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## FUND SUMMARIES

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# FUND SUMMARIES

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## 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, and charges for services, except for those that are designated by state law or local ordinance to be recorded in another fund group.

**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 include: Community Development Block Grant Fund, Home Investment Partnership Fund, Housing Finance Assistance Fund, Economic Development Loan Fund, Economic Development Project Fund, Urban Development Action Grant Fund, Powell Bill Fund (Gas Tax), Grants Fund, Occupancy Tax Fund, Continuum of Care Grants Fund, Police Forfeiture Funds, Cable Franchise Fee Fund, State Emergency Telephone System Fund, and Downtown Winston-Salem Business Improvement District 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, and public transit.

## FUND SUMMARIES

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**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 limited obligation bonds.

**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 spending plans.

### FIDUCIARY FUNDS

**Employee Benefits Fund:** This fund accounts for post-employment benefits and pension trust funds.

### FUND SUMMARIES

**Measurement Focus:** Governmental funds (general, special revenue, debt service, and capital projects) use the "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 full 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. Because the budget is prepared using the modified accrual basis of accounting, the budget ordinances include debt service principal payments for proprietary funds.

## FUND SUMMARIES

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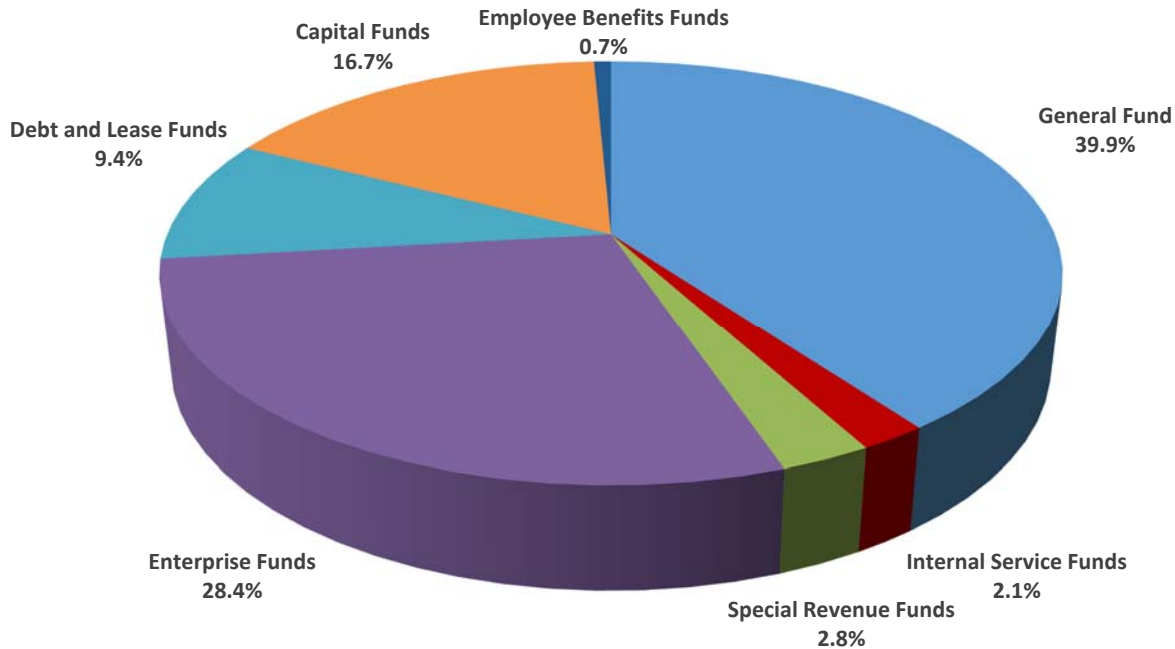
- Depreciation – Depreciation allocates the cost of fixed assets to the periods that benefit from the use of those assets. According to generally accepted accounting principles (GAAP), proprietary funds use depreciation accounting and report depreciation in their operating statements. This accounting 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.

<b>FUND ACCOUNTING SUMMARY</b>
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Fund Type	Fund Category	Basis of Accounting	Budgetary Accounting
General Fund	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	Full Accrual	Modified Accrual
Internal Service	Proprietary	Full Accrual	Modified Accrual
Fiduciary	Fiduciary	Modified Accrual	Modified Accrual

# NET EXPENDITURES BY FUND

## TOTAL NET EXPENDITURES BY FUND

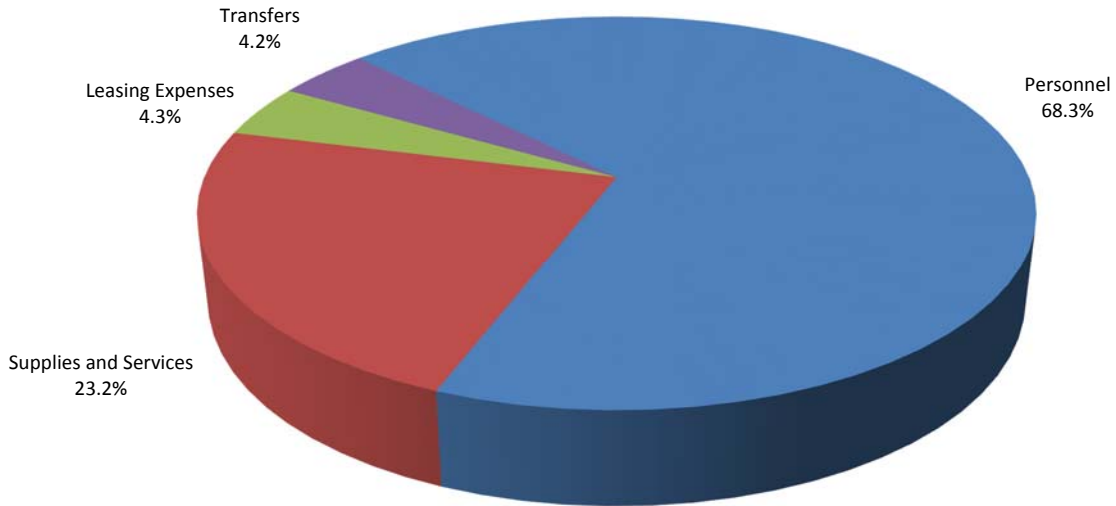


**Net Total: \$442.2 Million**

	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>	<b>Transfers and</b>	<b>Net</b>
	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>	<b><u>Interfund Charges</u></b>	<b><u>Expenditures</u></b>
<b>Operating Expenditures</b>					
General Fund	\$182,359,520	\$197,111,660	8.1%	-\$20,327,260	\$176,784,340
Internal Service Funds	67,093,030	71,700,790	6.9%	-62,598,150	9,102,640
Special Revenue Funds	18,582,270	20,434,600	10.0%	-8,127,120	12,307,480
Enterprise Funds	130,908,480	130,593,260	-0.2%	-5,242,450	125,350,810
<b>Subtotal</b>	<b>\$398,943,300</b>	<b>\$419,840,250</b>	<b>5.2%</b>	<b>-\$96,294,980</b>	<b>\$323,545,270</b>
<b>Debt and Lease</b>					
Debt Service Fund	\$18,794,550	\$25,208,140	34.1%	\$0	\$25,208,140
Equipment Leasing Fund	6,183,750	16,733,560	170.6%	-415,770	16,317,790
<b>Subtotal</b>	<b>\$24,978,300</b>	<b>\$41,941,700</b>	<b>67.9%</b>	<b>-\$415,770</b>	<b>\$41,525,930</b>
<b>Capital Expenditures</b>					
Capital Projects Fund	\$8,863,090	\$3,130,850	-64.7%	\$0	\$3,130,850
Enterprise Capital Projects	61,347,500	58,392,710	-4.8%	0	58,392,710
Capital Equipment Acquisition	8,827,530	12,422,340	40.7%	0	12,422,340
<b>Subtotal</b>	<b>\$79,038,120</b>	<b>\$73,945,900</b>	<b>-6.4%</b>	<b>\$0</b>	<b>\$73,945,900</b>
<b>Fiduciary Funds</b>					
Post-Employment Benefit Fund	\$9,149,560	\$9,746,880	6.5%	-\$6,533,200	\$3,213,680
<b>Total Expenditures</b>	<b>\$512,109,280</b>	<b>\$545,474,730</b>	<b>6.5%</b>	<b>-\$103,243,950</b>	<b>\$442,230,780</b>

# GENERAL FUND EXPENDITURES BY TYPE

## GENERAL FUND EXPENDITURES BY TYPE

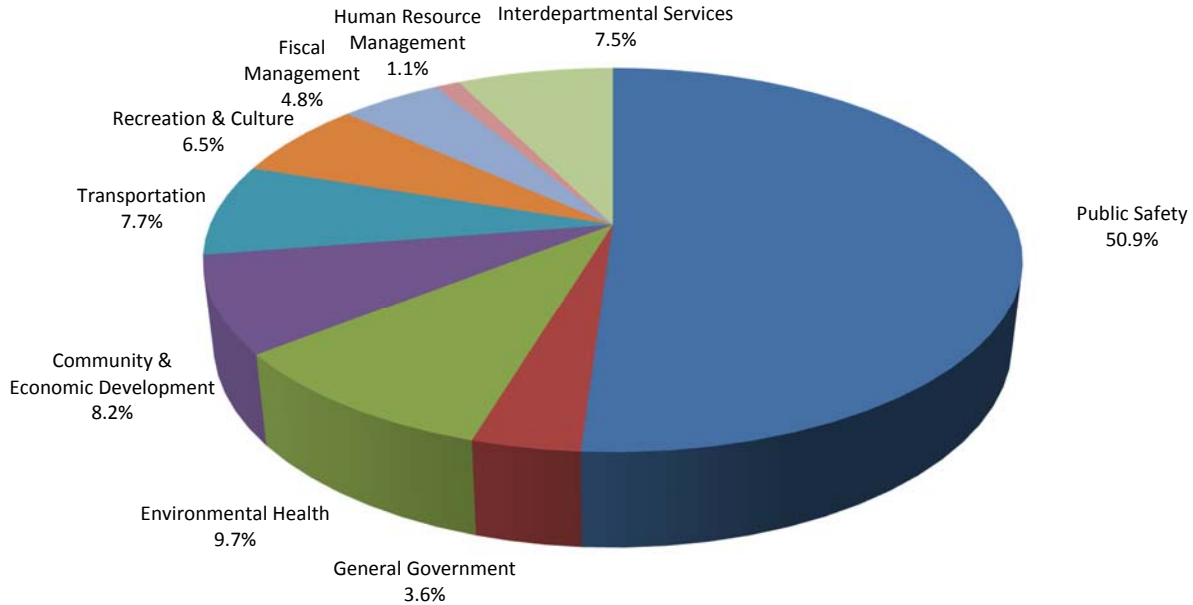


**Total \$197.1 Million**

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Personnel	\$122,427,315	\$124,242,970	\$134,580,020	8.3%
Supplies and Services	41,867,453	43,864,750	45,642,850	4.1%
Leasing/Capital Outlay	6,156,580	7,803,930	8,533,860	9.4%
Support to Other Funds	7,932,260	6,447,870	8,354,870	29.6%
<b>Total</b>	<b>\$178,383,609</b>	<b>\$182,359,520</b>	<b>\$197,111,600</b>	<b>8.1%</b>

# GENERAL FUND EXPENDITURES BY SERVICE AREA

## GENERAL FUND EXPENDITURES BY SERVICE AREA



**Total \$197.1 Million**

	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
<b>Community and Economic Development</b>				
Planning and Development Services	\$6,097,284	\$6,528,320	\$6,785,420	3.9%
Community and Business Development	4,861,744	5,272,400	5,986,170	13.5%
Community Agencies	661,015	665,610	813,960	22.3%
<b>Non-Departmental Support</b>				
MapForsyth Geographic Information Office	0	310,180	280,990	-9.4%
Smith Reynolds Airport	0	0	150,000	N/A
Housing Finance Assistance Fund	90,190	90,860	106,070	16.7%
Economic Development Loan Fund	100,000	200,000	0	-100.0%
Economic Development Projects Fund	1,532,800	1,643,980	2,111,400	28.4%
<b>Subtotal</b>	<b>\$13,343,032</b>	<b>\$14,711,350</b>	<b>\$16,234,010</b>	<b>10.4%</b>
<b>Environmental Health</b>				
Sanitation	\$17,731,053	\$18,912,380	\$19,231,440	1.7%
Less Interdepartmental Charges	-67,465	-105,360	-102,780	-2.4%
<b>Subtotal</b>	<b>\$17,663,588</b>	<b>\$18,807,020</b>	<b>\$19,128,660</b>	<b>1.7%</b>
<b>Public Safety</b>				
Police Department	\$63,276,320	\$64,781,420	\$70,125,000	8.2%
Fire Department	26,746,500	27,081,440	29,227,140	7.9%
Emergency Management	475,913	534,450	550,950	3.1%
<b>Non-Departmental Support</b>				
Grants Fund	100,000	175,000	296,760	69.6%
Capital Projects Fund	300,000	0	200,000	N/A
<b>Subtotal</b>	<b>\$90,898,732</b>	<b>\$92,572,310</b>	<b>\$100,399,850</b>	<b>8.5%</b>

## GENERAL FUND EXPENDITURES BY SERVICE AREA

	<b>Actual</b> <b>FY 14-15</b>	<b>Budget</b> <b>FY 15-16</b>	<b>Adopted</b> <b>FY 16-17</b>	<b>Percent</b> <b>Change</b>
<b>Transportation</b>				
Department of Transportation	\$12,651,303	\$14,048,850	\$14,415,670	2.6%
Non-Departmental Support				
Grants Fund	185,390	140,480	355,480	153.0%
Parking Fund	645,150	645,150	495,150	-23.3%
Less Interdepartmental Charges	-13,883	-30,000	-30,000	0%
<b>Subtotal</b>	<b>\$13,467,959</b>	<b>\$14,804,480</b>	<b>\$15,236,300</b>	<b>2.9%</b>
 <b>Recreation and Culture</b>				
Recreation and Parks	\$9,496,294	\$9,897,280	\$10,574,170	6.8%
Non-Departmental Support				
Convention Center Fund	652,061	961,640	1,284,340	33.6%
Capital Projects Fund	1,000,000	0	890,000	N/A
Convention Center Capital Fund	100,000	0	0	N/A
<b>Subtotal</b>	<b>\$11,248,355</b>	<b>\$10,858,920</b>	<b>\$12,748,510</b>	<b>17.4%</b>
 <b>Fiscal Management</b>				
Financial Management Services	\$7,623,271	\$8,069,140	\$8,262,970	2.4%
Budget and Evaluation	548,232	515,950	544,670	5.6%
Claims for Damages	662,629	694,570	665,900	-4.1%
<b>Subtotal</b>	<b>\$8,834,132</b>	<b>\$9,279,660</b>	<b>\$9,473,540</b>	<b>2.1%</b>
 <b>Human Resources Management</b>				
Human Resources	\$1,923,613	\$1,998,120	\$2,171,350	8.7%
<b>Subtotal</b>	<b>\$1,923,613</b>	<b>\$1,998,120</b>	<b>\$2,171,350</b>	<b>8.7%</b>
 <b>Interdepartmental Services</b>				
Engineering	\$3,275,963	\$3,624,160	\$3,816,220	5.3%
Property and Facilities Management	11,903,616	13,374,390	14,796,400	10.6%
Mail and Printing Services	607,504	669,320	668,690	-0.1%
Information Systems	918,339	1,000,250	1,088,710	8.8%
Non-Departmental Support				
Information Systems Capital Projects Fund	750,000	386,560	550,000	42.3%
Less Interdepartmental Charges	-5,201,878	-5,683,300	-6,266,040	10.3%
<b>Subtotal</b>	<b>\$12,253,544</b>	<b>\$13,371,380</b>	<b>\$14,653,980</b>	<b>9.6%</b>

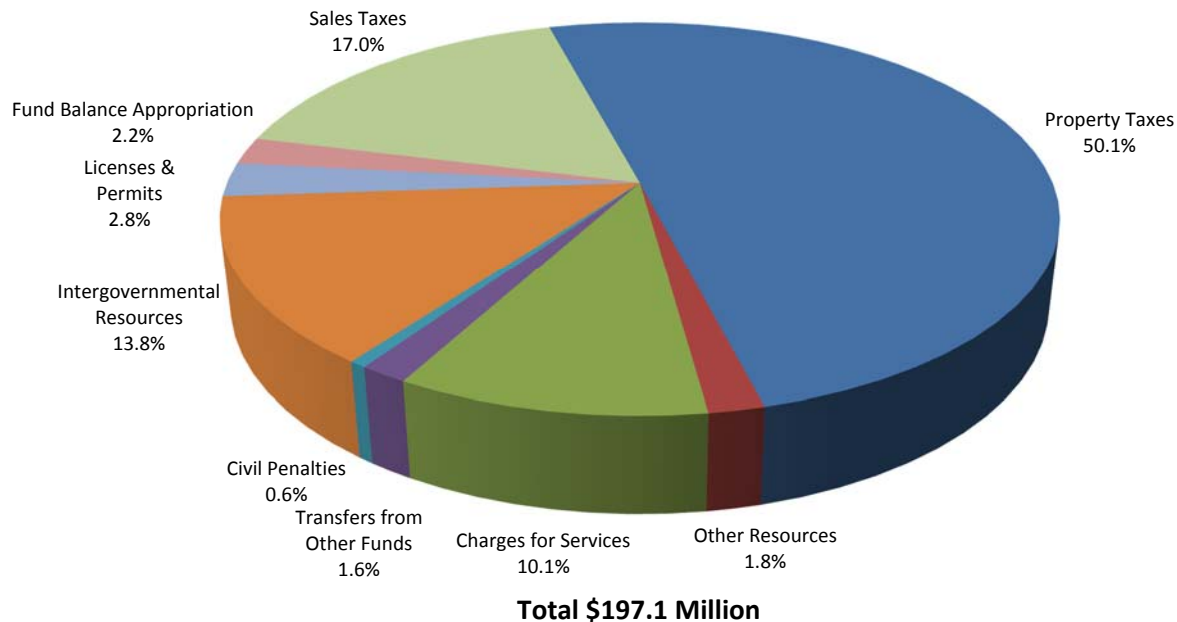


## GENERAL FUND EXPENDITURES BY SERVICE AREA

	<b>Actual</b> <b>FY 14-15</b>	<b>Budget</b> <b>FY 15-16</b>	<b>Adopted</b> <b>FY 16-17</b>	<b>Percent</b> <b>Change</b>
<b>General Government</b>				
Policy Leadership	\$1,780,830	\$1,909,160	\$2,032,840	6.5%
City Manager	534,444	571,850	612,220	7.1%
Office of Community Assistance	1,313,727	1,324,870	1,461,470	10.3%
City Link	1,789,380	1,896,930	2,019,370	6.5%
City Secretary	412,218	384,880	397,150	3.2%
Marketing and Communications	922,525	960,780	1,026,780	6.9%
Human Relations	364,629	375,170	453,920	21.0%
<b>Non-Departmental Support</b>				
Contingency	0	90,000	29,200	-67.6%
Property Tax Collection	565,091	668,900	626,190	-6.4%
Salary Savings Adjustment	0	-3,006,520	-2,388,400	-20.6%
Debt Service Fund	767,810	780,260	784,660	0.6%
Capital Projects Fund	300,000	0	10,000	N/A
<b>Subtotal</b>	<b>\$8,750,654</b>	<b>\$5,956,280</b>	<b>\$7,065,400</b>	<b>18.6%</b>
<b>Total General Fund Expenditures By Service Area</b>	<b>\$178,383,609</b>	<b>\$182,359,520</b>	<b>\$197,111,600</b>	<b>8.1%</b>

# GENERAL FUND RESOURCES BY TYPE

## GENERAL FUND RESOURCES BY TYPE



	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
<b>Taxes</b>				
Property Taxes – Current Year	\$90,493,040	\$91,993,370	\$97,394,760	5.9%
Property Taxes – Prior Year	1,326,036	1,550,000	1,400,000	-9.7%
Sales Taxes	30,099,488	30,028,050	33,189,970	10.5%
Gross Receipts Tax	336,466	230,000	289,420	25.8%
<b>Subtotal</b>	<b>\$122,255,029</b>	<b>\$123,801,420</b>	<b>\$132,274,150</b>	<b>6.8%</b>
<b>Licenses and Permits</b>				
Construction Permits	\$3,628,547	\$3,394,170	\$3,554,520	4.7%
Privilege Licenses	2,456,852	12,000	12,000	0%
Motor Vehicle License Taxes	1,848,785	1,733,330	1,756,160	1.3%
Other Licenses and Permits	212,857	175,800	176,100	0.2%
<b>Subtotal</b>	<b>\$8,147,040</b>	<b>\$5,315,300</b>	<b>\$5,498,780</b>	<b>3.5%</b>
<b>Intergovernmental Resources</b>				
State-Collected Local Revenues				
Utility Franchise Tax	\$17,236,805	\$16,110,250	\$19,048,350	18.2%
Beer and Wine Tax	1,123,316	1,092,670	1,168,700	7.0%
Gasoline Tax	4,806,297	5,323,260	5,390,080	1.3%
Other Intergovernmental Resources				
ABC Allocation	1,071,106	966,860	1,310,230	35.5%
Housing Authority Payment in Lieu of Taxes	103,810	104,010	104,010	0%
Other State Resources	204,801	165,810	165,810	0%
<b>Subtotal</b>	<b>\$24,546,135</b>	<b>\$23,762,860</b>	<b>\$27,133,180</b>	<b>14.2%</b>

## GENERAL FUND RESOURCES BY TYPE

	<b>Actual</b> <b>FY 14-15</b>	<b>Budget</b> <b>FY 15-16</b>	<b>Adopted</b> <b>FY 16-17</b>	<b>Percent</b> <b>Change</b>
<b>Charges for Services</b>				
Governmental Sales and Service	\$4,274,613	\$4,426,800	\$4,236,670	-4.3%
Parking Meter Revenue	100,826	102,000	102,000	0%
Charges to the State	494,779	552,000	656,450	18.9%
Charges to Forsyth County	1,859,294	2,290,960	2,835,700	23.8%
Charges to WS/FC School Board	125,000	125,000	125,000	0%
Charges to Other Municipalities	24,975	26,000	26,000	0%
Interfund Charges	11,994,997	11,389,410	11,972,390	5.1%
<b>Subtotal</b>	<b>\$18,874,484</b>	<b>\$18,912,170</b>	<b>\$19,954,210</b>	<b>5.5%</b>
<b>Civil Penalties</b>				
Parking Tickets	\$276,058	\$276,000	\$251,000	-9.1%
Housing Code Violations	394,891	669,800	710,310	6.0%
Zoning Violation Fines	-12,805	24,500	24,500	0%
False Alarm Civil Penalties	127,282	131,000	131,500	0.4%
<b>Subtotal</b>	<b>\$785,426</b>	<b>\$1,101,300</b>	<b>\$1,117,310</b>	<b>1.5%</b>
<b>Other Resources</b>				
Rentals	\$423,626	\$406,110	\$365,310	-10.0%
Sales of Property and Equipment	128,834	180,000	255,000	41.7%
Contributions	594,075	623,090	607,420	-2.5%
Reimbursements	2,079,818	2,023,320	2,020,320	-0.1%
Miscellaneous	278,535	348,600	329,600	-5.5%
<b>Subtotal</b>	<b>\$3,504,889</b>	<b>\$3,581,120</b>	<b>\$3,577,650</b>	<b>-0.1%</b>
<b>Transfers from Other Funds</b>				
Home Investment Partnership Fund	\$46,053	\$80,000	\$80,000	0%
Community Development Block Grant Fund	736,596	925,760	1,081,660	16.8%
Housing Finance Assistance Fund	0	60,000	62,930	4.9%
Water and Sewer Fund	62,101	74,710	77,220	3.4%
Stormwater Management Fund	1,627,392	1,707,810	1,741,390	2.0%
Worker's Compensation Fund	136,170	157,860	93,770	-40.6%
<b>Subtotal</b>	<b>\$2,608,313</b>	<b>\$3,006,140</b>	<b>\$3,136,970</b>	<b>4.4%</b>
Fund Balance Appropriation	\$0	\$2,879,210	\$4,365,350	51.6%
<b>Total Resources by Type</b>	<b>\$180,721,316</b>	<b>\$182,359,520</b>	<b>\$197,111,600</b>	<b>8.1%</b>

# 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, permit fees, charges for service, intergovernmental revenue, and other miscellaneous resources. Overall, the general fund budget compared to the FY 2015-16 budget is increased 7.3% for recurring expenditures and is increased 8.1% when one-time expenditures are included. The adopted budget for the general fund is balanced with a 47.29 cent property tax rate, an increase of two cents over FY 2015-16.

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 14-15	Budget FY 15-16	Estimated FY 15-16	Adopted FY 16-17	Adopted- Budget \$ Change	Adopted- Budget % Change
<b>Revenues</b>						
Property Taxes	\$91,819,076	\$93,543,370	\$94,402,759	\$98,794,760	\$5,251,390	5.6%
Sales and Gross Receipts Taxes	30,435,954	30,258,050	32,238,339	33,479,390	3,221,340	10.6%
Licenses and Permits	8,147,040	5,315,300	5,822,288	5,498,780	183,480	3.5%
Intergovernmental	24,546,135	23,762,860	26,402,279	27,187,180	3,424,320	14.4%
Charges for Services/Other	23,164,799	23,594,590	22,944,306	24,649,170	1,054,580	4.5%
Transfers from Other Funds	2,608,313	3,006,140	2,960,564	3,136,970	130,830	4.4%
<b>Total Revenues</b>	<b>\$180,721,316</b>	<b>\$179,480,310</b>	<b>\$184,770,534</b>	<b>\$192,746,250</b>	<b>\$13,265,940</b>	<b>7.4%</b>
<b>Recurring Expenditures</b>						
Personnel	\$122,427,315	\$124,242,970	\$127,122,712	\$134,580,020	\$10,337,050	8.3%
Supplies and Services	41,867,453	43,864,750	42,078,509	45,642,850	1,778,100	4.1%
Capital Outlay	6,156,580	7,803,930	6,749,277	8,533,860	729,930	9.4%
Support to Other Funds	5,270,886	5,568,660	6,530,062	5,989,520	420,860	7.6%
<b>Subtotal</b>	<b>\$175,722,234</b>	<b>\$181,480,310</b>	<b>\$182,480,561</b>	<b>\$194,746,250</b>	<b>\$13,265,940</b>	<b>7.3%</b>
One-Time Expenditures	\$2,661,375	\$879,210	\$1,955,780	\$2,365,350	\$1,486,140	169.0%
<b>Total Expenditures</b>	<b>\$178,383,609</b>	<b>\$182,359,520</b>	<b>\$184,436,341</b>	<b>\$197,111,600</b>	<b>\$14,752,080</b>	<b>8.1%</b>
One-time Use of Fund Balance	\$0	(\$879,210)	\$0	(\$2,365,350)	(\$1,486,140)	169.0%
Recurring Use of Fund Balance	\$0	(\$2,000,000)	\$0	(\$2,000,000)	\$0	0%
Addition to Fund Balance	\$2,337,707	\$0	\$334,193	\$0	\$0	N/A

## GENERAL FUND SUMMARY

### RECURRING EXPENDITURE HIGHLIGHTS

**Personnel.** The \$10.3 million budget-to-budget growth in personnel expenditures for FY 2016-17 is primarily based on growth in the following major categories of expense:

- **Employee Merit Pay Adjustment.** The adopted budget includes a tiered merit pay increase in which employees would receive increases based on performance ratings, according to the following scale: top performers – 3%, strong performers – 2%, and solid performers – 1.5% (+\$2.2 million including benefits).
- **Market Pay Adjustment.** The adopted budget includes a 3.0% market adjustment increase for all employees except sworn police officers and certified fire personnel. The total cost of the increase, including benefits, is \$2.0 million.
- **Minimum Hourly Rate Increase.** The adopted budget increases the minimum hourly for City employees from \$10.10 to \$11.00 per hour. The total cost of the increase, including benefits, is approximately \$524,000 including benefits.
- **Police and Fire Supplemental Pay.** The adopted budget includes an increase of \$2.3 million for police and fire supplemental pay. In February, the Mayor and City Council approved increasing minimum salaries and a 2% annual supplement for sworn police and certified fire personnel. An additional 2% supplement is adopted and would be effective January 1, 2017. The total cost of the additional supplement, including salary and benefits, is approximately \$671,000.
- **Police Retention.** The adopted budget includes \$640,000 (in salaries and benefits) for a strategic pay adjustment designed to improve retention of officers and corporals who are leaving the department. Officers and corporals with 5-15 years of service would receive this adjustment.
- **401(a) Contribution.** The Human Resources Department has compiled comparison information from select North Carolina jurisdictions that contribute to supplemental retirement programs for non-sworn employees. The adopted budget includes a 2.0% 401(a) contribution for all non-sworn employees. (Sworn Police currently receive a 401K contribution.) In order to educate employees on this plan during open enrollment, the contribution would be effective January 1, 2017. The total cost for FY 2016-17 is \$563,900.
- **Position Changes.** The adopted budget includes a net increase of 29.28 positions due to the following:
  - The addition of a part-time paralegal assistant to assist with increased contract workload.
  - The conversion of a part-time video production specialist in Marketing and Communications to full-time. As staff has invested more time in digital advertising, training videos, and live broadcasts, the workload has increased.
  - Making permanent two rapid response crews currently being piloted for litter pick-up and grounds maintenance. Includes six additional full-time personnel (two crew leader positions and four maintenance worker positions). These crews work on regular routes and respond as needed to special assignments.
  - The addition of one equipment maintenance technician, one electrician, and one trades helper to help with the anticipated workload increase due to the opening of several new facilities. The

## GENERAL FUND SUMMARY

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adopted budget also includes 4.28 custodial FTE's for janitorial care for new facilities and associated operating supplies.

- The addition of two crime analyst positions in the Public Safety Information Systems Division. These positions would analyze public safety incident and call data, and would develop custom reporting and map projects to address public safety management objectives.
  - The addition of one information systems analyst positions in the Public Safety Information Systems Division. This position would provide professional expertise and critical support in the area of information technology and strategic planning.
  - The addition of five forensic services technician positions as part of the consolidation of forensic services between the City and Forsyth County. The County would cover the cost of the five positions and the associated equipment.
  - The addition of three fire captain positions. These positions would be responsible for departmental training and incident safety management. Training provided by the officers would include suppression tactics, continuing education for emergency medical services, hazardous materials training, employee development, facility safety, and health and wellness plan implementation.
  - The addition of one fire inspector in the Fire Prevention Bureau. Currently, the Suppression Division of the Winston-Salem Fire Department (WSFD) handles a majority of the level one fire inspections performed by the City. The Fire Department has created a three-year plan, in which one inspector position would be added each year for three years. After three years, all fire inspections would be handled by the Fire Prevention Bureau. In addition, the department has adopted the state fire inspection schedule, which requires less frequent inspections than currently provided.
  - The addition of one fire maintenance mechanic in the Fire Vehicular Maintenance Division. The City currently has two mechanics working in the Fire Vehicular Maintenance Division. The current age of the fire apparatus fleet is leading to more repairs, which is reducing staff's ability to maintain recommended preventative maintenance schedules.
  - The addition of an information systems senior administrator position in the Department of Transportation. The traffic signal system upgrade will soon be complete and fully operational. This position would provide specialized skills for operations and maintenance of the signal system, as well as assistance in the maintenance and operation of the expanded City fiber network.
  - The addition of a senior projects supervisor for the Minority and Women-Owned Business Enterprises Division.
- **Base Salary Changes.** The adopted budget reflects a reduction in base salaries of approximately \$1.7 million due to retirements and attrition (including benefits).
  - **Elected Official Compensation.** Annual salaries for elected officials are increased to reflect a 2% merit increase, as well as the adopted 3.0% adjustment for market pay. The adopted budget also increases the expense allowance for elected officials by \$200 per month. This increase would be optional and is effective January 1, 2017 as required by State Statute (160A-64).

## GENERAL FUND SUMMARY

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**Supplies and Services.** There is a net increase of approximately \$1,778,000 in non-personnel operating expenditures due to the following:

- **New Facility Costs.** Several renovated and new facilities will be coming online during FY 2016-17. The adopted budget includes \$416,000 for utilities, maintenance, and other facility needs at these locations. Locations include police district offices, the Lowery Street facility, Jamison Park, water spraygrounds, Sedge Garden Gymnasium, Fire Stations #7, #8, and #9, and the Alexander Beaty Public Safety Training and Support Center.
- **Fuel.** The adopted budget includes a decrease of approximately \$794,000 in fuel due to lower projected fuel price per gallon estimates.
- **Vehicle Maintenance and Repair.** The adopted budget includes approximately \$220,000 for increased maintenance and repair costs for vehicles and other rolling stock.
- **Contractual Services.** The adopted budget includes an increase of \$171,820 for contractual services. This is driven primarily by creek bank maintenance, additional painting and flooring needs at city facilities, and maintenance and repair contracts for the upgraded signal system. Expiring contracts help offset this increase.
- **Departmental Supplies.** The adopted budget includes an additional \$232,000 for departmental supplies. This is driven by funds for equipment and turnout gear for the Fire Department, additional K-9 supplies for the Police Department, funds to overseed ballfields, and additional funds for playground resurfacing at City parks. A targeted reduction in departmental supply budgets helps offset this increase.
- **Information Systems Charges.** Information systems charges are increased \$586,840 for FY 2016-17. This increase is driven by major infrastructure and network needs, new applications and services, and scheduled computer replacement.
- **Community Agency Grants.** Funding for community agencies is increased by \$148,350 for FY 2016-17. Several new agencies are adopted to receive funding for FY 2016-17. Also, agencies that participate in the Successful Outcomes After Release (SOAR) program are now funded out of the General Fund.
- **Smith Reynolds Airport.** The adopted budget includes a \$150,000 economic development payment to the Airport Commission of Forsyth County. These funds will be provided over an eight-year period and be used for infrastructure and hangar improvements at Smith Reynolds Airport.
- **Contingency.** The adopted budget includes \$29,200 in contingency to address unanticipated needs that may arise during the fiscal year. The Mayor and City Council approves any specific use of contingency by formal action.

**Capital Outlay.** Capital outlay expenditures reflect a net increase of \$729,930 as a result of the final payment in FY 2015-16 for previously approved items and the addition of \$2.3 million in lease payments for equipment replacements and \$86,570 in cash capital purchases. A complete list of all equipment adopted for FY 2016-17 is provided on page 164 of the Supplemental Information section of this document.

## GENERAL FUND SUMMARY

**Support to Other Funds.** General fund support to other funds is increased \$420,860 as a result of the following:

- The adopted budget includes an increase in the transfer to the economic development project fund for increased economic development incentive payments (+\$467,420).
- The adopted budget also includes increased transfers to the grants fund of \$336,780. This is driven primarily by a transfer of \$146,760 to fund the local match for the Community Oriented Police Services (COPS) grant awarded to the city during FY 2015-16. There is also an increase of \$215,000 for local transportation grant matches. These funds are split with Forsyth County, per the City-County interlocal agreement.
- The transfer to the leasing fund is decreased \$120,000 for FY 2016-17. This transfer covered debt payments for the Lowery Street Facility, which were completed during FY 2015-16.
- The transfer to the parking fund is decreased \$150,000 for FY 2016-17. On March 28, 2016, the Mayor and City Council authorized the sale of the Center City West parking deck to City Center West Associates, LLC with projected proceeds of \$2,275,000. The benefit from the sale allows for a reduction in the subsidy from the general fund. The adopted subsidy for FY 2016-17 is \$495,150.

### ONE-TIME EXPENDITURE HIGHLIGHTS

The budget includes \$2,365,350 in one-time expenditures covered by fund balance. The adopted uses of these one-time funds are described below:

- The adopted budget includes a fund balance appropriation of \$715,350 to cover a short-term increase in the annual subsidy for operation of the M.C. Benton, Jr. Convention and Civic Center while renovations are underway.
- The adopted budget appropriates \$550,000 in general fund balance to fund the City's portion of the fiber network project. This project includes the installation of City owned fiber optic cable that will allow for expansion of the City's network, connections to approved City locations, and network equipment.
- The adopted budget includes a transfer from general fund balance of \$1,100,000 for major maintenance needs. Several projects have been identified to be funded with one-time uses of fund balance for FY 2016-17. Projects include: basketball court resurfacing, Bolton Park improvements, Grace Court renovations, picnic shelter improvements/renovations, soccer field irrigation systems, softball field improvements/enhancements, South Fork Recreation Center renovations, and facility renewal for recreation and parks locations, Fire Station #5, and City Yard.

### REVENUE HIGHLIGHTS

**Property Taxes.** Property taxes are the largest single source of revenue for the City, accounting for 50.1% of all general fund resources (including transfers from other funds and the fund balance appropriation). The following sections describe in detail the City's projected property tax base, the calculation of the adopted FY 2016-17 tax rate, and projected property tax revenues.

The adopted tax rate for FY 2016-17 is 58.5¢, which represents a 2.0¢ increase from FY 2015-16.



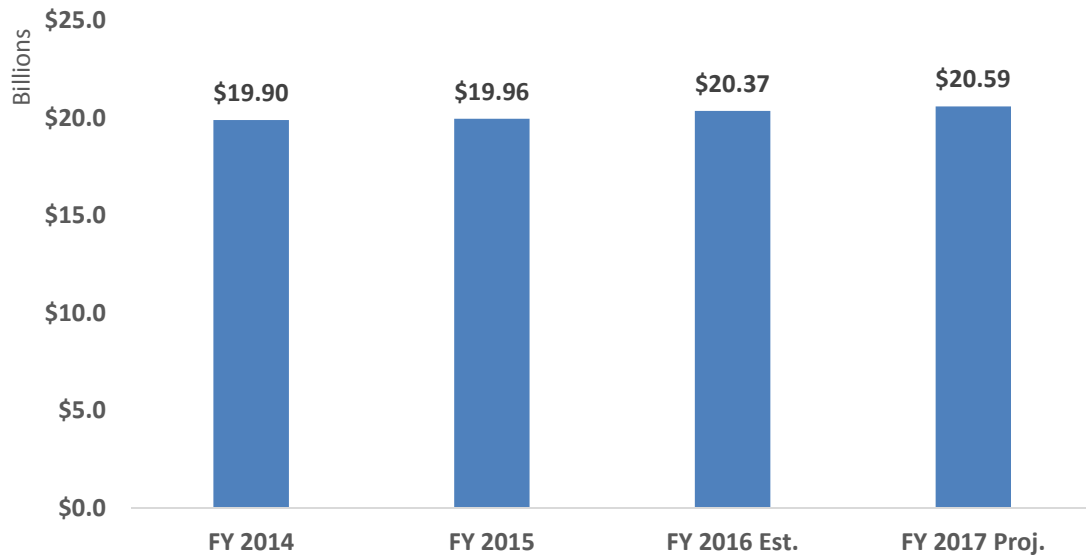
## GENERAL FUND SUMMARY

- 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, residential, and other real property. State law requires that real property be reappraised at least once every eight years. In Forsyth County, reappraisals are scheduled every four years. The most recent revaluation updated real property values as of January 1, 2013. Overall, the property tax base is projected to increase by 1.1%.

The Forsyth County Tax Office’s tax base estimate for FY 2016-17 is provided in the table below:

Tax Base by Type	FY 15-16 Budgeted	FY 15-16 Estimated	FY 16-17 Projected	Est. to Proj. % Change
Real Property	\$16,273,182,223	\$16,250,407,500	\$16,488,917,902	1.5%
Personal Property	2,138,894,987	2,140,714,742	2,062,703,413	-3.6%
Reg. Motor Vehicles	1,545,720,533	1,610,387,656	1,673,348,860	3.9%
Public Services	339,647,381	367,725,390	367,725,390	0%
<b>Total</b>	<b>\$20,297,445,124</b>	<b>\$20,369,235,288</b>	<b>\$20,592,695,565</b>	<b>1.1%</b>

### ANNUAL PROPERTY TAX BASE VALUE



- Property Tax Rate Distribution.** The property tax rate of 58.5¢ per \$100 of valuation is levied on all taxable property and is distributed to three funds – general fund, debt service fund, and the Winston-Salem Transit Authority fund. The adopted revenue for FY 2016-17 is distributed to these funds, as follows: 47.29¢ to the general fund, 7.59¢ to the debt service fund, and 3.62¢ to the Winston-Salem Transit Authority fund. The following table provides the current rate distribution and the adopted rate distribution along with the revenue impact.

	Current Rate	Adopted Rate	Rate Change	Revenue Change
General Fund	45.29¢	47.29¢	+2.00¢	+\$5,401,390
Debt Service Fund	7.59¢	7.59¢	0.00¢	+\$268,980
Winston-Salem Transit Authority Fund	3.62¢	3.62¢	0.00¢	+\$128,290
<b>Total Tax Rate</b>	<b>56.50¢</b>	<b>58.50¢</b>	<b>+2.00¢</b>	<b>+\$5,798,660</b>

## 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 “city 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.”

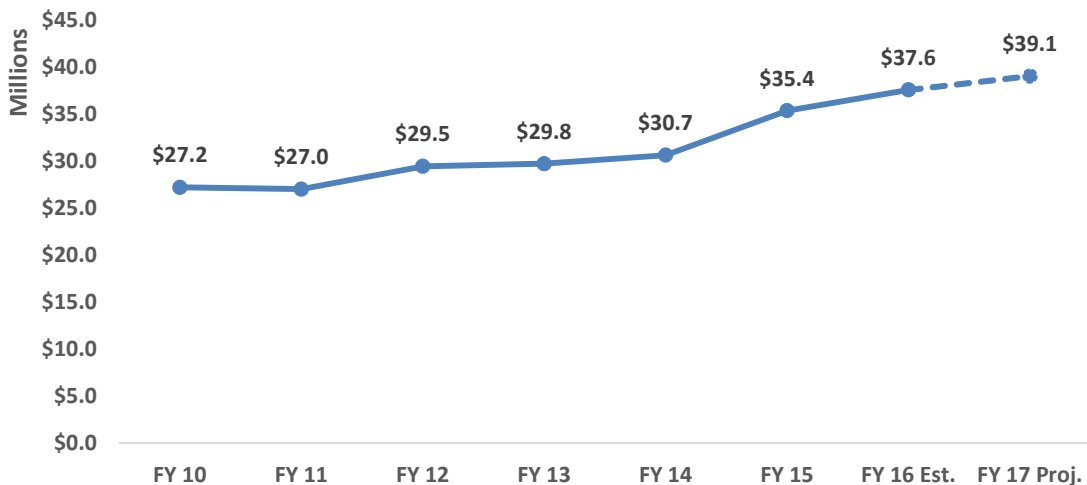
The City’s sales tax revenue is allocated to the general fund and the debt service fund, as shown below:

### SALES TAX REVENUE ALLOCATION BY ARTICLE

	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16 (estimated)	FY 16-17 (projected)
<b>General Fund</b>						
Article 39	\$13,261,714	\$13,293,983	\$13,369,429	\$15,865,424	\$16,687,007	\$17,402,370
20% of Article 40	1,093,173	1,121,492	1,190,342	1,324,368	1,421,310	1,483,200
Article 42	6,340,885	6,386,077	6,421,671	7,642,155	8,051,083	8,386,530
Article 44/”Hold Harmless”	4,403,920	4,469,161	4,925,038	5,267,540	5,767,992	5,917,870
<b>Subtotal</b>	<b>\$25,099,692</b>	<b>\$25,270,713</b>	<b>\$25,906,480</b>	<b>\$30,099,488</b>	<b>\$31,927,392</b>	<b>\$33,189,970</b>
<b>Debt Service Fund</b>						
80% of Article 40	\$4,372,691	\$4,485,968	\$4,761,369	\$5,297,473	\$5,685,242	\$5,899,300
<b>Total</b>	<b>\$29,472,383</b>	<b>\$29,756,681</b>	<b>\$30,667,849</b>	<b>\$35,396,961</b>	<b>\$37,612,634</b>	<b>\$39,089,270</b>

- **Sales Tax Revenue Projection for FY 2016-17.** Sales tax collections are projected to increase \$3.48 million budget-to-budget, or 9.8%, based on projected 3.75% to 4.0% growth in the county’s allocation and a slight increase in the City’s ad valorem distribution from 29.59% to 30.14%.

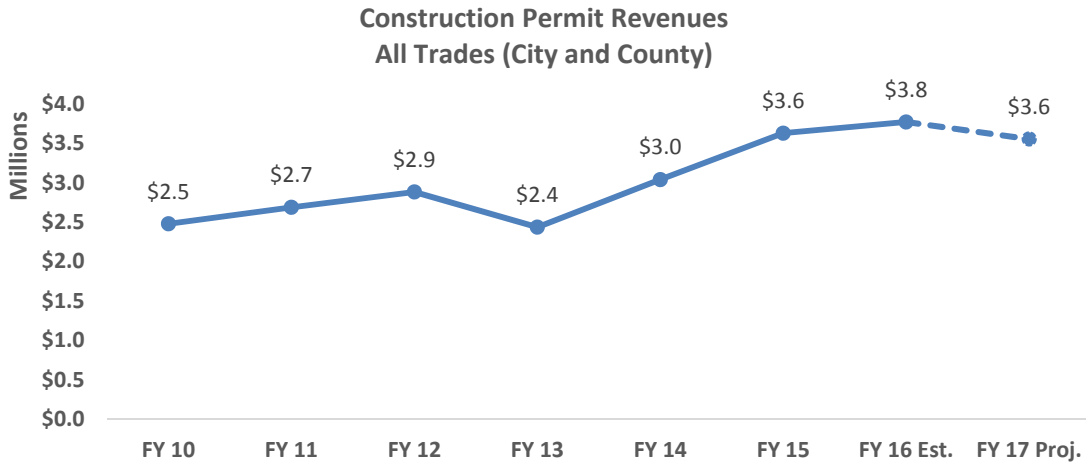
### HISTORICAL TREND IN SALES TAX REVENUE



## GENERAL FUND SUMMARY

### Licenses and Permits.

- **Construction Control and Zoning Enforcement Permits.** The adopted budget includes an increase in construction permits (+\$160,350). This increase is based on year-to-date increases in inspections and permit activity between the City and County. Also included are revenues from a new after-hours inspection fee and a plan review fee for non-residential projects that are less than 4,000 square feet.



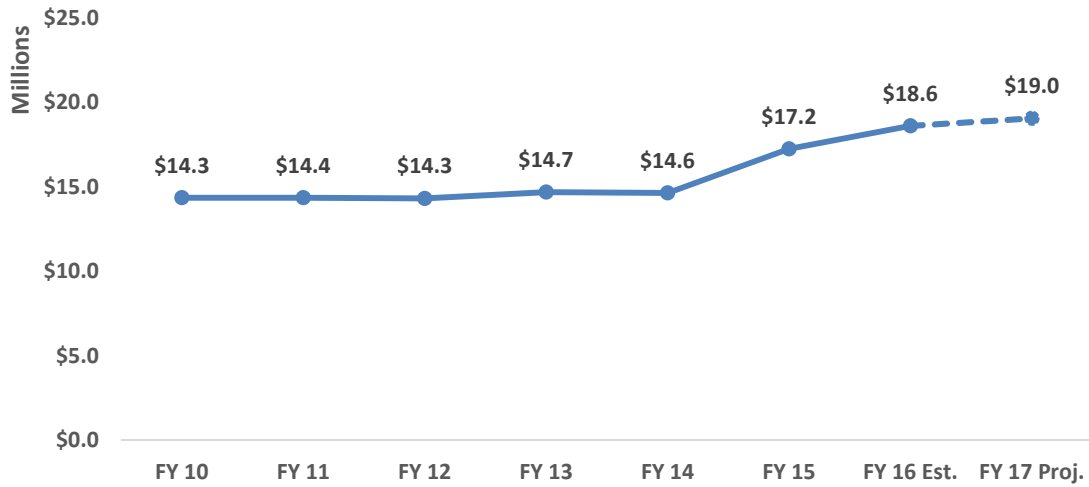
- **Motor Vehicle Privilege License Fee.** There is a \$15 fee charged on the property tax bill on each registered motor vehicle. The general fund receives revenue from \$10 of the fee, and the remaining revenue from \$5 per vehicle (authorized in February 2006) is appropriated in the capital projects and Winston-Salem Transit Authority 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 at approximately \$1.7 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 2016-17, the share of this revenue that is distributed to the City is expected to increase by \$2,938,100 compared to the FY 2015-16 budget, based on FY 2015-16 actual receipts to date.

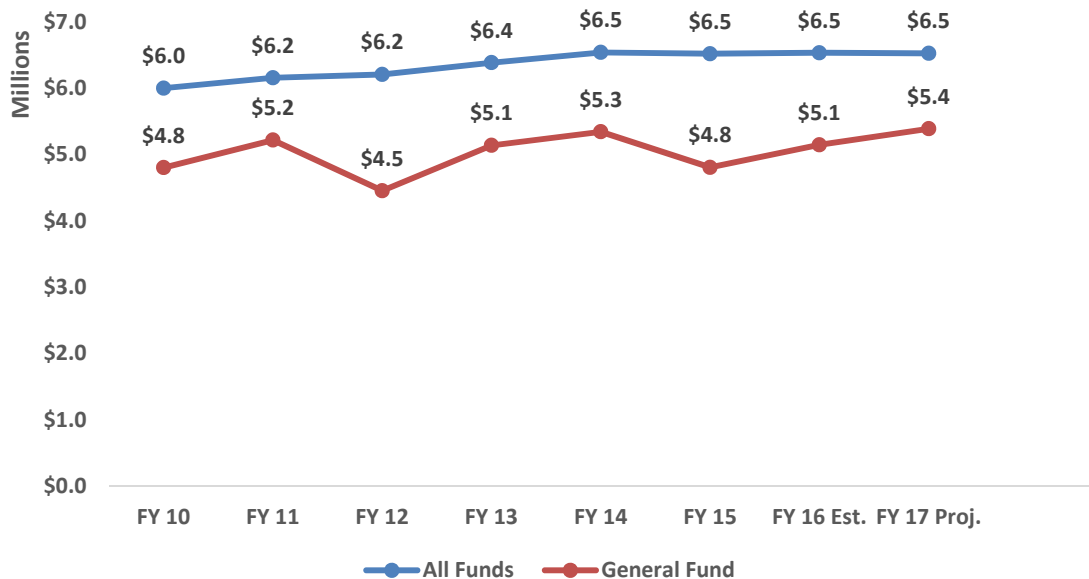
## GENERAL FUND SUMMARY

### HISTORICAL TREND IN ANNUAL UTILITY FRANCHISE TAX RECEIPTS



- Beer and Wine.** State law provides for the per capita distribution of state beer and wine receipts to the local governmental units in which beer and wine are legally sold. Beer and wine revenues are projected to increase 7.0% based on a higher distribution in FY 2014-15.
- Gasoline Tax (Powell Bill).** Powell Bill revenue for FY 2016-17 is projected at \$6.52 million, an increase compared to the FY 2015-16 budget, based on the formula for revenue distribution used by the N.C. Department of Transportation, with (75%) of the distribution calculated at \$20.15 per capita and (25%) at \$1,624.41 per street mile. For FY 2016-17, \$1,137,450 of the Powell Bill revenue is to be allocated to the capital projects fund for street resurfacing. The remaining \$5.39 million in revenue is transferred to the general fund for eligible transportation-related expenses.

### HISTORICAL TREND IN ANNUAL GASOLINE TAX REVENUE



## GENERAL FUND SUMMARY

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**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 2016-17, there is a net increase of \$1,054,580 compared to FY 2015-16 budgeted service charge revenue, primarily as a result of increased charges from Forsyth County for their share of City/County services (+\$544,740) and increased interfund charges (+\$582,980).

**Transfers from Other Funds.** Transfers from other City funds represent support to the general fund for various purposes, such as housing rehabilitation, risk management services for Utilities, seasonal leaf collection, and pest control. For FY 2016-17, transfers are increased \$130,830, or 4.4%, compared to the FY 2015-16 budget. This is driven primarily by an increase in the transfer from the Community Development Block Grant Fund of \$155,900.

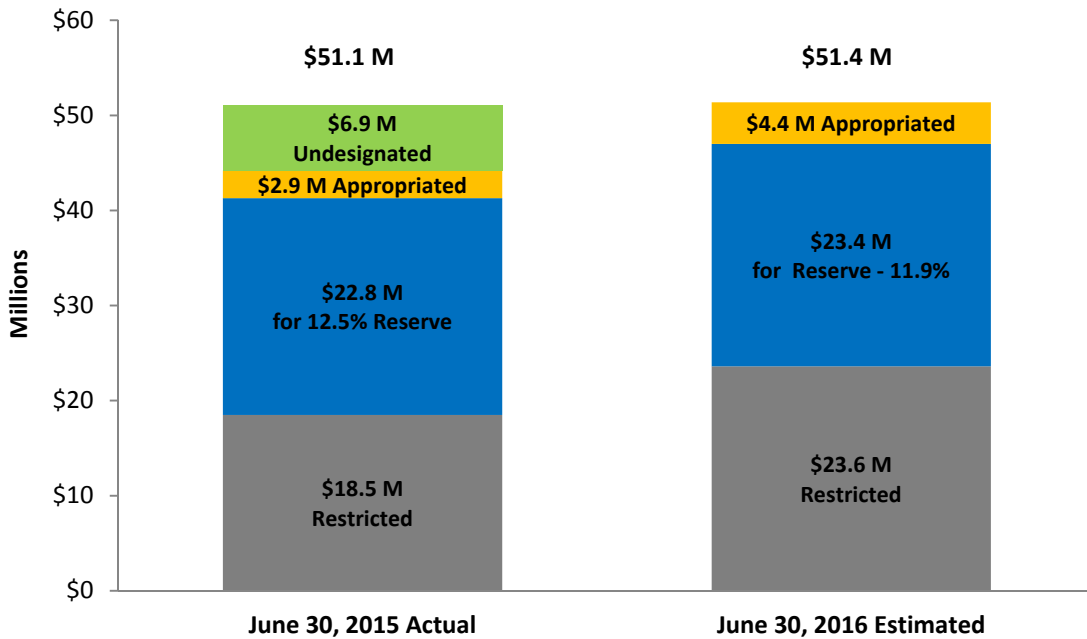
# GENERAL FUND BALANCE HIGHLIGHTS

**Fund Balance Appropriation for FY 2016-17:** The adopted budget includes a fund balance appropriation of \$4.4 million, which is an increase of \$1.5 million compared to the FY 2015-16 appropriation of \$2.9 million. Of the \$4.4 million appropriation, \$2.4 million is budgeted for one-time expenditures.

**14.0% 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% 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 14.0% 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 2016-17, the 14.0% requirement totals \$27.6 million. Due to the significant increase in the restricted portion of the fund balance, the amount set aside for reserve by policy is 11.9%, or \$23.4 million.

**General Fund Balance Analysis:** The graph below illustrates the estimated change in general fund balance at June 30, 2016. The “undesignated” fund balance is projected to decrease from \$6.9 million on June 30, 2015 to \$0 on June 30, 2016, primarily due to the increase in the portion of the fund balance restricted by state statute. The restricted portion of the fund balance mainly represents the anticipated receipt of federal revenues and sales taxes. The significant increase as of June 30, 2016 is related to delayed funding from the Federal Transit Administration. Overall, general fund balance increased \$0.3 million to \$51.4 million.

**GENERAL FUND BALANCE AT JUNE 30, 2016 COMPARED TO JUNE 30, 2015**



**Note:** No undesignated fund balance shown as of June 30, 2016 due to the increase in the restricted portion of the fund balance. The increase in the restricted portion of fund balance is mainly due to anticipated federal grants for the City’s transit operations.

## INTERNAL SERVICE FUNDS

Internal service funds provide centralized services to the various departments and 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.

<b>EXPENDITURES BY FUND</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Fleet Services	\$8,726,944	\$9,854,160	\$9,440,500	-4.2%
Information Systems	7,702,055	8,912,260	9,674,550	8.6%
Central Warehouse	333,062	350,790	372,870	6.3%
Worker's Compensation Fund	2,946,849	2,522,920	2,748,420	8.9%
Employee Health Benefits Fund	18,162,266	21,165,730	21,473,330	1.5%
Dental and Flex Spending Fund	2,104,371	2,149,410	2,193,480	2.1%
Employee Taxes and Benefits Fund	21,298,508	22,137,760	24,225,540	9.4%
<b>Total Expenditures by Fund</b>	<b>\$61,274,056</b>	<b>\$67,093,030</b>	<b>\$70,128,690</b>	<b>4.5%</b>
<b>RESOURCES BY TYPE</b>				
Charges to Departments	\$17,189,218	\$19,117,210	\$19,487,920	1.9%
City Contribution	37,351,696	40,034,690	42,634,350	6.5%
Employee Contribution	5,807,865	6,660,200	6,670,200	0.2%
Other Agency Contributions	235,111	235,250	397,110	68.8%
Discounts Earned	669,097	432,350	432,350	0%
Reimbursements	68,777	100,000	100,000	0%
Investment Income	264,496	0	0	N/A
Other	82,741	27,370	24,000	-12.3%
Fund Balance Appropriation	0	485,960	382,760	-21.2%
<b>Total Resources by Type</b>	<b>\$61,669,001</b>	<b>\$67,093,030</b>	<b>\$70,128,690</b>	<b>4.5%</b>

## 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 City Hall renovations and selected Recreation equipment and facility repairs. This fund also includes the administrative expenses associated with bond ratings and issuances.

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Principal Retirement	\$9,724,639	\$10,547,940	\$15,065,980	42.8%
Interest Payments	7,501,307	7,840,480	9,742,200	24.3%
Fiscal Charges	35,767	246,970	246,970	0%
Administrative Expenses	21,672	53,580	53,640	0.1%
Property Tax Collection Fee	63,509	105,580	99,350	-5.9%
Transfer to Mass Transit Tax Fund	2,898	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$17,349,792</b>	<b>\$18,794,550</b>	<b>\$25,208,140</b>	<b>34.1%</b>
<b>RESOURCES BY TYPE</b>				
Property Taxes	\$9,691,919	\$14,528,840	\$14,797,820	1.9%
Sales Taxes	5,297,473	5,578,330	5,899,300	5.8%
ABC Allocation	535,553	483,430	655,120	35.5%
Interest Income	323,277	300,000	200,000	-33.3%
Interest Subsidy on Recovery Zone Bonds	266,665	263,620	257,300	-2.4%
Forsyth County	239,271	239,270	235,890	-1.4%
Other Revenues	2,233,715	600,000	600,000	0%
Transfers from General Fund:				
Debt Service on Dell Project	400,000	400,000	400,000	0%
Lease Payment for Convention Center Capital	200,000	200,000	200,000	0%
City's Share of Debt Service on Wake Forest				
Innovation Quarter Infrastructure	167,810	180,260	184,660	2.4%
Debt Service on Bryce A. Stuart Building	920,230	1,251,400	1,218,470	-2.6%
Fund Balance Appropriation	0	0	559,580	N/A
<b>Total Resources by Type</b>	<b>\$20,275,912</b>	<b>\$24,025,150</b>	<b>\$25,208,140</b>	<b>4.9%</b>
Addition to Fund Balance	\$2,926,120	\$5,230,600	\$0	-100%



## SPECIAL REVENUE FUNDS DETAILED BY FUND

### COMMUNITY DEVELOPMENT BLOCK GRANT FUND

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

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Loans	\$1,067,444	\$584,830	\$492,710	-15.8%
Contractual Services and Other Miscellaneous Expenses	364,416	348,030	276,600	-20.5%
Indirect Cost Allocation	40,080	50,710	37,720	-25.6%
Contingencies	0	15,000	60,000	300.0%
Grants	91,198	100,000	165,000	65.0%
Section 108 Loan Principal and Interest Payments	501,051	439,000	370,000	-15.7%
Loan Servicing Expenditures	-257,501	63,000	63,000	0%
Transfer to General Fund (Administration)	121,658	124,220	132,770	6.9%
Transfer to General Fund (Program Activities)	614,939	801,540	948,890	18.4%
Transfer to General Fund (Capital Projects Fund)	33,203	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$2,576,488</b>	<b>\$2,526,330</b>	<b>\$2,546,690</b>	<b>0.8%</b>
<b>RESOURCES BY TYPE</b>				
Federal Grants	\$2,208,367	\$1,976,330	\$1,996,690	1.0%
Loan Repayments	180,965	550,000	550,000	0%
Miscellaneous Revenues	5,844	0	0	N/A
Fund Balance Appropriation	181,312	0	0	N/A
<b>Total Resources by Type</b>	<b>\$2,576,488</b>	<b>\$2,526,330</b>	<b>\$2,546,690</b>	<b>0.8%</b>

### HOUSING FINANCE ASSISTANCE

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

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Loans	\$29,100	\$852,000	\$318,000	-62.7%
Contractual Services and Other Miscellaneous Expenses	285,185	643,820	511,120	-20.6%
Grants	143,566	157,010	166,520	6.1%
Contingencies	0	10,000	10,000	0%
Re-Grant of Housing Authority's PILOT Funds	16,600	8,300	8,300	0%
Transfer to General Fund	0	60,000	62,930	4.9%
<b>Total Expenditures by Type</b>	<b>\$474,451</b>	<b>\$1,731,130</b>	<b>\$1,076,870</b>	<b>-37.8%</b>

## SPECIAL REVENUE FUNDS DETAILED BY FUND

<b>HOUSING FINANCE ASSISTANCE FUND - Continued</b>	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>RESOURCES BY TYPE</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Loan Repayments	\$375,754	\$1,414,120	\$797,420	-43.6%
Miscellaneous Revenues	822	0	0	N/A
Transfer from General Fund	90,190	90,860	106,070	16.7%
Fund Balance Appropriation	7,685	226,150	173,380	-23.3%
<b>Total Resources by Type</b>	<b>\$474,451</b>	<b>\$1,731,130</b>	<b>\$1,076,870</b>	<b>-37.8%</b>

### HOME INVESTMENT PARTNERSHIP FUND

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

<b>EXPENDITURES BY TYPE</b>	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>RESOURCES BY TYPE</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Loans	-\$756	\$527,430	\$534,950	1.4%
Contractual Services and Other Miscellaneous Expenses	344,097	388,500	392,820	1.1%
Indirect Cost Allocation	31,210	29,420	18,760	-36.2%
Contingencies	11,035	26,500	51,980	96.2%
Grants	1,100	0	0	N/A
Transfer to General Fund	46,053	80,000	80,000	0%
<b>Total Expenditures by Type</b>	<b>\$432,739</b>	<b>\$1,051,850</b>	<b>\$1,078,510</b>	<b>2.5%</b>
<b>RESOURCES BY TYPE</b>				
Federal Grants	\$72,224	\$916,850	\$943,510	2.9%
Loan Repayments	51,582	135,000	135,000	0%
Miscellaneous Revenues	539	0	0	N/A
Fund Balance Appropriation	308,395	0	0	N/A
<b>Total Resources by Type</b>	<b>\$432,739</b>	<b>\$1,051,850</b>	<b>\$1,078,510</b>	<b>2.5%</b>

## SPECIAL REVENUE FUNDS DETAILED BY FUND

### SUPPORTIVE HOUSING GRANTS FUND

The U.S. 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.

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Continuum of Care Grants	\$1,715,533	\$1,544,400	\$1,865,000	20.8%
Emergency Shelter Grant	167,036	174,640	177,370	1.6%
<b>Total Expenditures by Type</b>	<b>\$1,882,569</b>	<b>\$1,719,040</b>	<b>\$2,042,370</b>	<b>18.8%</b>
 <b>RESOURCES BY TYPE</b>				
Federal Grants	\$1,593,692	\$1,719,040	\$2,042,370	18.8%
State Grants	288,878	0	0	N/A
<b>Total Resources by Type</b>	<b>\$1,882,569</b>	<b>\$1,719,040</b>	<b>\$2,042,370</b>	<b>18.8%</b>

### 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.

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Grants	\$1,498,135	\$1,643,980	\$2,111,400	28.4%
<b>Total Expenditures by Type</b>	<b>\$1,498,135</b>	<b>\$1,643,980</b>	<b>\$2,111,400</b>	<b>28.4%</b>
 <b>RESOURCES BY TYPE</b>				
Transfer from General Fund	\$1,532,800	\$1,643,980	\$2,111,400	28.4%
Other	114,849	0	0	N/A
<b>Total Resources by Type</b>	<b>\$1,647,649</b>	<b>\$1,643,980</b>	<b>\$2,111,400</b>	<b>28.4%</b>
Addition to Fund Balance	\$149,514	\$0	\$0	N/A

## SPECIAL REVENUE FUNDS DETAILED BY FUND

### ECONOMIC DEVELOPMENT PROJECT FUND - Continued

The schedule of economic development incentive grant commitments for FY 2016-17 through FY 2019-20 is as follows:

<b>Grantee</b>	<b>Budget FY 16-17</b>	<b>Planning FY 17-18</b>	<b>Planning FY 18-19</b>	<b>Planning FY 19-20</b>
Wake Forest Innovation Quarter	\$288,580	\$484,810	\$196,240	\$196,240
WFIQ – Building 90 South	195,000	200,000	200,000	200,000
WFIQ – Bailey Power Plant	344,000	0	146,670	146,670
Brookstown Development Partners	93,600	150,950	150,950	150,950
Caterpillar, Inc.	574,680	1,567,310	1,542,560	1,542,560
Piedmont Propulsion Systems	6,300	6,300	0	0
Inmar	142,990	142,990	147,000	151,130
Pepsi Bottling Ventures	68,750	131,310	133,930	133,710
Herbalife	315,140	315,140	302,720	289,560
4th & Broad Street Office Building	20,170	20,170	20,170	20,170
Goler Heights Redevelopment	20,000	20,000	20,000	20,000
Hilltop House South	13,000	13,000	13,000	13,000
Polyvlies	9,170	9,170	7,910	6,770
Winston Factory Lofts	9,300	9,300	9,300	9,300
United Furniture	10,720	10,720	10,720	10,720
<b>Total Project Expenditures</b>	<b>\$2,111,400</b>	<b>\$3,081,170</b>	<b>\$2,901,170</b>	<b>\$2,890,780</b>

### 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.

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Loans	\$55,730	\$200,000	\$0	-100.0%
Loans Servicing Expenditures	8,958	0	0	N/A
Miscellaneous Expenditures	82,978	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$147,665</b>	<b>\$200,000</b>	<b>\$0</b>	<b>-100.0%</b>
<b>RESOURCES BY TYPE</b>				
Loan Repayments	\$141,417	\$0	\$0	N/A
Business Privilege License	290,500	0	0	N/A
Investment Income	15,167	0	0	N/A
Miscellaneous Revenue	12,220	0	0	N/A
Transfer from General Fund	100,000	200,000	0	-100.0%
Transfer from Capital Projects Fund	2,695,000	0	0	N/A
Transfer from Economic Development Project Fund	39,600	0	0	N/A
UDAG Loan	100,000	0	0	N/A
<b>Total Resources by Type</b>	<b>\$3,393,903</b>	<b>\$200,000</b>	<b>\$0</b>	<b>-100.0%</b>
Addition to Fund Balance	\$3,246,238	\$0	\$0	N/A

## SPECIAL REVENUE FUNDS DETAILED BY FUND

### URBAN DEVELOPMENT ACTION FUND

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

	<u>Actual</u> <u>FY 14-15</u>	<u>Budget</u> <u>FY 15-16</u>	<u>Adopted</u> <u>FY 16-17</u>	<u>Percent</u> <u>Change</u>
<b>EXPENDITURES BY TYPE</b>				
Transfer to Economic Development Loan Fund	\$100,000	\$0	\$0	N/A
Contractual Services and Other Miscellaneous Expenses	79,535	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$179,535</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>RESOURCES BY TYPE</b>				
Loan Repayments	\$138,851	\$0	\$0	N/A
Investment Income	468	0	0	N/A
Fund Balance Appropriation	40,216	0	0	N/A
<b>Total Resources by Type</b>	<b>\$179,535</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

### 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 Department of Transportation and in the street resurfacing project in the Capital Plan.

	<u>Actual</u> <u>FY 14-15</u>	<u>Budget</u> <u>FY 15-16</u>	<u>Adopted</u> <u>FY 16-17</u>	<u>Percent</u> <u>Change</u>
<b>EXPENDITURES BY TYPE</b>				
Transfer to General Fund	\$4,806,297	\$5,323,260	\$5,390,080	1.3%
Transfer to Capital Projects Fund	1,085,838	1,145,330	1,137,450	-0.7%
<b>Total Expenditures by Type</b>	<b>\$5,892,135</b>	<b>\$6,468,590</b>	<b>\$6,527,530</b>	<b>0.9%</b>
<b>RESOURCES BY TYPE</b>				
Gasoline Tax	\$6,521,261	\$6,468,590	\$6,527,530	0.9%
<b>Total Resources by Type</b>	<b>\$6,521,261</b>	<b>\$6,468,590</b>	<b>\$6,527,530</b>	<b>0.9%</b>
Addition to Fund Balance	\$629,126	\$0	\$0	N/A

## SPECIAL REVENUE FUNDS DETAILED BY FUND

### 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.

	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>EXPENDITURES BY TYPE</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Public Safety Grants	\$629,650	\$175,000	\$737,040	321.2%
Recreation and Culture Grants	54,896	0	0	N/A
Economic Development Grants	752,010	50,000	50,000	0%
Fair Housing Grants	91,174	51,510	52,610	2.1%
Public Transportation Grants	1,857,880	1,109,390	2,308,890	108.1%
Environment Health Grants	458,041	0	0	N/A
General Government Grants	3,000	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$3,846,651</b>	<b>\$1,385,900</b>	<b>\$3,148,540</b>	<b>127.2%</b>
<b>RESOURCES BY TYPE</b>				
North Carolina Department of Transportation	\$1,005,882	\$670,560	\$1,630,510	143.2%
Forsyth County	273,299	150,000	150,000	0%
US Department of Housing and Urban Development	990,576	50,000	50,000	0%
Federal Transit Administration	474,171	110,800	110,400	-0.4%
US Department of Justice	66,617	0	440,280	N/A
Governmental Services	43	0	0	N/A
Federal Emergency Management Agency	347	0	0	N/A
Emergency Management State	23,697	0	0	N/A
Other State Grants	414,136	0	0	N/A
Contributions	85,658	1,510	2,610	72.8%
Miscellaneous State Revenues	20,665	23,700	23,700	0%
Miscellaneous Revenues	137,777	0	25,000	N/A
Transfer from General Fund	496,765	315,480	652,240	106.7%
Transfer from Housing Finance Assistance Fund	29,075	0	0	N/A
Transfer from Occupancy Tax Fund	50,000	50,000	50,000	0%
Transfer from Transportation Administration	16,470	13,850	13,800	-0.4%
<b>Total Resources by Type</b>	<b>\$4,085,178</b>	<b>\$1,385,900</b>	<b>\$3,148,540</b>	<b>127.2%</b>

## SPECIAL REVENUE FUNDS DETAILED BY FUND

### 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.

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Community Events	\$10,000	\$75,000	\$100,000	33.3%
Contingency	0	0	17,690	N/A
Other Expenses	40,603	0	25,000	N/A
Walk of Fame	0	0	10,000	N/A
Old Salem	89,910	116,070	135,000	16.3%
Piedmont Triad Film Commission	27,500	30,800	32,310	4.9%
Youth Events	20,341	85,000	55,000	-35.3%
North Carolina League of Municipalities Conference	0	115,000	0	-100.0%
Transfer to Grants Fund	50,000	50,000	50,000	0%
Transfer to Winston-Salem Fairgrounds	75,000	75,000	75,000	0%
Transfer to Convention Center Fund	250,000	250,000	250,000	0%
<b>Total Expenditures by Type</b>	<b>\$563,353</b>	<b>\$796,870</b>	<b>\$750,000</b>	<b>-5.9%</b>
<b>RESOURCES BY TYPE</b>				
Occupancy Tax	\$676,361	\$715,120	\$750,000	4.9%
Investment Income	1,366	0	0	N/A
Fund Balance Appropriation	0	81,750	0	-100.0%
<b>Total Resources by Type</b>	<b>\$677,727</b>	<b>\$796,870</b>	<b>\$750,000</b>	<b>-5.9%</b>
Addition to Fund Balance	\$114,374	\$0	\$0	N/A

### CABLE FRANCHISE FEE FUND

The cable franchise fee fund accounted for contributions from the cable companies that provided operating and capital support to public access, educational, and government channels (PEG). This fund will be eliminated once the fund balance is spent.

<b>EXPENDITURES BY TYPE</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-16</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Supplies and Services	\$538	\$0	\$0	N/A
Transfer to Leasing Capital Projects Fund	100,000	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$100,538</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>
<b>RESOURCES BY TYPE</b>				
Investment Income	\$102	\$0	\$0	N/A
Fund Balance Appropriation	100,436	0	0	N/A
<b>Total Resources by Type</b>	<b>\$100,538</b>	<b>\$0</b>	<b>\$0</b>	<b>N/A</b>

## SPECIAL REVENUE FUNDS DETAILED BY FUND

### 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.

	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>EXPENDITURES BY TYPE</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Leased Lines	\$247,706	\$272,600	\$236,830	-13.1%
Computer-Aided Dispatch System	116,407	277,830	367,910	32.4%
<b>Total Expenditures by Type</b>	<b>\$364,113</b>	<b>\$550,430</b>	<b>\$604,740</b>	<b>9.9%</b>
<b>RESOURCES BY TYPE</b>				
Reimbursement from E911 Wireless Board	\$489,713	\$490,710	\$454,640	-7.4%
Interest Income	4,765	0	0	N/A
Fund Balance Appropriation	0	59,720	150,100	151.3%
<b>Total Resources by Type</b>	<b>\$494,478</b>	<b>\$550,430</b>	<b>\$604,740</b>	<b>9.9%</b>
Addition to Fund Balance	\$130,366	\$0	\$0	N/A

### DOWNTOWN WINSTON-SALEM BUSINESS IMPROVEMENT DISTRICT FUND

The Downtown Winston-Salem Business Improvement District is a defined area within the downtown area whereby the City may raise money to pay for enhanced services or projects from those property owners that most directly benefit from the services or projects. It is funded via a tax rate of \$0.09 per \$100 of valuation to fund the enhanced services and programs within the district. The adopted rate is assessed on real and personal property, including registered motor vehicles.

	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>EXPENDITURES BY TYPE</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Downtown Winston-Salem Partnership	\$369,810	\$504,370	\$544,270	7.9%
Other Expenses	0	3,780	3,680	-2.6%
<b>Total Expenditures by Type</b>	<b>\$369,810</b>	<b>\$508,150</b>	<b>\$547,950</b>	<b>7.8%</b>
<b>RESOURCES BY TYPE</b>				
Property Taxes	\$530,856	\$508,150	\$547,950	7.8%
Investment Income	187	0	0	N/A
<b>Total Resources by Type</b>	<b>\$531,043</b>	<b>\$508,150</b>	<b>\$547,950</b>	<b>7.8%</b>
Addition to Fund Balance	\$161,232	\$0	\$0	N/A



## SPECIAL REVENUE FUNDS DETAILED BY FUND

### 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%.

	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>EXPENDITURES BY TYPE</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Principal Retirement	\$16,855,536	\$4,922,930	\$15,290,000	210.6%
Interest Payments	2,305,625	1,260,820	1,443,560	14.5%
Fiscal Expense	193,586	0	0	N/A
<b>Total Expenditures by Type</b>	<b>\$19,354,748</b>	<b>\$6,183,750</b>	<b>\$16,733,560</b>	<b>170.6%</b>
<b>RESOURCES BY TYPE</b>				
Lease Payments – City	\$9,971,192	\$9,620,120	\$9,928,050	3.2%
Lease Payments – Outside Agencies	507,385	449,290	413,420	-8.0%
Investment Income	115,953	0	0	N/A
Proceeds from Capital Leases	2,464,530	0	0	N/A
Transfer from General Fund	172,535	172,540	52,540	-69.5%
Bond Refunding Proceeds	63,235	0	0	N/A
Fund Balance Appropriation	6,059,919	0	6,339,550	N/A
<b>Total Resources by Type</b>	<b>\$19,354,748</b>	<b>\$10,241,950</b>	<b>\$16,733,560</b>	<b>63.4%</b>
Addition to Fund Balance	\$0	\$4,058,200	\$0	-100%

# 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.

<b>EXPENDITURES BY FUND</b>	<b>Actual FY 14-15</b>	<b>Budget FY 15-15</b>	<b>Adopted FY 16-17</b>	<b>Percent Change</b>
Solid Waste Disposal Fund	\$9,606,049	\$11,073,780	\$10,939,540	-1.2%
Water and Sewer Funds	80,693,420	85,376,860	83,604,790	-2.1%
Parking Fund	2,677,448	2,953,580	2,215,320	-25.0%
Winston-Salem Transit Authority	14,268,614	15,246,700	16,106,610	5.6%
Public Assembly Facilities Funds				
Bowman Gray Stadium	450,308	392,930	422,560	7.5%
M.C. Benton, Jr. Convention and Civic Center	996,082	1,211,640	1,534,340	26.6%
Winston-Salem Fairgrounds	3,810,492	3,632,800	3,972,950	9.4%
Downtown Ballpark Fund	1,445,243	1,884,740	1,849,460	-1.9%
Stormwater Management Fund	7,987,947	9,135,450	9,947,690	8.9%
<b>Total Expenditures by Type</b>	<b>\$121,935,604</b>	<b>\$130,908,480</b>	<b>\$130,593,260</b>	<b>-0.2%</b>
<b>RESOURCES BY TYPE</b>				
Property Taxes	\$6,794,526	\$5,976,980	\$6,851,150	14.6%
Licenses and Permits	860,796	651,480	704,300	8.1%
Intergovernmental Revenue	7,353,682	7,316,790	7,761,840	6.1%
Investment Income	3,101,379	582,040	0	-100%
Interfund Revenues	2,973,592	2,956,370	3,008,850	1.8%
Charges for Service	117,651,921	120,757,920	127,250,040	5.4%
Fines and Forfeitures	5,100	12,000	12,000	0%
Rentals/Other Resources	2,297,279	2,348,510	2,404,430	2.4%
Transfer from General Fund	1,297,211	1,606,790	1,779,490	10.7%
Transfer from Occupancy Tax Fund	325,000	325,000	325,000	0%
Transfer from Debt Service Fund	2,898	0	0	N/A
Transfer from Other Enterprise Funds	350,740	328,840	401,190	22.0%
<b>Total Resources by Type</b>	<b>\$143,014,125</b>	<b>\$142,862,720</b>	<b>\$150,498,290</b>	<b>5.3%</b>
Addition to Fund Balance	\$21,078,520	\$11,954,240	\$19,905,030	66.5%

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## CAPITAL PROJECTS FUND

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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.

<b>EXPENDITURES</b>	<b>Adopted</b>
<u>Public Safety</u>	<b><u>FY 16-17</u></b>
Public Safety Facility Renewal	\$200,000
<b>Public Safety Subtotal:</b>	<b>\$200,000</b>
<u>Transportation</u>	
Streets and Sidewalks:	
Downtown Traffic Signal Cabinet Relocation	\$105,560
Greenway Development	292,700
Street Resurfacing Projects	1,137,450
Traffic Calming Projects	146,350
Traffic Safety Projects	40,790
<b>Transportation Subtotal:</b>	<b>\$1,722,850</b>
<u>Recreation and Culture</u>	
Recreation Facility/Park Renovations and Expansions:	
Basketball Court Resurfacing	\$100,000
Bolton Park Improvements	150,000
Grace Court Renovations	50,000
Picnic Shelter Improvements/Renovations	100,000
Recreation and Parks Department Facility Renewal	30,000
Soccer Field Irrigation Systems	200,000
Softball Field Improvements/Enhancements	150,000
South Fork Recreation Center Renovations	110,000
<b>Recreation and Culture Subtotal:</b>	<b>\$890,000</b>
<u>General Government</u>	
Property and Facilities Management:	
General Government Facility Renewal	\$10,000
<b>General Government Subtotal:</b>	<b>\$10,000</b>
<b>Total Expenditures</b>	<b>\$2,822,850</b>

## CAPITAL PROJECTS FUND

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<b>FUNDING SOURCES</b>	<b>Adopted FY 16-17</b>
<u>Intergovernmental Resources</u>	
State:	
Powell Bill Funds (Gasoline Tax)	\$1,137,450
<u>Reserves</u>	
General Fund	\$1,100,000
<u>Other</u>	
Motor Vehicle Privilege Tax	\$585,400
<b>Total Funding Sources</b>	<b>\$2,822,850</b>

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## LEASING CAPITAL PROJECTS FUND

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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).

<b>EXPENDITURES</b>	<b>Adopted FY 16-17</b>
<u>Recreation and Culture</u>	
Public Assembly Facilities:	
Convention Center Capital Renovations (Annual Contribution) *	\$250,000
<u>General Government</u>	
Information Systems	
Telephone Maintenance and System Upgrade	\$308,000
<b>Total Expenditures</b>	<b>\$558,000</b>
<b>FUNDING SOURCES</b>	
<u>Other</u>	
North Carolina Municipal Leasing Corporation	\$558,000
<b>Total Funding Sources</b>	<b>\$558,000</b>

\*The annual funding of \$250,000 for Convention Center Capital for FY 2016-17 was appropriated during FY 2015-16 for a boiler replacement and other infrastructure improvements.

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## LEASING EQUIPMENT ACQUISITION FUND

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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.

<b>EXPENDITURES BY TYPE</b>	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Capital Outlay				
Rolling Stock	\$5,054,601	\$6,568,500	\$9,396,770	43.1%
Computer Equipment	194,935	170,000	241,000	41.8%
General Equipment	786,293	196,220	704,680	259.1%
Communications Equipment	0	0	497,000	N/A
Other	1,373,803	1,892,810	1,582,890	-16.4%
<b>Total Expenditures by Type</b>	<b>\$7,409,632</b>	<b>\$8,827,530</b>	<b>\$12,422,340</b>	<b>40.7%</b>
<b>RESOURCES BY TYPE</b>				
North Carolina Municipal Leasing Corporation	\$7,409,632	\$8,827,530	\$12,422,340	40.7%
<b>Total Resources by Type</b>	<b>\$7,409,632</b>	<b>\$8,827,530</b>	<b>\$12,422,340</b>	<b>40.7%</b>

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## ENTERPRISE CAPITAL PROJECTS FUND

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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.

<b>EXPENDITURES</b>	<b>Adopted</b>
<u>Solid Waste Disposal</u>	<b><u>FY 16-17</u></b>
Hanes Mill Road Landfill – Gas Extraction System	\$485,100
<u>Environmental Health</u>	
Water and Wastewater Treatment	
Archie Elledge Wastewater Treatment Plant Rehabilitation and Upgrades	\$855,000
Lift Station Capacity / Condition Improvements	554,000
Muddy Creek Wastewater Treatment Plant Aeration Upgrades	8,208,860
Muddy Creek Wastewater Treatment Plant Rehabilitation and Upgrades	250,000
R.W. Neilson Water Treatment Plant – Phase II Modernization	1,870,000
Water Treatment Rehabilitation and Upgrades	928,000
Water Distribution and Wastewater Collection	
Advanced Meter Infrastructure	\$4,500,000
Collection System Improvement Program	6,500,000
Construction and Maintenance Property Improvements	700,000
Elledge Basin Capacity Improvements	4,889,800
Muddy Creek Basin Capacity Improvements	22,267,600
Water Distribution System Capacity Improvements	209,000
Water Distribution System Improvements	1,000,000
Water Tank Rehabilitation	1,038,500
Stormwater Management	
Stormwater Infrastructure Renovations	\$987,000
<b>Environmental Health Subtotal</b>	<b>\$55,242,860</b>
<u>Transportation</u>	
Mass Transit:	
Bus Shelter	\$200,000
Passenger Amenities	25,100
Section 5339 Bus and Bus Facilities Program	468,100
Security Enhancements	25,100
Transit Facility Renovations	64,500
Transit Vehicle Maintenance	367,050
<b>Transportation Subtotal</b>	<b>\$1,149,850</b>

## ENTERPRISE CAPITAL PROJECTS FUND

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<b>EXPENDITURES - Continued</b>	<b>Adopted</b>
<u>Recreation and Culture</u>	<u>FY 16-17</u>
Entertainment:	
Winston-Salem Fairgrounds Improvements	\$2,000,000
<b>General Government Subtotal</b>	<b>\$2,000,000</b>
<b>Total Expenditures</b>	<b>\$58,392,710</b>
 <b>FUNDING SOURCES</b>	
<u>Bonds</u>	
Limited Obligation Bonds	\$2,000,000
Revenue Bonds	29,236,400
 <u>Intergovernmental</u>	
Federal:	
Federal Transit Administration	\$783,280
State:	
North Carolina Department of Transportation	\$160,000
State Revolving Loan	8,208,860
 <u>Reserves</u>	
Water and Sewer Fund	\$16,325,500
Stormwater Management Fund	987,000
Solid Waste Disposal Fund	485,100
 <u>Other</u>	
Property Taxes - Winston-Salem Transit Authority Fund	\$206,570
 <b>Total Funding Sources</b>	 <b>\$58,392,710</b>



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## INTERNAL SERVICE CAPITAL PROJECTS FUNDS

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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.

<b>EXPENDITURES</b>	<b>Adopted FY 16-17</b>
<u>General Government</u>	
Information Systems	
Fiber Optic Upgrade	\$550,000
New Applications and Services	362,100
IS Infrastructure Improvements	660,000
<b>Total Expenditures</b>	<b>\$1,572,100</b>
<b>FUNDING SOURCES</b>	
<u>Other</u>	
North Carolina Municipal Leasing Corporation	\$1,022,100
<u>Transfers</u>	
General Fund	\$550,000
<b>Total Funding Sources</b>	<b>\$1,572,100</b>

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## FIDUCIARY FUNDS

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

	<b>Actual</b>	<b>Budget</b>	<b>Adopted</b>	<b>Percent</b>
<b>EXPENDITURES BY PROGRAM</b>	<b><u>FY 14-15</u></b>	<b><u>FY 15-16</u></b>	<b><u>FY 16-17</u></b>	<b><u>Change</u></b>
Retiree Life and Health Benefit Fund	\$9,141,092	\$9,149,560	\$9,746,880	6.5%
<b>Total Expenditures by Program</b>	<b>\$9,141,092</b>	<b>\$9,149,560</b>	<b>\$9,746,880</b>	<b>6.5%</b>
<b>RESOURCE BY TYPE</b>				
City Contribution	\$7,425,627	\$6,500,000	\$6,500,000	0%
Employee Contribution	1,811,961	1,825,000	1,951,000	6.9%
Reimbursements	31,326	0	33,200	N/A
Investment Income	1,874,571	1,000,000	1,000,000	0%
Fund Balance Appropriation	0	0	262,680	N/A
<b>Total Resources by Type</b>	<b>\$11,143,483</b>	<b>\$9,325,000</b>	<b>\$9,746,880</b>	<b>4.5%</b>
Addition to Fund Balance	<b>\$2,002,391</b>	<b>\$175,440</b>	<b>\$0</b>	<b>N/A</b>

## 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 14% of estimated expenditures in the general fund. For other funds, the City's financial policies dictate the level of reserves that should be maintained. Reserves for other funds are also monitored regularly to ensure sufficiency for operating and capital needs. The balances listed below represent audited amounts for June 30, 2015, estimates for June 30, 2016 prior to final audited figures being available, and projected amounts for June 30, 2017.

Fund	Reserves 6/30/2015	Fund Balance 6/30/2016	Addition to (+) FB by 6/30/2017	Fund Balance 6/30/2017
<i>Budgeted Funds</i>				
General	\$ 51,102,141	\$ 51,436,334	\$ (4,365,350)	\$ 47,070,984
Housing Development Funds	-	-	-	-
Grants Fund	897,868	410,136	-	410,136
Forfeiture Funds	492,806	804,732	-	804,732
Economic Development Funds	29,105,182	32,732,660	(173,380)	32,559,280
Gas Tax Fund	629,126	629,126	-	629,126
Occupancy Tax Fund	410,047	185,898	-	185,898
Cable Franchise Fee Fund	2,573	2,573	-	2,573
Emergency Telephone Fund	1,887,624	1,481,745	(150,100)	1,331,645
Downtown Business Imp District	161,230	166,916	-	166,916
Debt Service Fund	16,714,796	21,200,000	(559,580)	20,640,420
Capital Projects Fund	57,362,403	87,000,000	-	87,000,000
Leasing Fund	11,835,076	10,100,000	(6,339,550)	3,760,450
Water & Sewer Fund	132,478,606	115,060,567	4,733,080	119,793,647
Solid Waste Disposal Fund	32,366,642	29,922,981	(360,660)	29,562,321
Parking Fund	2,396,271	2,795,794	(709,530)	2,086,264
Stormwater Management Fund	21,905,787	21,012,415	(626,800)	20,385,615
Winston-Salem Transit Authority Funds	3,133,407	-	(742,930)	(742,930)
Public Assembly Facilities Management	3,544,789	2,864,386	(185,730)	2,678,656
Internal Service Funds	1,303,326	644,000	-	644,000
Employee Benefits Funds	4,654,272	3,800,000	(382,760)	3,417,240
Post-Employment Benefits Fund	56,419,306	55,000,000	(262,680)	54,737,320
	<u>428,803,278</u>	<u>437,250,263</u>	<u>(10,125,970)</u>	<u>427,124,293</u>
<i>Non-Budgeted Funds<sup>1</sup></i>				
WSPORS	137,303,100	133,000,000	-	133,000,000
Separation Allowance Fund	9,172,571	8,700,000	-	8,700,000
Perpetual Care Fund	3,400,056	3,392,335	-	3,392,335
Risk Acceptance Management Corp.	35,187,497	35,000,000	-	35,000,000
<b>Total</b>	<u><b>\$613,866,502</b></u>	<u><b>\$617,342,598</b></u>	<u><b>\$ (10,125,970)</b></u>	<u><b>\$607,216,628</b></u>

<sup>(1)</sup> Non-budgeted funds are fiduciary (trust) and permanent funds that are not required to be budgeted.



**Winston-Salem**