for \$2,500,000. Funding for this purchase included \$600,000 from the leasing fund, which will be repaid by the general fund over five years.

LEASING EQUIPMENT ACQUISITION FUND

PROGRAM DESCRIPTION

- Accounts for the total cost of capital equipment, including computer hardware, for governmental funds that is financed through the North Carolina Municipal Leasing Corporation. City departments make annual lease payments of one-fifth of the purchase price to pay off the debt. With the exception of computers, the City lease-purchases equipment that costs \$10,000 or more.

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>Change</u>
Capital Outlay				
Rolling Stock	\$3,243,649	\$5,419,580	\$3,123,500	-42.4%
Computer Equipment	0	28,140	200,000	610.7%
General Equipment	294,064	295,700	1,491,340	404.3%
Communications Equipment	0	0	892,000	N/A
Other	1,650,589	774,600	466,920	-39.7%
Total Expenditures by Type	\$5,188,302	\$6,518,020	\$6,173,760	-5.3%
RESOURCES BY TYPE				
North Carolina Municipal Leasing Corp.	\$5,188,302	\$6,518,020	\$6,173,760	-5.3%
Total Resources by Type	\$5,188,302	\$6,518,020	\$6,173,760	-5.3%

BUDGET HIGHLIGHTS

- The FY 12-13 budget is decreased \$344,260, or 5.3%. The adopted budget limits the replacement of equipment to rolling stock in the worst condition. Rolling stock purchases include the replacement of 39 police pursuit vehicles (\$1,014,000), Streets Division trucks and construction equipment (\$520,000), and a fire pumper truck (\$510,000).
- Increases in capital outlay mainly reflect investments in equipment for the Police and Fire Departments. Computer equipment purchases include an upgrade to the Police Department's document scanning system (\$100,000) and software upgrades required by the United States Department of Justice to manage access to its crime information system (\$100,000). General equipment purchases include the replacement of half of the Fire Department's self-contained breathing apparatus (SCBA) equipment. Communications equipment purchases include the purchase of 106 in-car cameras for police pursuit vehicles to be replaced in FY 11-12 and FY 12-13 (\$742,000). "Other" equipment purchases include the replacement of desktops and laptops for the Police and Fire Departments and equipment needed to outfit police pursuit vehicle replacements.
- The FY 12-13 list of equipment to be financed through the North Carolina Municipal Leasing Corporation can be found in the Supplemental Information section of this document.

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BUDGET PROCESS

The Budget and Evaluation Office of the City of Winston-Salem prepares the annual adopted budget for City operations on a fiscal year basis. According to state law, the fiscal year for all North Carolina municipalities begins on July 1, and ends on June 30.

Budget Adoption

The annual operating budget is adopted by ordinance according to state law (N.C.G.S. 159 - Local Government Budget and Fiscal Control Act). This law requires that the City Council adopt a balanced budget in which estimated revenues and appropriated fund balances equal appropriations. The Council must adopt the budget by no later than July 1, of each year. The City Manager is required by law to submit a balanced budget proposal to the City Council no later than June 1. A formal public hearing is required as part of the process.

Budget Amendment

Full implementation of the budget begins immediately on July 1. Ongoing monitoring of expenditures and revenues throughout the year is a responsibility shared by department heads, Budget Office, and the Financial Management Department. Any time after adoption, the budget can be changed through the amendment process. Any revision of the ordinance must be approved by the City Council. The amendments must continue to adhere to the balanced budget statutory requirements and cannot change the property tax levy or in any manner alter a taxpayer's liability.

Basis of Accounting

The budget is developed and adopted on a modified accrual basis whereby revenues are recognized when measurable and available and expenditures are recognized when a liability is incurred. The City also accounts for governmental funds using the modified accrual basis. Enterprise funds are accounted for using the full accrual basis whereby revenues are recognized in the period earned and expenses are recognized in the period incurred.

Budget Calendar

Preparation of the annual budget is a year-round process. During the first six months of the fiscal year (July to December), budget staff prepares early forecasts of the upcoming budget year, including projections of current spending, revenues, and use of fund balance. Also, during this period, departments conduct reviews of their operations in order to identify revenue enhancements or spending reductions. At mid-year, the Budget and Evaluation Office updates the early forecast for the upcoming year and formulates budget guidelines for the upcoming budget.

During the last six months (January to June), departmental annual budget requests be prepared and submitted to the Budget Office for review. Staff prepares the budget proposal for submission to the City Council by the City Manager in May. After several budget workshops and a public hearing, the City Council adopts the budget ordinances and the property tax rate prior to July 1.

The table on the next page details each step in the annual budget cycle.

ANNUAL BUDGET PREPARATION CALENDAR

July 1 > Start of fiscal year

August ~ September > Early forecast of upcoming budget year, including the following:

- Current year estimated spending and revenues and use of fund balance
- Projected revenues and expenses for upcoming year

December ~ January > Mid-year update of the forecast

> Identification of projected gap between expenditures and revenues

> Formulation of budget guidelines for upcoming fiscal year

January ~ February > Budget kick-off

> Departmental annual budget requests submitted

March ~ April > City Council pre-budget workshop

> Review of operating budget requests

> Preparation of annual budget proposal

May ~ June > City Manager presents Annual Budget to Mayor and City Council

> Finance Committee workshops and public hearing

> Adoption of budget ordinances and property tax rate prior to July 1

ABOUT WINSTON-SALEM

History: Winston-Salem's roots can be traced to German Moravians who migrated to Pennsylvania and traveled south via the Great Wagon Road. In 1753, the Moravians purchased *Wachovia*, a one hundred acre tract of land on which they founded the communities of Bethabara in 1753 and Salem (which means "peace") in 1766. An African presence can also be traced back to this time period because the Moravians acquired slaves from neighboring areas to assist them with the task of building these communities.



The town of Winston, whose early settlers were of Quaker, English and Scotch-Irish descent, was selected as the county seat of the new County of Forsyth in 1849. Winston, only one mile north of Salem Square, was named for Major Joseph Winston, a hero of the American Revolutionary War. The City of Winston experienced a period of extraordinary growth beginning with the advent of the railroad in 1853 and became a major producer of textiles, furniture, and tobacco products. This increase in population included the immigration of recently emancipated African slaves who were also seeking better economic conditions.

In 1913, through an Act by the General Assembly and a subsequent vote held in the towns of Winston and Salem, the municipalities were legally consolidated to become Winston-Salem.

Today, Winston-Salem is the fourth largest city in the State of North Carolina with a population of approximately 230,000, moving up from fifth largest City as of October 2007.

Higher Education: Salem College, a private liberal arts institution, is the oldest college dedicated to the education of women, and the 13th oldest college in the nation. Believing that women deserved an equal opportunity to learn, the Moravians established a school for girls in 1772, that later became Salem College in 1890.



Winston-Salem State University, historically an African-American Institution, was founded in 1892 as the Slater Industrial Academy. In 1925, the General Assembly gave the school authority to confer degrees, thus allowing the school (known as Winston-Salem Teachers College) to become the first black institution in the nation to grant degrees for teaching in the elementary grades. In 1969, it became Winston-Salem State University and then in 1972, it became one of the 16 constituent institutions of the University of North Carolina system.

Wake Forest University, another private liberal arts institution, was founded in 1834 by the Baptist State Convention of North Carolina. Its first home was in Wake Forest, North Carolina, but in 1956, after a donation of land from the late Charles Babcock and his wife, the late Mary Reynolds Babcock, the College moved all of its operations to Winston-Salem.

Forsyth Technical Community College traces its beginnings to 1960. However, it officially became a part of the community college system in 1964. Over the years, this institution has provided students with technical and vocational skills needed to compete in the fields of high technology.

The North Carolina School of the Arts, founded in 1963, trains students from junior high to graduate school for professional careers in the performing, moving image and visual arts fields. This school is the only state-assisted, residential school of its kind in the world.

ABOUT WINSTON-SALEM

Today's Winston-Salem: Winston-Salem and Forsyth County are part of a larger community known as the Piedmont Triad, consisting of Greensboro to the east, Winston-Salem to the west and High Point to the south. Forsyth County joins Guilford, Stokes, Yadkin, Davie, Davidson, Randolph, and Alamance counties to form the nation's 37th largest metropolitan statistical area, with a population of over one million.

Winston-Salem has prospered as a home for large firms such as Reynolds/American, Hanesbrands, and Wachovia/Wells-Fargo Bank, and the City is committed to the development of small businesses. In 2001, *Entrepreneur* magazine rated the Winston-Salem metropolitan area as a "best bet" in terms of low-risk associated with a business start-up. Winston-Salem is also a regional center for medical services provided by the Wake Forest/Baptist Medical Center and Forsyth Medical Center (Novant Health, Inc.).

Population	
2006	199,061
2007	221,014
2008	224,889
2009	228,459
2010	235,075
2011	238,024

In addition to being a home for business, Winston-Salem also prides itself on its support of the arts. Known as the "City of the Arts," Winston-Salem has one of the highest rates of per capita contribution to the arts of any city in the nation. The Arts Council, founded in 1950, was the first municipal arts council in the country. The National Black Theatre Festival, a biennial event that began in 1989, has been cited as the nation's largest and most celebrated exposition of black theater.

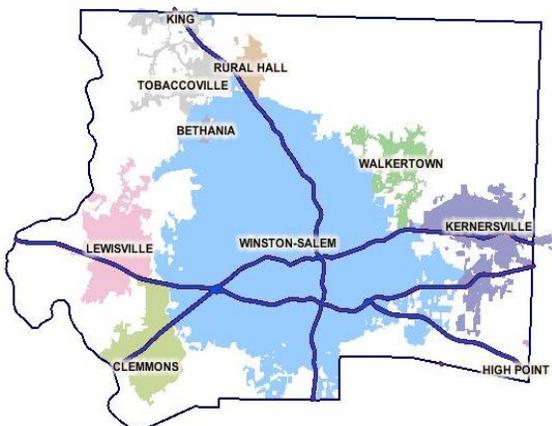
Largest Employers (FY 2011)	
Wake Forest University Baptist Medical Center	11,750
Novant Health, Inc.	8,145
Winston-Salem/Forsyth County Schools	6,692
Reynolds American, Inc.	3,000
Wells Fargo	2,800

Winston-Salem has a strong tradition of being a prosperous business center and one of the country's most desirable cities. Moreover, the recent increase in the number of Hispanics and Asians moving to Winston-Salem has created an area rich in cultural diversity.

Winston-Salem's effort to attract new employers has paid off with a listing among "America's 50 Hottest Cities" for business relocation or expansion, according to Expansion Management magazine. The magazine's January-February 2007 issue ranked Winston-Salem 34th on its list of cities that site location consultants consider the best locations for future facility expansion.

For the seventh year in a row Winston-Salem has been ranked as one of the top 10 most technology-advanced cities of its size in America by the Center for Digital Government. Winston-Salem was tied for

Principal Taxpayers (FY 2011)	% of Tax Levy
Reynolds American, Inc. (Manufacturing)	3.43%
Wachovia Bank/Wells Fargo (Banking Services)	1.09%
Duke Energy Corp.	0.89%
Lowe's Home Center	0.80%
JG Winston-Salem, LLC (Real Estate)	0.58%



Location: In the Piedmont region of north central North Carolina, Winston-Salem is almost equidistant between Washington, D.C. and Atlanta, Georgia.

second place in the center's 2008 Digital Cities Survey of cities with a population of 125,000 to 249,999. The annual study examines how city governments are using digital technologies to better serve their citizens and streamline operations.

In February 2009, Winston-Salem was named a Tree City USA by the National Arbor Day Foundation in recognition of its commitment to the city's urban forest. It is the ninth year the City has received this national recognition. A Tree City USA, must have a tree board or department; must have a tree-care ordinance; must have a comprehensive community forestry program; and must hold an Arbor Day observance.

City Government: The City is governed under the Council-Manager form of government. The City Council is the legislative body and includes eight Council Members elected from eight wards and a Mayor elected at-large for four-year concurrent terms. The city manager is the chief executive officer of the City.

ABOUT WINSTON-SALEM



STATISTICAL INFORMATION



Courtesy Wikipedia

Registered Voters (Forsyth County): 233,539 (May 2012) Voting in Last Primary Election: 34.65% (May 2012)

Racial (Census 2010):

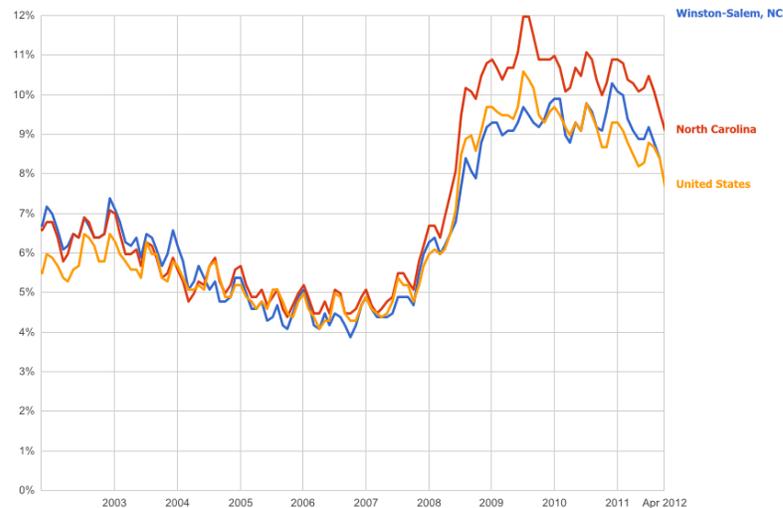
White/Caucasian	52.4%
Black/African-American	37.1%
Hispanic	8.6%
Asian	2.0%
Other	0.8%

Age (Census 2010):

< 18 years	23.3%
18-24 years	11.7%
25-44 years	30.4%
45-64 years	20.9%
65+ years	13.7%

<u>Unemployment Rates (March 2011):</u>	Winston-Salem	Forsyth County	North Carolina	United States
	8.8%	9.2%	10.1%	8.7%

Unemployment Rates History (Through December 2010)



Source: U.S. Bureau of Labor Statistics and Google



ABOUT WINSTON-SALEM



MISCELLANEOUS STATISTICS

Climate:

Mean Annual Temperature	59.2 F
Average Annual Rainfall	45.5 "
Average Relative Humidity	69.5%
Average Summer Temperature	77 F
Average Winter Temperature.....	41 F

Area and Altitude:

Area.....	132.4 sq. miles
Average Elevation.....	970 ' above sea level

Miles of Streets:

City.....	1,016
State.....	214.3
Number of Street Lights	32,434
Number of Traffic Lights	375

Fire Protection:

Number of Fire Stations.....	19
Number of Certified Fire Officers (Adopted Budget FY 12-13)	339

Police Protection

Number of Sworn Police Officers (Adopted Budget FY 12-13)	569
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City-County Water/Sewer System:

Number of Customers	228,150
Average Daily Consumption.....	37.9 mil. gallons
Miles of Water Mains	2,227
Miles of Sewer Mains	1,707

Building Permits Issued (2010 City of Winston-Salem) 3,270

Total Number of Full-Time Authorized Positions (Amended FY 11-12)..... 2,469

Recreation Facilities:

Number of Parks	77
Total Parks Acreage.....	3,650
Golf Courses	2
Fishing and Boating Lakes.....	2
Swimming Pools	8
Tennis Courts	114
Soccer Fields.....	43
Softball Field.....	47
Recreation Centers	17
Greenways.....	10 (23 miles)

CAPITAL OUTLAY

CASH CAPITAL OUTLAY

Department	Description (No. Replacements)	Purchase Cost
GENERAL FUND		
DOT/Pavement Markings	Hydraulic Uplift for Truck #572	\$7,500
TOTAL GENERAL FUND		\$7,500
TOTAL CASH CAPITAL OUTLAY		\$7,500

LEASE PURCHASED CAPITAL OUTLAY (5-YR)

Department	Description (No. Replacements)	Purchase Cost	FY 12-13 Lease Payment*
GENERAL FUND			
Channel 13	Vehicle 13 - Channel 13 Van	\$21,000	\$4,200
Telephone Communications	Upgrade IP Telephone System	150,000	30,000
Police/IS	Mini-Van (1)	22,000	4,400
Police/IS	Desktops (13)	10,270	2,050
Police/Patrol	Pursuit (39)	1,014,000	202,800
Police/Patrol	Lightbars (39)	77,040	15,410
Police/Patrol	In-Car Cameras (106)	742,000	148,400
Police/Patrol	Laptops (57)	99,750	19,950
Police/Patrol	Authentication Upgrade for DCI	100,000	20,000
Police/Patrol	Partitions (106)	37,140	7,430
Police/Patrol	Consoles/Universal Trays (106)	79,500	15,900
Police/Patrol	Automatic Vehicle Locater Devices (66)	42,900	8,580
Police/SET	Command Van (3)	75,000	15,000
Police/Development & Training	Command Van (2)	50,000	10,000
Police/School Resource Officers	Radios (8)	39,200	7,840
Police/School Resource Officers	Laptops - MDC's (8)	16,800	3,360
Police/Evidence Management	Floating Shelves / Gun Racks	120,000	24,000
Police/Records	Scanning System Upgrade	100,000	20,000

CAPITAL OUTLAY

LEASE PURCHASED CAPITAL OUTLAY (5-YR) - Continued

Department	Description (No. Replacements)	Purchase Cost	FY 12-13 Lease Payment*
Fire/Suppression	Command Van (1)	50,000	10,000
Fire/Suppression	SCBA Air Packs (70)	648,920	129,780
Fire/Suppression	Desktops (22)	18,920	3,780
Fire/Prevention	Laser Extinguisher Training Device (2)	20,000	4,000
DOT/Technical Assistance	Metrics Traffic Counters (8)	12,000	2,400
DOT/Signal Maintenance	Trencher (1)	31,000	6,200
DOT/Pavement Markings	Heavy Duty Diesel Utility Truck #572	55,000	11,000
DOT/Pavement Markings	Changeable Message Sign for Truck #572	10,500	2,100
Streets Maintenance	Crew Trucks #'s 807, 806, 856	105,000	21,000
Streets Maintenance	Rubber Tire Roller #8073	50,000	10,000
Streets Maintenance	Do-All Truck #859	115,000	23,000
Streets Maintenance	Asphalt Roller #8009	\$50,000	\$10,000
Streets Maintenance	Motorgrader (1)	200,000	40,000
Recreation and Parks/Winston Lake GC	Golf Carts (62)	161,200	32,240
Recreation and Parks/Parks Maintenance	2500 Utility Bed Pick-up #224	30,000	6,000
Recreation and Parks/Parks Maintenance	3500 Utility Body Pick-up #293	35,000	7,000
Recreation and Parks/Parks Maintenance	2500 Van #227	21,000	4,200
TOTAL GENERAL FUND		\$4,410,140	\$882,020

CAPITAL OUTLAY

LEASE PURCHASED CAPITAL OUTLAY (5-YR) - Continued

Department	Description (No. Replacements)	Purchase Cost	FY 12-13 Lease Payment*
OTHER FUNDS			
Utilities/Hanes Landfill	Rebuild Cat 836 Compactor	500,000	33,150
Utilities/Hanes Landfill	Tandem Dump Truck w/ Salt Spreader (1)	130,000	22,950
Utilities/Hanes Landfill	Mowing Tractor (1)	90,000	7,650
Utilities/Hanes Landfill	4 Wheel Drive Pickup #6208	30,000	7,650
Utilities/Hanes Landfill	4 Wheel Drive Pickup (1)	30,000	33,150
Water and Sewer/Construction and Maintenance	Crew Truck #625	100,000	25,500
Water and Sewer/Construction and Maintenance	Crew Truck #6124	100,000	25,500
Water and Sewer/Construction and Maintenance	Dump Truck #688	120,000	30,600
Water and Sewer/Construction and Maintenance	Dump Truck #690	120,000	30,600
Water and Sewer/Construction and Maintenance	Excavator (1)	200,000	51,000
Water and Sewer/Construction and Maintenance	Jet/Vac Combination Truck (1)	300,000	76,500
Water and Sewer/Construction and Maintenance	Vibratory Trench Roller (1)	35,000	8,930
Water and Sewer /Technical Support Group	GIS Truck #6603	\$35,000	\$8,930
Stormwater/Administration	1500 4 Wheel Drive Pick-up Truck #891	34,000	8,670
Stormwater/Administration	Electronic Map Retention	25,000	6,380
Stormwater/Water Quality Monitoring	GeoXH GPS Unit	41,210	10,510
Stormwater/Drainage	Sewer Jetter #852	260,000	66,300
Stormwater/Drainage	Single Axle Dump Truck #814	75,000	19,130
Stormwater/Drainage	Tandem Dump Truck #842	115,000	29,330
Stormwater/Drainage	Trackhoe #899	200,000	51,000
Cemeteries/Woodland Cemetery	Fence	90,000	22,950

CAPITAL OUTLAY

LEASE PURCHASED CAPITAL OUTLAY (5-YR) - Continued

Department	Description (No. Replacements)	Purchase Cost	FY 12-13 Lease Payment*
OTHER FUNDS CONTINUED			
Information Systems/Office Systems	Computers (Year 2 of replacement)	283,500	72,290
Employee Benefits Fund	Microform Scanner/Software	18,200	4,640
Fleet Services/Leased Fleet	Sedans (8)	128,000	32,640
Fleet Services/Leased Fleet	Compact Pick-ups (8)	124,000	31,620
Fleet Services/Leased Fleet	½ Ton Pick-ups (5)	82,000	20,910
Fleet Services/Leased Fleet	Vans (3)	75,000	19,130
Fleet Services/Tire Shop	Tire Truck #322	52,000	13,260
TOTAL OTHER FUNDS		\$3,392,910	\$865,220
TOTAL LEASED PURCHASED CAPITAL OUTLAY (5-YEAR)		\$7,803,050	\$1,747,240

*The lease payment for Other Funds capital outlay includes principal and interest.

LEASE PURCHASED CAPITAL OUTLAY (10-YR)

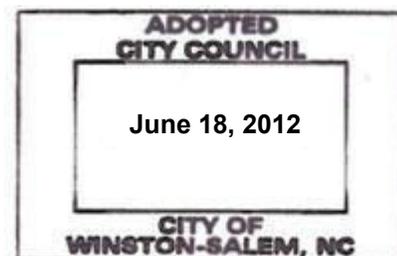
Department	Description (No. Replacements)	Purchase Cost	FY 12-13 Lease Payment
GENERAL FUND			
Fire/Fire Suppression	Pumper #1093	\$510,000	\$51,000
TOTAL GENERAL FUND		\$510,000	\$51,000
TOTAL LEASED PURCHASED CAPITAL OUTLAY (10-YEAR)		\$510,000	\$51,000

**ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Winston-Salem that the following anticipated revenues and authorized expenditures by fund, together with a financial plan for internal service funds, are hereby appropriated and approved for the operation of city government and its activities for the fiscal year beginning July 1, 2012, and ending June 30, 2013.

SECTION 1. Expenditures by Fund.

General Fund	
Community and Economic Development	\$ 13,419,340
Public Safety	86,451,070
Transportation	16,816,430
Recreation and Culture	10,797,480
Environmental Health	18,288,590
Interdepartmental Services	12,158,590
General Government	20,281,840
Other	-3,544,020
Total General Fund Expenditures	\$174,669,320
Internal Service Funds	
Warehouse	\$ 311,680
Fleet Services	9,602,330
Information Systems	8,654,770
Employment Benefits Funds	50,846,710
Total Internal Service Funds Expenditures	\$69,415,490
Debt Service Fund Expenditures	\$18,101,160
Post-Employment Benefits Fund Expenditures	\$9,729,350



Enterprise Funds

Water and Sewer Utilities	\$80,920,530
Solid Waste Disposal	12,484,370
Stormwater Management	7,541,120
Fair	3,028,350
Winston-Salem Transit Authority	13,242,940
Parking Lots and Decks	3,009,890
Convention Center	818,990
Coliseum Complex	4,851,480
Bowman Gray Stadium	419,260
Downtown Ballpark	1,437,080
Cemeteries	675,370
Total Enterprise Funds Expenditures	\$128,429,380

Special Revenue Funds

Powell Bill (Gasoline Tax) Fund	\$ 6,250,410
Special Sales Tax Fund	11,741,250
Mass Transit Tax Fund	5,530,470
Occupancy Tax Fund	536,250
Total Special Revenue Funds Expenditures	\$24,058,380

Leasing Fund Expenditures **\$23,779,490**

Total Expenditures **\$448,182,570**

SECTION 2. Revenues by Fund.

General Fund

Taxes

Ad Valorem Taxes

Current Year	\$86,827,520
Prior Year and Penalties	1,250,000
Local Option Sales Tax (Article 39)	12,949,550
City Hold Harmless Payment (Formerly Article 44)	4,355,470

APPROVED

Subtotal Taxes

\$105,382,540

Licenses and Permits

Construction Permits	\$2,344,640
Privilege Licenses	2,930,000
Gross Receipts Tax	200,000
Motor Vehicle Privilege Taxes	1,633,330
Other Licenses and Permits	128,750

Subtotal Licenses and Permits **\$7,236,720**

Intergovernmental Revenues

Utilities Franchise Tax	\$14,929,380
Beer and Wine Tax	1,115,170
"Hold Harmless" Payment	2,336,010
ABC Store Allocation	612,210
Housing Authority Payment in Lieu of Taxes	48,210
Other	133,800

Subtotal Intergovernmental Revenues **\$19,174,780**

Charges for Service

Governmental Sales and Service	\$ 3,969,140
Parking Meters	75,000
Charges to State	602,000
Charges to County	2,661,340
Interfund Charges	11,738,900
Charges to Other Municipalities	38,500

Subtotal Charges for Service **\$19,084,880**

Other Revenues

Rentals	\$ 280,900
Sales	174,000
Fines and Forfeitures	902,300
Contributions	503,660
Miscellaneous	2,521,320

Subtotal Other Revenues **\$4,382,180**

Transfers

From Home Investment Partnership Fund	\$ 105,000
From Community Development Block Grant Fund	932,410
From Housing Finance Assistance Fund	25,000
From Powell Bill (Gasoline Tax) Fund	5,052,410
From Special Sales Tax Fund	7,363,370
From Solid Waste Disposal Fund	1,109,850
From Stormwater Fund	1,590,330
From State Emergency Telephone System Fund	11,540
From Water and Sewer Utility Fund	74,680
From Workers Compensation Fund	143,630

Subtotal Transfers	\$16,408,220
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Fund Balance Appropriation	\$3,000,000
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Total General Fund Revenues	\$174,669,320
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Internal Service Funds

Charges for Service	\$60,257,030
Miscellaneous Revenues	125,000
Fund Balance Appropriation (Information Systems)	589,720
Fund Balance Appropriation (Employment Benefits Funds)	7,443,740
Transfer From Employee Benefits Fund	1,000,000

Total Internal Service Funds Revenues	\$69,415,490
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Debt Service Fund

Property Tax	\$9,643,660
ABC Store Allocation	306,110
Investment Income	400,000
Other Revenues	1,136,620
Transfers	
From General Fund	550,000
From Special Sales Tax Fund	4,377,880
Fund Balance Appropriation	1,686,890

APPROVED

Total Debt Service Fund Revenues **\$18,101,160**

Post-Employment Benefits Fund

City Contribution	\$6,822,750
Employee and Other Agency Contributions	1,800,000
Investment Income	1,000,000
Fund Balance Appropriation	106,600

Total Post-Employment Benefits Fund Revenues **\$9,729,350**

Enterprise Funds

Water and Sewer Funds

Charges for Service	\$83,320,340
Federal Bond Interest Subsidy	1,728,340
Assessments to Benefit Property	750,000
Addition to Capital Reserves	-4,878,150

Subtotal Water and Sewer Funds Revenues **\$80,920,530**

Solid Waste Disposal Fund

Charges for Service	\$8,785,660
Investment Income	241,270
State Tire Disposal Tax	471,200
State Solid Waste Disposal Tax	186,240
State E-Recycling Funds	26,500
Sale of Recyclables/Other Resource Recovery	648,380
Forsyth County	168,870
Rentals	30,570
Transfers	
From Water and Sewer Funds	236,980
From Stormwater Management Fund	118,310
Fund Balance Appropriation	1,570,390

Subtotal Solid Waste Disposal Fund Revenues **\$12,484,370**

Stormwater Management Fund

Stormwater Management System User Fees	\$10,000,000
Construction Permits	90,700
Forsyth County	61,910
Erosion Control Fines	15,000

APPROVED

Other Revenues	2,600
Addition to Capital Reserves	-2,629,090

Subtotal Stormwater Management Fund Revenues **\$7,541,120**

Fair Fund

Charges for Service, Rentals, and Reimbursements	\$2,673,400
Fund Balance Appropriation	354,950

Subtotal Fairgrounds Fund Revenues **\$3,028,350**

Winston-Salem Transit Authority

Fares and Fees	\$ 2,810,350
Federal Transit Administration	3,041,870
North Carolina Department of Transportation	1,270,120
Motor Vehicle Privilege Tax	270,000
Other Intergovernmental Revenues	330,000
Forsyth County	124,250
Reimbursements	129,640
Transfers	
From Mass Transit Tax Fund	5,260,370
From Debt Service Fund	6,340

Subtotal Winston-Salem Transit Authority Revenues **\$13,242,940**

Parking Fund

Parking & Rental Revenues	\$989,750
Forsyth County	452,830
Transfer From General Fund	613,180
Fund Balance Appropriation	954,130

Subtotal Parking Fund Revenues **\$3,009,890**

Convention Center Fund

Transfers	
From General Fund	\$568,990
From Occupancy Tax Fund	250,000

Subtotal Convention Center Fund Revenues **\$818,990**

Coliseum Complex Fund

Charges for Service	\$1,138,840
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APPROVED

Parking	880,750
Building Rental	1,097,010
Reimbursables/Miscellaneous Sales	366,210
Transfers	
From General Fund	730,890
From Fair Fund	485,790
From Occupancy Tax Fund	150,000
From Bowman Gray Stadium Fund	1,990
Subtotal Coliseum Complex Fund Revenues	\$4,851,480

Bowman Gray Stadium Fund

Charges for Service	\$ 88,350
Facility Rental	127,910
Winston-Salem State University	54,100
Reimbursables/Miscellaneous Sales	134,900
Parking	14,000
Subtotal Bowman Gray Stadium Fund Revenues	\$419,260

Downtown Ballpark Fund

Lease Payments	\$ 993,980
Ticket Surcharge	350,000
Transfer From General Fund	93,100
Subtotal Downtown Ballpark Fund Revenues	\$1,437,080

Cemeteries Fund

Charges for Service & Sales	\$495,740
Contribution from Perpetual Care Fund	118,270
Transfer From General Fund	61,360
Subtotal Cemeteries Fund Revenues	\$675,370

Total Enterprise Funds Revenues **\$128,429,380**

Special Revenue Funds

Powell Bill (Gasoline Tax) Fund

Gasoline Tax	\$6,241,410
Investment Income	9,000

Subtotal Gasoline Tax Fund Revenues	\$6,250,410
Special Sales Tax Fund	
Local Option Half-Cent Sales Tax (Article 40)	\$5,472,350
Local Option Half-Cent Sales Tax (Article 42)	6,268,900
Subtotal Special Sales Tax Fund Revenues	\$11,741,250
Mass Transit Tax Fund	
Property Taxes - Current Levy	\$6,266,340
Addition to Fund Balance	-735,870
Subtotal Mass Transit Tax Fund Revenues	\$5,530,470
Occupancy Tax Fund	
Occupancy Tax	\$536,250
Subtotal Occupancy Tax Fund Revenues	\$536,250
Total Special Revenue Funds Revenues	\$24,058,380
Leasing Fund	
Lease Payments – City	\$12,879,510
Lease Payments – Outside Agencies	819,420
Transfer From General Fund	172,540
Fund Balance Appropriation	9,908,020
Total Leasing Fund Revenues	\$23,779,490
Total Revenues	\$448,182,570

SECTION 3. That the reserve for encumbrances at June 30, 2012, representing prior commitments as of that date, shall be reappropriated pursuant to North Carolina General Statutes 159-8 and 159-13(b)(15) and distributed to the departmental budgets, under which expenditures may be made during the 2012-2013 budget year as the previous commitments are satisfied.

SECTION 4. All unexpended balances in Trust Funds designated for special purposes are

hereby reappropriated for their original purposes.

SECTION 5. In order to raise the revenue to finance the appropriations for the proper government of the City of Winston-Salem for the fiscal year 2012-2013, the following *ad valorem* taxes, at a rate of forty-nine and one-tenth cents (\$.491) are hereby levied on all real and personal property subject to *ad valorem* taxes within the City of Winston-Salem, North Carolina, and distributed for the following purposes:

- a) General: a tax rate of \$.491 per one hundred dollars (\$100) on \$478,863,300 in assessed property representing the value of economic development projects.
- b) General: a tax rate of \$.4128 per one hundred dollars (\$100) of assessed valuation of property located within the City of Winston-Salem, North Carolina, except for \$478,863,300 in assessed property representing economic development projects, for general purposes.
- c) Transit: a tax rate of \$.0308 per one hundred dollars (\$100) of assessed valuation of property located within the City of Winston-Salem, North Carolina, except for \$478,863,300 in assessed property representing economic development projects, for Winston-Salem Transit Authority operating and capital program purposes.
- d) Bond Indebtedness: a tax rate of \$.0474 per one hundred dollars (\$100) of assessed valuation of property located within the City of Winston-Salem, North Carolina, except for \$478,863,300 in assessed property representing economic development projects, for bond indebtedness purposes.

This allocation of the general property tax of the City should not be construed as a requirement for a similar distribution of other State-shared revenues.

SECTION 6. That the taxes hereby levied shall be due and collectible on September 1, 2012.

SECTION 7. That the City Manager, or his designee, is hereby authorized to transfer appropriations within a fund as contained herein between responsibilities within functional categories without limitation and without a report being requested.

SECTION 8. That the City Manager, or his designee, is hereby authorized to execute grantee agreements with community agencies in accordance with amounts appropriated by the City Council.

SECTION 9. Within five days after adoption, copies of the ordinance shall be filed with the Finance Officer, Budget Officer, and City Secretary.

SECTION 10. This ordinance shall take effect on July 1, 2012.

**PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Winston-Salem that the following project authorizations for expenditures and revenues for fiscal year 2012-2013 and thereafter be approved for the Special Revenue, Capital Projects, Enterprise Capital Projects, and Internal Services Capital Projects funds.

SECTION 1. Authorized project expenditures represent appropriations necessary for the completion of the project, and the appropriations need not be readopted in any subsequent fiscal year.

Special Revenue Funds

Community Development Block Grant Fund	\$ 2,418,790
HOME Investment Partnership Trust Fund	1,057,400
Supportive Housing Grants Fund	1,479,810
Housing Finance Assistance Fund	554,620
Economic Development Project Fund	1,330,980
Grants Fund	2,361,780
State Emergency Telephone System Fund	421,080
Total Special Revenue Funds Expenditures	\$9,624,460

Capital Projects Fund Group

Capital Projects Fund

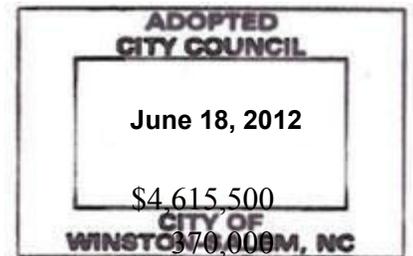
Transportation
Recreation and Culture

Subtotal Capital Projects Fund Expenditures **\$4,985,500**

Leasing Capital Projects Fund

Recreation and Culture \$250,000

Subtotal Leasing Capital Projects Fund Expenditures **\$250,000**



Leasing Equipment Acquisition Fund	\$6,173,760
Total Capital Projects Fund Group Expenditures	\$11,409,260
Enterprise Capital Projects Funds	
Environmental Health	\$44,584,700
Transportation	3,675,960
Total Enterprise Capital Projects Funds Expenditures	\$48,260,660
Internal Services Capital Projects Funds	
General Government	\$478,000
Total Internal Services Capital Projects Funds Expenditures	\$478,000
Total Expenditures	\$69,772,380

SECTION 2. It is estimated that the following revenues will be available to meet the foregoing project appropriations, according to the following schedules.

Special Revenue Funds	
Community Development Block Grant Fund	
Federal Grants	\$1,893,790
Loan Repayments	525,000
Subtotal Community Development Block Grant Fund Revenues	\$2,418,790
HOME Investment Partnership Trust Fund	
Federal Grants	\$932,400
Loan Repayments	125,000
Subtotal HOME Investment Partnership Trust Fund Revenues	\$1,057,400

Supportive Housing Grants Fund	
Federal Grants	\$1,479,810
Subtotal Supportive Housing Grants Fund Revenues	\$1,479,810
Housing Finance Assistance Fund	
Investment Income	\$449,000
Transfer From General Fund	82,620
Fund Balance Appropriation	23,000
Subtotal Housing Finance Assistance Fund Revenues	\$554,620
Economic Development Project Fund	
Transfer From General Fund	\$1,330,980
Subtotal Economic Development Project Fund Revenues	\$1,330,980
Grants Fund	
Federal Grants	\$738,290
North Carolina Department of Transportation	982,990
Forsyth County	150,000
Contributions from Other Local Governments	10,650
Miscellaneous	86,500
Transfers	
From General Fund	382,350
From Mass Transit Tax Fund	11,000
Subtotal Grants Fund Revenues	\$2,361,780
State Emergency Telephone System Fund	
Reimbursements	\$582,770
Addition to Fund Balance	-161,690
Subtotal State Emergency Telephone System Fund Revenues	\$421,080
Total Special Revenue Funds Revenues	\$9,624,460

Capital Projects Fund Group

Capital Projects Fund

North Carolina Department of Transportation	\$758,000
Motor Vehicle Privilege Tax	540,000
Contributions	100,000
Transfer From Powell Bill (Gasoline Tax) Fund	1,198,000
Transfer From General Fund	2,389,500

Subtotal Capital Projects Fund Revenues \$4,985,500

Leasing Capital Projects Fund

North Carolina Municipal Leasing Corporation	\$250,000
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Subtotal Leasing Capital Projects Fund Revenues \$250,000

Leasing Equipment Acquisition Fund

North Carolina Municipal Leasing Corporation	\$6,173,760
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Subtotal Leasing Equipment Acquisition Fund Revenues \$6,173,760

Total Capital Projects Fund Group Revenues \$11,409,260

Enterprise Capital Projects Funds

Revenue Bonds	\$33,207,820
Federal Transit Administration	3,308,360
North Carolina Department of Transportation	183,800
Water & Sewer Utilities Fund Balance	7,082,280
Stormwater Management Fund Balance	2,689,400
Solid Waste Disposal Fund Balance	1,605,200
Transfer From Mass Transit Tax Fund	183,800

Total Enterprise Capital Projects Funds Revenues \$48,260,660

Internal Services Capital Projects Funds

North Carolina Municipal Leasing Corporation	\$328,000
Information Systems Fund Balance	150,000

Total Internal Services Capital Projects Funds Revenues **\$478,000**

Total Revenues **\$69,772,380**

SECTION 3. That the City Manager, or his designee, is hereby authorized to transfer appropriations and revenues between projects within functional categories as contained herein, in an amount not to exceed \$100,000 without a report being requested.

SECTION 4. Within five days after adoption, copies of the ordinance shall be filed with the Finance Officer, Budget Officer, and City Secretary.

SECTION 5. This ordinance shall take effect July 1, 2012.

GLOSSARY OF BUDGET TERMS

ALLOCATE. To set apart portions of budgeted expenditures that are specifically designated for special activities or purposes.

ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE. An ordinance for the purpose of levying taxes and authorized the appropriations for a local government's annual fund (*e.g.* general fund, enterprise funds, internal service funds, etc.).

APPROPRIATION. The amount budgeted on a yearly basis to cover projected expenditures that have been legally authorized by the City Council.

ASSESSED VALUATION. The value of real estate or personal property as determined by tax assessors and used as a basis for levying property taxes.

ASSESSMENT. The process for determining values of real and personal property for taxation purposes.

AUTHORITY. A municipal or public agency that performs a specific function and is usually financed from fees or service charges. The agency could be independent from government, but rely on government for financial support (*i.e.*, the Winston-Salem Transit Authority).

AUTHORIZED BONDS. Bonds that have been legally authorized but may or may not have been sold. These bonds, however, can be issued or sold at any time.

BOND. A written promise to pay a specific amount of money with interest within a specific time period, usually long-term.

BOND ISSUE. Whenever a municipal government borrows money by selling bonds, the sale is referred to as a bond issue. A municipal government's outstanding bond debt can be the result of multiple bond issues sold over the course of several years in varying amounts and with different terms of repayment.

BUDGET. A financial plan containing projected expenditures and resources covering a fiscal year.

BUDGET DOCUMENT. A formal document presented to the City Council containing the City's financial plan for a fiscal year. The budget document is presented in two phases - preliminary and final - the latter of which reflects the budget as adopted by the City Council.

BUDGET MESSAGE. A written overview of the adopted budget from the City Manager to the Mayor and City Council that discusses the major budget items and the City's present and future financial condition.

CAPITAL BUDGET. A financial plan for projected capital projects containing expenditures and resources covering a fiscal year.

CAPITAL PLAN. A long-range plan of adopted capital improvement projects, which includes estimated project costs and funding sources that the City expects to carry out over a six-year period. The program is updated annually to reassess capital needs and for the preparation of the capital budget.

CAPITAL OUTLAY. An expenditure for equipment costing more than \$5,000.

CAPITAL PROJECT. A project expected to have a useful life greater than 10 years and an estimated total cost of \$50,000 or more. Capital projects include the construction, purchase, or major renovation of buildings, utility systems, streets, or other structures; purchase of land; and major landscaping projects.

CAPITAL PROJECTS FUND. A fund used to account for the acquisition or construction of major governmental capital facilities and equipment that are not financed in other funds.

GLOSSARY OF BUDGET TERMS

CASH BASIS OF ACCOUNTING. A method for recording the receipt and expenditure of funds in which revenues are recorded when they are actually received and expenditures are recorded when funds are actually spent.

CERTIFICATES OF PARTICIPATION (COP's). A type of debt financing in which a government pledges an existing asset to retire the debt. Proceeds are generated from selling investors a portion of the financing in the form of certificates.

DEFICIT. An excess of expenditures over revenues or expense over income.

DEBT SERVICE FUND. A fund that provides for the payment of principal and interest on long-term, general obligation bonds. This fund does not cover principal and interest payments for revenue bonds and most lease-purchase debt.

ENCUMBRANCES. A financial commitment for services, contracts, or goods that have not, as yet, been delivered or performed.

ENTERPRISE AND INTERNAL SERVICE CAPITAL PROJECTS FUND. A fund used to account for the acquisition or construction of major capital improvements for enterprise and internal service operations.

ENTERPRISE FUND. A fund used to account for operations that resemble a business and are financed from user charges. (e.g., Parking, Transit Authority, Fairgrounds, Convention Center/Coliseum, and Water and Sewer)

EXPENDITURES/EXPENSES. Payment of the cost of goods received or services rendered. Expenses include both cash and non-cash transactions, such as depreciation.

FISCAL YEAR. A 12-month period (July 1 through June 30) to which the annual operating budget applies and at the end of which an assessment is made of the City's financial condition and performance of its operations.

FULL ACCRUAL BASIS OF ACCOUNTING. A method for recording the receipt and expenditure of funds in which revenues are recorded when they are earned and expenses are recorded when a liability is incurred. Proprietary funds are accounted for using this basis of accounting.

FUND. An accounting entity created to record the financial activity for a selected financial grouping. A fund is set up to carry out a special function or attain certain objectives in accordance with set laws and regulations.

FUND BALANCE. An amount of resources set aside within a fund to provide adequate cash flow and reserves.

GENERAL OBLIGATION BONDS. Bonds issued by a government that are backed by the full faith and credit of its taxing authority.

GRANTS. A contribution or gift in cash or other assets from another government or non-profit foundation to be used for a specified purpose. For example, a grant from the State of North Carolina for the construction of a major highway.

INTERFUND ACCOUNTS. Accounts that reflect transfers between funds.

INTERGOVERNMENTAL REVENUES. Revenues from other governments (state, federal, local) that can be in the form of grants, shared revenues, or entitlements.

GLOSSARY OF BUDGET TERMS

LEASE-PURCHASE AGREEMENTS. A contractual agreement by which capital outlay, costing in excess of \$10,000, is purchased over a three-year or five-year period through lease payments.

LEVY. The amount of tax, service charges, and assessments imposed by a government.

MODIFIED ACCRUAL BASIS OF ACCOUNTING. A method for recording the receipt and expenditure of funds in which revenues are recorded when they become measurable and available and expenditures are recorded when the liability is incurred. This is the method of budgetary accounting employed as a management control for all city funds

NON-OPERATING EXPENSES. Expenses that are not directly related to service activities such as debt service.

NON-OPERATING REVENUES. Revenues that are generated from other sources (*e.g.*, interest income) and are not directly related to service activities.

PERSONAL SERVICES. Expenditures related to the compensation of employees, including full-time and part-time salaries, overtime, longevity pay, and benefits (*e.g.* Social Security, health care insurance, workers compensation, etc.).

PROJECT BUDGET ORDINANCE. An ordinance that appropriates multi-year funds such as federal and state grants and financing for capital projects.

RESERVE. An account designated for a portion of the fund balance that is to be used for a specific purpose.

REVALUATION. A periodic reappraisal of real property, typically conducted by a county's tax administration office. In Forsyth County, real property is revalued every four years.

REVENUE BONDS. Bonds issued by a government for which the revenue generated by the project financed by the bonds are pledged to pay the principal and interest.

SHARED REVENUES. Revenues levied and collected by one government but shared with another government based on a predetermined method. For example, the City of Winston-Salem receives a portion of the gasoline tax collected by the state based on population and miles of City streets.

SPECIAL ASSESSMENT. A levy on certain properties to defray part or all of the costs associated with improvements or services that will benefit those properties. For instance, a special assessment would be levied against property owners who have petitioned for the construction of sidewalks along a particular street.

SPECIAL REVENUE FUND. A fund used to account for the revenues from specific sources that are to be used for legally specified expenditures (*e.g.*, Grants, CDBG, and Housing and Economic Development).

TAXES. A compulsory payment to a government based on holding of a tax base (*e.g.* property tax, sales tax).

TWO-THIRDS BONDS. General obligation bonds that can be issued by a local government without voter authorization under a formula set by the state at two-thirds of the previous year's net debt reduction.

USER FEES. Charges for government services paid for by users of the services. Fees are not necessarily set to recover the full cost of these services.

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