

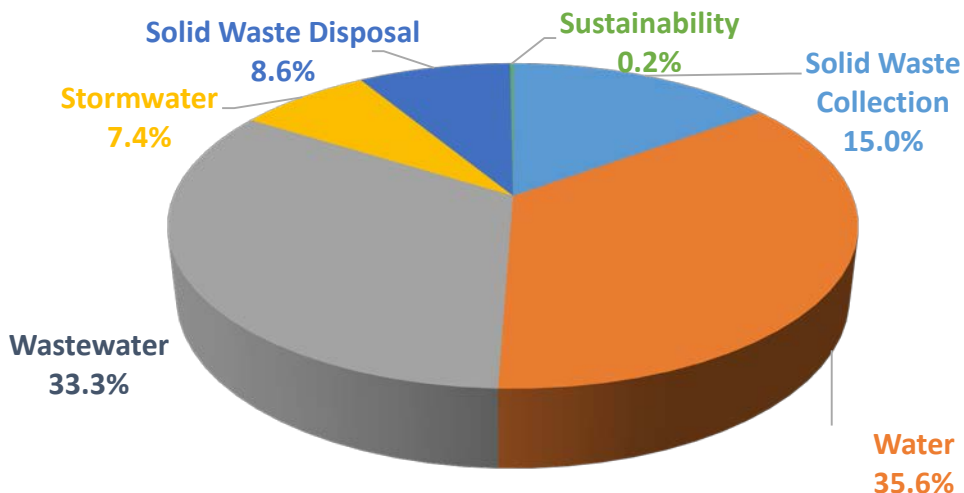


HEALTHY ENVIRONMENT SUMMARY

A healthy environment ensures that the places we live, work, and play are safe and conducive to overall good health. It includes such traditional measures as air and water quality, waste reduction and disposal, and policies that sustain our environment. In the broader context, a healthy environment also includes facilities and activities that foster good physical health.

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TOTAL BUDGET BY FOCUS AREA: \$134,393,180



HEALTHY ENVIRONMENT

FOCUS AREA OBJECTIVES

- Protect Land and Reduce Sprawl
- Enhance Air Quality
- Support Green Initiatives
- Manage Water Quality and Quantity
- Develop Comprehensive Solid Waste Management Strategies

FOCUS AREA CATEGORIES

Solid Waste Collection, Environmental Services – Water, Environmental Services – Wastewater, Environmental Services – Stormwater, Solid Waste Disposal, Sustainability

FOCUS AREA PROGRAMS BY CATEGORY

SOLID WASTE COLLECTION

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.

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.

Curbside Collection: Collects brush every 21 working days, except during leaf collection months. Provides loose leaf collection from November 1st until three rounds of collection have been completed. Provides 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.

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 Administration: Provides leadership, planning, employee safety training and enforcement, and fiscal stewardship for all sanitation programs.

HEALTHY ENVIRONMENT

FOCUS AREA PROGRAMS BY CATEGORY - Continued

ENVIRONMENTAL SERVICES – WATER

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. Operates and maintains 14 tanks and seven distribution pump stations for distributing water throughout the system's five pressure zones.

Water Distribution: Supplies potable water to residential, commercial, and industrial customers. Maintains a distribution system consisting of approximately 2,273 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.

Utilities Customer Service: Provides water and sewer billing and customer support. Works closely the Meter Shop, Utilities Administration, and CityLink to provide accurate and timely billing, as well as convenient and timely customer service.

Water/Sewer Administration: Provides leadership, planning, and fiscal stewardship for the Utilities Department.

ENVIRONMENTAL SERVICES – WASTEWATER

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, which provides beneficial reuse of biosolids.
- 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.

Wastewater Collection: Provides wastewater collection to residential, commercial, and industrial customers. Maintains a collection system consisting of approximately 1,750 miles of sewer mains. Installs sewer connections, cleans and repairs sewer mains, clears utility right-of-ways, and constructs sewer mains.

Sewer Administration: Provides for administrative functions of certain sewer-only services.

ENVIRONMENTAL SERVICES – STORMWATER

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.

HEALTHY ENVIRONMENT

FOCUS AREA PROGRAMS BY CATEGORY - Continued

SOLID WASTE DISPOSAL

Municipal Solid Waste Disposal: Operates a state-permitted, active, Subtitle D lined municipal solid waste landfill on Hanes Mill Road. Maintains closed landfills on Ebert Street, Overdale Road, and Martin Luther King, Jr. Drive.

Construction and Demolition Waste Disposal: Operates a state-permitted, active landfill on Old Salisbury Road for construction and demolition materials.

Leaf Composting/Yard Waste Processing: Operates two yard waste processing facilities – one located off Overdale Road and the other located off Highway 65 in the Forum 52 Industrial Park.

County-Wide Waste Reduction Programs: In conjunction with Forsyth County, administers contracts for drop-off recycling sites in Kernersville, Pfafftown, and at the Hanes Mill Road Landfill; operates a school recycling program. Administers a contract for the recycling or disposal of household hazardous materials including paints, pesticides, used oil, solvents, and electronic equipment (e.g., computers and televisions). Provides recycling of “white goods” (used appliances) and scrap tires through private contractors at the Hanes Mill Road Landfill.

Solid Waste Disposal Administration: Provides leadership, planning, and fiscal stewardship for solid waste disposal programs.

SUSTAINABILITY

Sustainability: Provides supervision and direction of the City’s strategic energy and sustainability initiatives.

PROGRAM BUDGET BY FOCUS AREA CATEGORIES

<u>SOLID WASTE COLLECTION</u>	Actual	Budget	Adopted	Percent
Expenditures	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>Change</u>
Residential Refuse Collection	\$6,344,234	\$6,993,710	\$7,534,560	7.7%
Central Business District Services	607,753	600,920	612,620	1.9%
Bulk Container Collection	1,538,156	1,937,880	2,032,960	4.9%
Curbside Collection	4,728,317	5,326,160	5,671,700	6.5%
Yard Waste Cart Collection	1,112,735	1,417,330	1,423,560	0.4%
Curbside Multi-Family Recycling	2,184,603	1,762,120	1,728,050	-1.9%
Sanitation Code Enforcement	163,671	167,090	155,140	-7.2%
Sanitation Administration	879,422	923,450	973,810	5.5%
Subtotal	\$17,558,890	\$19,128,660	\$20,132,400	5.2%
Revenues				
Bulk Container Service Charges	\$1,203,235	\$1,435,300	\$1,435,300	0%
Yard Waste Cart Collection Fees	819,945	816,000	816,000	0%
Proceeds from Recyclables	136,225	302,890	277,090	-8.5%
Other/Miscellaneous Revenues	126,382	89,880	89,880	0%
Transfer from Stormwater Management Fund	1,567,404	1,725,390	1,809,350	4.9%
Other General Fund Resources	13,705,699	14,759,200	15,704,780	6.4%
Subtotal	\$17,558,890	\$19,128,660	\$20,132,400	5.2%

HEALTHY ENVIRONMENT

ENVIRONMENTAL SERVICES – WATER

	<u>Actual</u>	<u>Budget</u>	<u>Adopted</u>	<u>Percent</u>
Expenditures	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>Change</u>
Water Treatment	\$8,529,072	\$9,458,370	\$9,652,300	2.1%
Water Distribution	9,536,082	10,574,850	11,227,470	6.2%
Utilities Customer Service	3,000,825	3,148,050	3,070,050	-2.5%
Water/Sewer Administration	20,696,494	20,423,490	23,885,470	17.0%
Subtotal	\$41,762,472	\$43,604,760	\$47,835,290	9.7%

Revenues

Water Charges	\$50,198,530	\$52,018,930	\$55,660,260	7.0%
Charges for Service	3,244,028	2,970,000	2,970,000	0%
Assessments to Benefit Property	90,838.93	120,000.00	120,000.00	0%
Federal Bond Interest Subsidy	1,610,812	1,610,810	1,610,810	0%
Interest Income	1,761,388	0	0	N/A
Other/Miscellaneous Revenues	156,756	0	0	N/A
Subtotal	\$57,062,353	\$56,719,740	\$60,361,070	6.4%

ENVIRONMENTAL SERVICES – WASTEWATER

Expenditures

Wastewater Treatment	\$12,286,684	\$13,131,690	\$13,626,780	3.8%
Wastewater Collection	4,905,260	5,861,090	6,315,710	7.8%
Sewer Administration	21,797,901	21,007,250	24,816,920	18.1%
Subtotal	\$38,989,845	\$40,000,030	\$44,759,410	11.9%

Revenues

Sewer Charges	\$43,613,616	\$44,247,220	\$47,344,530	7.0%
Charges for Service	3,468,676	3,566,410	3,566,410	0%
Assessments to Benefit Property	106,340	130,000	130,000	0%
Other/Miscellaneous Revenues	54,399	0	0	N/A
Subtotal	\$47,243,030	\$47,943,630	\$51,040,940	6.5%

ENVIRONMENTAL SERVICES – STORMWATER

Expenditures

Stormwater Monitoring and Administration	\$5,535,110	\$6,305,240	\$6,440,840	2.2%
Drainage Maintenance	2,642,947	3,278,430	3,519,850	7.4%
Subtotal	\$8,178,056	\$9,583,670	\$9,960,690	3.9%

Revenues

Stormwater Fees:				
Residential	\$4,207,091	\$4,100,000	\$4,250,000	3.7%
Non-Residential	6,080,755	5,900,000	5,950,000	0.8%
Replacement Fee	115,477	50,000	60,000	20.0%
Interest Income	107,641	0	0	N/A
Other/Miscellaneous Revenues	168,403	3,000	3,000	0%
Subtotal	\$10,679,367	\$10,053,000	\$10,263,000	2.1%

HEALTHY ENVIRONMENT

<u>SOLID WASTE DISPOSAL</u>	Actual	Budget	Adopted	Percent
Expenditures	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>Change</u>
Municipal Solid Waste Disposal	\$4,149,405	\$5,076,100	\$5,309,580	4.6%
Construction and Demolition Waste Disposal	820,126	1,043,260	1,264,890	21.2%
Leaf Composting/Yard Waste Processing	750,260	824,610	826,330	0.2%
County-Wide Waste Reduction Programs	1,285,164	1,331,570	1,425,920	7.1%
Solid Waste Disposal Administration	2,906,445	2,664,000	2,667,600	0.1%
Subtotal	\$9,911,399	\$10,939,540	\$11,494,320	5.1%
Revenues				
Service Charges	\$10,233,699	\$9,545,870	\$9,993,180	4.7%
Resource Recovery	315,574	181,060	233,030	28.7%
State Scrap Tire Disposal Tax	506,321	472,070	512,450	8.6%
State Solid Waste Disposal Tax	196,545	185,970	208,700	12.2%
State E-Recycling Funds	35,013	27,000	27,000	0%
Forsyth County	206,819	244,290	201,420	-17.5%
Interest Income	449,659	0	0	N/A
Other/Miscellaneous Revenues	46,482	6,530	6,380	-2.3%
Transfer from Water & Sewer Fund	284,990	267,460	328,850	23.0%
Transfer from Stormwater Management Fund	142,495	133,730	164,430	23.0%
Subtotal	\$12,417,597	\$11,063,980	\$11,675,440	5.5%
<u>SUSTAINABILITY</u>				
Expenditures				
Sustainability	\$222,759	\$236,760	\$211,070	-10.9%
Subtotal	\$222,759	\$236,760	\$211,070	-10.9%
Revenues				
Other General Fund Resources	\$222,759	\$236,760	\$211,070	-10.9%
Subtotal	\$222,759	\$236,760	\$211,070	-10.9%
TOTAL BUDGET BY FOCUS AREA	\$116,623,421	\$123,493,420	\$134,393,180	8.8%
Addition to (+) /Use of (-) Fund Balance				
Water & Sewer Fund	\$23,553,066	\$21,058,580	\$18,807,310	-10.7%
Stormwater Management Fund	2,501,311	469,330	302,310	-35.6%
Solid Waste Disposal Fund	2,506,198	124,440	181,120	45.5%

HEALTHY ENVIRONMENT

PERSONNEL SUMMARY BY FOCUS AREA CATEGORY

	Actual <u>FY 15-16</u>	Budget <u>FY 16-17</u>	Adopted <u>FY 17-18</u>	<u>Change</u>
Solid Waste Collection				
Full-Time	179	176	176	0
Part-Time (FTE's)	11	11	11	0
Subtotal	190	187	187	0
 Environmental Services – Water				
Full-Time	183	190	191	+1
Subtotal	183	190	191	+1
 Environmental Services – Wastewater				
Full-Time	148	148	148	0
Subtotal	148	148	148	0
 Environmental Services – Stormwater				
Full-Time	44	49	49	0
Subtotal	44	49	49	0
 Solid Waste Disposal				
Full-Time	38	38	38	0
Part-Time (FTE's)	6.2	6.2	6.2	0
Subtotal	44.2	44.2	44.2	0
 Sustainability				
Full-Time	2	2	2	0
Part-Time (FTE's)	0	0.2	0.2	0
Subtotal	2	2.2	2.2	0
 <u>TOTAL POSITIONS BY FOCUS AREA CATEGORY</u>				
Full-Time	594	603	604	+1
Part-Time (FTE's)	17.2	17.4	17.4	0
Total	611.2	620.4	621.4	+1

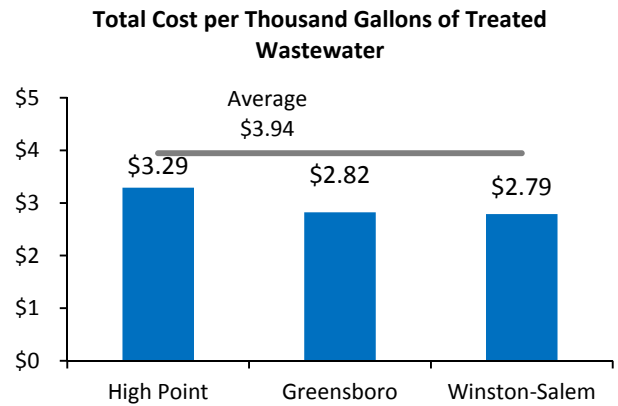
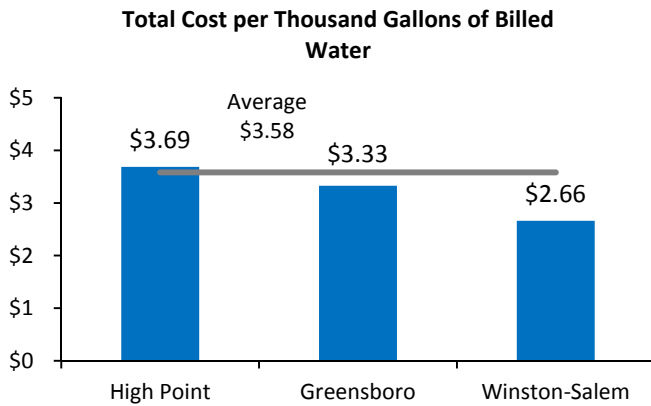
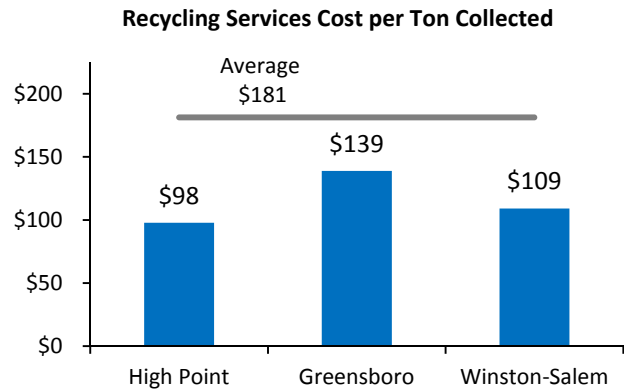
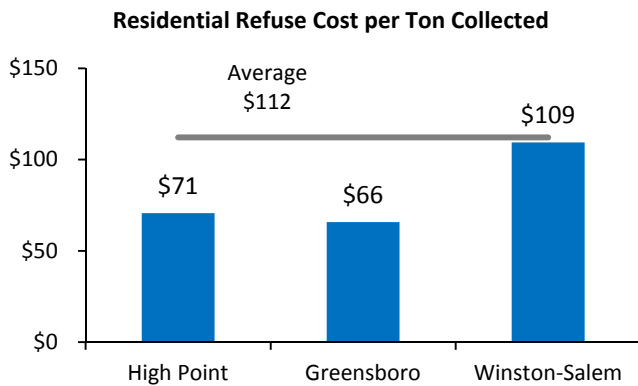
HEALTHY ENVIRONMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 15-16	Estimated FY 16-17	Projected FY 17-18
Effectiveness			
Limit missed garbage collections to less than 0.5% per month	0.1%	0.1%	0.1%
Limit missed yard cart collections to less than 1% per month	0.3%	0.3%	0.2%
Achieve a recycling participation rate of 90% of the total number of eligible households	96%	96%	96%
Complete 75% of brush collection routes on time	56%	60%	60%
Complete 75% of leaf collection routes on times	65%	75%	75%
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	97.3%	97%	100%
Receive zero federal and state violations at wastewater treatment plants (returning clean water back to rivers and streams)	0	0	0
Receive notice of violations for all solid waste disposal facilities	0	0	0
Number of operational complaints received for solid waste disposal facilities	0	0	0
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	61	45	45
Ensure 100% of stormwater devices are built in accordance with approved plans	100%	100%	100%
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%
In-place waste density of municipal solid waste landfill airspace	1,280	1,300	1,305
In-place waste density of construction and demolition landfill airspace	1,040	1,040	1,045
Workload			
Tons of garbage collected	57,064	58,779	60,540
Tons of waste disposed per capita in Forsyth County	0.79	0.75	0.75

HEALTHY ENVIRONMENT

FY 2015-16 NORTH CAROLINA BENCHMARKING PROJECT RESULTS



*Average is for all participants within the N.C. Benchmarking Project
 Source: NC Local Government Performance Management Project, *Final Report on City Services for Fiscal Year 2015-16*, May 2017

BUDGET HIGHLIGHTS

SOLID WASTE COLLECTION

- The adopted budget includes a net increase in vehicle and equipment lease expenses (\$258,670) while providing for replacement of ten Sanitation vehicles that exceed age and mileage criteria. New lease payments were added for two rear loaders (\$70,800), two automated side loaders (\$105,200), one front end loader (\$30,000), and five scow bed dump trucks (\$90,000).

SOLID WASTE DISPOSAL

- Excluding debt and lease expenses, the FY 2017-18 budget for solid waste disposal is increased \$611,460, or 5.5%, primarily due to operating expenses (+\$264,090), increased personnel costs (+\$89,080), and County recycling (+\$66,530).
- Debt and lease expenses are increased by \$90,750, or 3%, due to a 10.4% increase in capital outlay leasing costs for equipment to replace two dump trucks, a bulldozer, and a ¾ ton pick-up truck. The total outstanding bond debt for the Solid Waste fund is \$7,921,059 as of June 30, 2017.

HEALTHY ENVIRONMENT

BUDGET HIGHLIGHTS - Continued

- On May 8, 2017, the City-County Utility Commission approved a resolution recommending to the Mayor and City Council the adoption of the FY 2017-18 budget for solid waste disposal operations, which includes increases in tipping fees for municipal solid waste and construction and demolition disposal operations.

Tipping Fees

- Hanes Mill Road Landfill:
 - o The standard and volume discount rates remain unchanged at \$34 and \$32 per ton.
 - o The flat rate charged to ½ ton pick-ups and small trailers are increased by \$1, from \$12 to \$13 per vehicle, and the minimum is increased from \$9 to \$10
- Old Salisbury Road Landfill:
 - o The rate is increased by \$1, to \$32 per ton.
 - o The flat rates charged to ½ ton pick-ups and small trailers are increased by \$3, from \$12 to \$15 per vehicle, and the minimum is increased by \$3, from \$7 to \$10.
- Overdale and Forum 52 Yard Waste Facilities:
 - o The rate is increased by \$1, to \$31 per ton.

FY 2016-17 Year-End Outlook

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

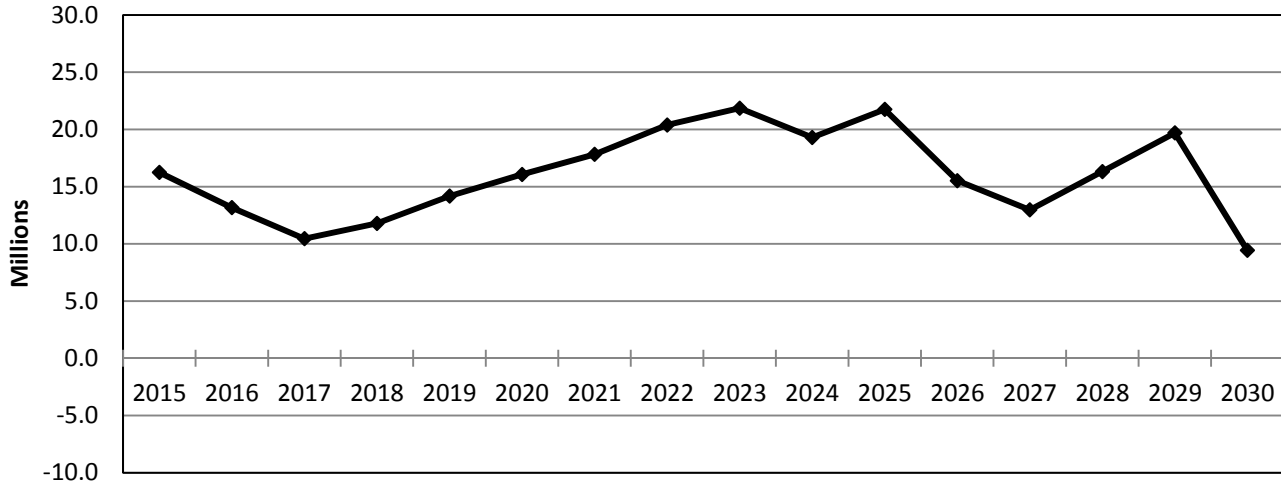
	Budgeted	Estimated
	<u>FY 16-17</u>	<u>FY 16-17</u>
Operating Revenues	\$10,418,500	\$10,812,957
Operating Expenditures	(8,069,550)	(8,709,243)
Operating Income	\$2,348,950	\$2,103,714
Intergovernmental Revenue	806,100	856,202
Transfers from Other Funds	645,480	687,275
Debt and Lease Expenses	(2,994,430)	(2,830,236)
Net Gain/(Loss)	<u>\$806,100</u>	<u>\$816,955</u>

- The following chart provides a projection of the unrestricted cash reserves for the solid waste disposal fund. This long-range outlook includes capital improvements for existing facilities and the cost of developing a new disposal facility.

HEALTHY ENVIRONMENT

BUDGET HIGHLIGHTS - Continued

Solid Waste Fund Unrestricted Reserves



Notes:

- Assumes construction of new cells at Hanes Mill Road Landfill in FY 2016-17, FY 2023-24, and FY 2026-27.
- Assumes purchase of land and predevelopment of future landfill site in FY 2025-26.
- Construction of a new landfill is currently projected to begin in FY 2029-30.

ENVIRONMENTAL SERVICES – WASTEWATER

- On May 8, 2017, the City-County Utility Commission approved a resolution recommending to the Mayor and the City Council the adoption of the FY 2017-18 budget for the water and sewer system and approved volumetric rate increases of 4% for water service and 6% increase in the sewer volumetric rate, as well as a \$1.64/month increase for water and sewer base charges for residential customers.

These rate increases will generate sufficient revenues to meet the net operating income-to-debt service ratio requirements of 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 would be effective October 1, 2017. 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 2017-18 totals \$79 million; planned investments over the next six years total \$302 million.

- Excluding debt and lease expenses, the adopted FY 2017-18 budget for the water and sewer operating fund is increased \$891,520, or 2%, primarily due to increases for personnel (+\$988,870). Adopted decreases include: collection services by the Revenue Division (-\$767,930), natural gas (-\$30,000), and rent and utilities (-\$11,290). Total adopted decreases total (-\$97,350).
- The adopted budget includes the addition of Utility Billing and five Utility Customer Service positions that were transferred from the Financial Management Services Department to the Utilities Division (+554,380).

HEALTHY ENVIRONMENT

BUDGET HIGHLIGHTS - Continued

In addition, the Utilities budget includes the reclassification of a part-time position to a full-time Financial Clerk position (+39,710).

- Debt and lease expenses are increased by \$7,355,690, or 18%, primarily due to the refinancing of outstanding revenue bonded debt which is projected to be \$392,640,000 by June 30, 2017. The adopted FY 2017-18 budget also includes a net increase of \$193,430 in capital lease payments for equipment replacement. A listing of all Water and Sewer equipment replacements scheduled for FY 2017-18 can be found in the supplemental information section of this document.

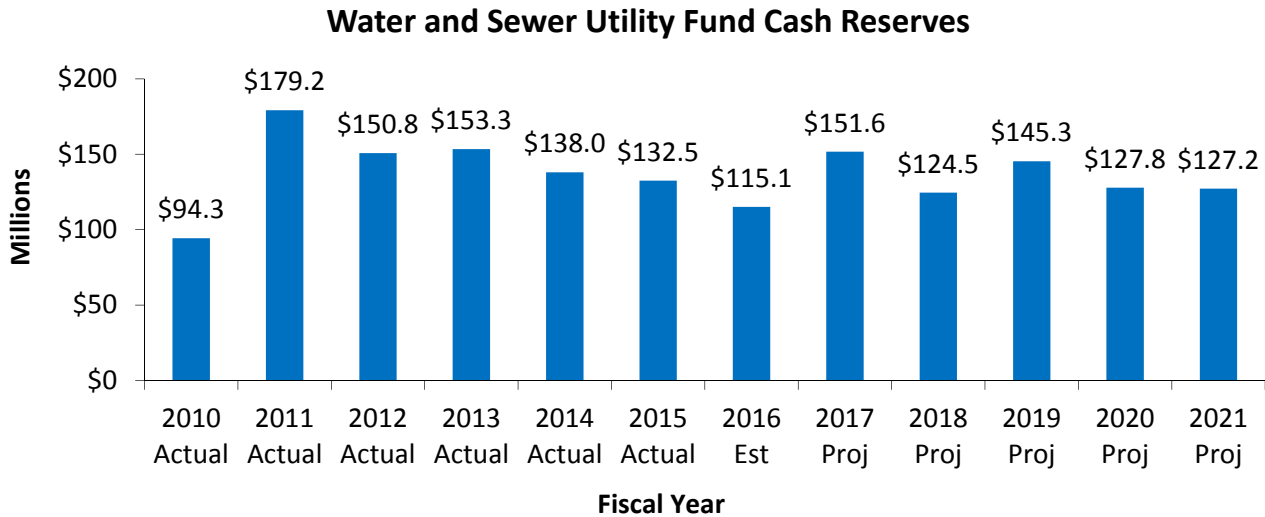
FY 2016-17 Year-End Outlook

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

	Budgeted <u>FY 16-17</u>	Estimated <u>FY 16-17</u>
Operating Revenues	\$104,654,730	\$105,413,755
Operating Expenditures	(44,139,870)	(42,352,238)
Operating Income	\$60,514,860	\$63,061,517
Federal Bond Interest Subsidy	1,602,170	1,602,170
Debt and Lease Expenses	(39,464,920)	(39,464,920)
Program Support for Vector Control	(16,000)	(16,000)
Program Support for Safety Inspector	(58,710)	(58,710)
Program Support for Household Hazardous Waste Collection	(219,220)	(219,220)
Net Income/(Loss)	<u>\$22,358,180</u>	<u>\$24,904,837</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 future bond issues of \$50 million each in FY 2017-18 and FY 2018-19. The outlook also assumes annual revenue increases of 7% for FY 2016-17 through FY 2018-19 and annual revenue increases of 5% thereafter.



HEALTHY ENVIRONMENT

BUDGET HIGHLIGHTS - Continued

ENVIRONMENTAL SERVICES – STORMWATER

- Residential stormwater fees are increased by \$210,000 (2.0%) to bring the budgeted revenues more in line with recent actual activity.
- The adopted budget includes a net increase in debt and lease expenses of \$92,590. Additional principal and interest payments have been added for the replacement of the following: one crew cab truck (\$9,690) for Water Quality Monitoring, one pick-up truck (\$7,650), one track loader (\$54,830), one motor grader (\$47,180), and one backhoe (\$24,480) for Drainage Maintenance.
- Transfers to the general fund cover the cost of the City’s seasonal leaf collection program (\$1,809,350) and the City’s vector control program (\$16,000). The FY 2017-18 transfer to the general fund also includes a reimbursement of \$15,000 to Old Salem for street sweeping and leaf removal services they provide within the historic district. The transfer to the solid waste disposal fund (\$164,430) offsets part of the cost of management and disposal of household hazardous wastes including paint, pesticides, used oil, solvents, and other materials at risk for disposal in the stormwater system.

FY 2016-17 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for Stormwater Management operations. Capital project revenues and expenditures are not included.

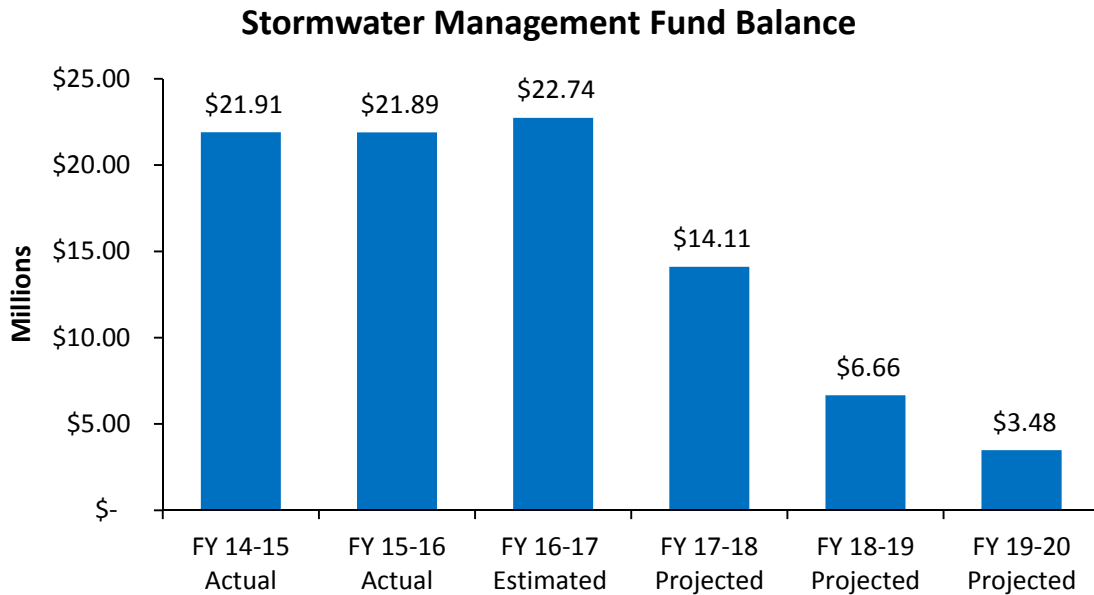
	Budgeted FY 16-17	Estimated FY 16-17
Operating Revenues	\$10,307,890	\$10,589,860
Operating Expenditures	(6,505,260)	(6,095,470)
Operating Income	\$3,802,630	\$4,494,390
Debt and Lease Expense	(1,559,470)	(1,559,470)
Transfer to General Fund	(1,741,390)	(1,612,610)
Transfer to Solid Waste	(133,730)	(133,730)
Net Income	\$368,040	\$1,188,580

HEALTHY ENVIRONMENT

BUDGET HIGHLIGHTS - Continued

Long Range Financial Outlook

- The following chart provides a projection of the Stormwater Management fund balance. This outlook includes capital project expenditures, assuming all future projects are pay-as-you-go.



HEALTHY ENVIRONMENT CAPITAL PROJECTS

Listed below are the capital projects appropriated for the Healthy Environment strategic focus area.

EXPENDITURES	Adopted FY 17-18
<u>Solid Waste Disposal</u>	
Hanes Mill Road Landfill – Development and Upgrades	\$400,000
 <u>Water and Wastewater Treatment</u>	
Archie Elledge Wastewater Treatment Plant Rehabilitation and Upgrades	\$460,000
Lift Station Capacity / Condition Improvements	575,000
Muddy Creek & Archie Elledge WWTP Digester and Gravity Thickener Upgrades	10,600,000
Muddy Creek Wastewater Treatment Plant Rehabilitation and Upgrades	183,000
R.W. Neilson Water Treatment Plant – Phase II Modernization	5,000,000
Water Treatment Rehabilitation and Upgrades	750,000
 <u>Water Distribution and Wastewater Collection</u>	
Advanced Meter Infrastructure	\$10,000,000
Asset Management Program / Studies	500,000
Collection System Improvement Program	13,200,000
Elledge Basin Capacity Improvements	516,000
Hydrant Replacement	800,000
Muddy Creek Basin Capacity Improvements	9,668,400
NCDOT Road Widening Project Utility Relocation	1,000,000
South Fork Basin Capacity Improvements	22,012,000
Water Distribution System Improvements	2,813,000
Water Tank Rehabilitation	751,250
 <u>Stormwater Management</u>	
Stormwater Infrastructure Renovations	\$3,015,160
 Total Expenditures	 \$82,243,810
 FUNDING SOURCES	
<u>Bonds</u>	
Revenue Bonds	\$38,493,400
 <u>Intergovernmental</u>	
State:	
State Revolving Loan	\$10,600,000
 <u>Reserves</u>	
Solid Waste Disposal Fund	\$400,000
Stormwater Management Fund	3,015,160
Water and Sewer Fund	29,735,250
 Total Funding Sources	 \$82,243,810



Winston-Salem