

ENVIRONMENTAL HEALTH

Sanitation.....	87
Water and Sewer System	91
Solid Waste Disposal	96
Stormwater Management	101
Cemeteries.....	105
Environmental Health Non-Departmental	108
Environmental Health Capital Projects	109



Winston-Salem

SANITATION

MISSION STATEMENT

The mission of the Sanitation Division is to provide economical and effective collection of refuse, yard waste, and recyclables and transport these materials to state-approved disposal sites.

PROGRAM DESCRIPTIONS

Residential Refuse Collection

- Provides weekly backyard collection or voluntary curbside collection to single-family residences, multi-family residences, and small businesses that generate the same amount of trash as a residential unit
- Manages the voluntary curbside garbage program for residents who are issued a 96-gallon roll-out cart at no charge and agree to haul the cart to and from the curb each week

Central Business District Services

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

Bulk Container Collection

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

Yard Waste Cart Collection

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

Curbside/Multi-Family Recycling

- Administers a contract for weekly residential curbside recycling and multi-family 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. Contract costs and related program expenditures are covered in full by a transfer from the solid waste disposal fund.

County Recycling

- Administers a contract for the operation of two drop-off sites to serve the unincorporated areas of the county. These costs also are covered by a transfer from the solid waste disposal fund.

Sanitation Code Enforcement

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

Sanitation Administration

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

SANITATION

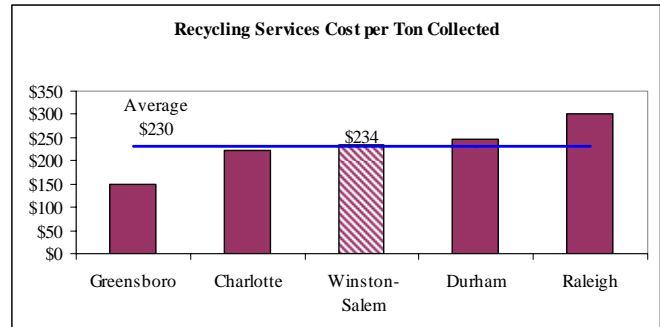
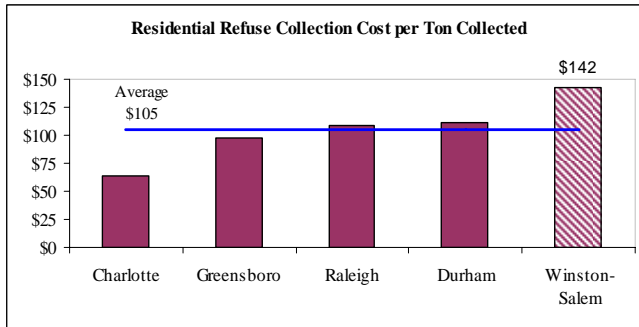
EXPENDITURES BY PROGRAM	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10	Percent Change
Residential Refuse Collection	\$8,169,468	\$7,788,290	\$7,336,590	-5.8%
Curbside Collection	4,123,791	4,691,700	4,555,390	-2.9%
Curbside/Multi-Family Recycling	2,500,900	2,736,850	2,736,390	0%
Bulk Container Collection	1,806,589	2,082,160	2,033,810	-2.3%
Yard Waste Cart Collection	995,690	953,480	940,270	-1.4%
Sanitation Administration	613,300	646,480	638,810	-1.2%
Central Business District Service	432,294	434,230	432,120	-0.5%
County Recycling	124,890	163,160	161,860	-0.8%
Sanitation Code Enforcement	151,167	167,740	146,130	-12.9%
Total Expenditures by Program	\$18,918,089	\$19,664,090	\$18,981,370	-3.5%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 07-08	Estimated FY 08-09	Projected FY 09-10
Effectiveness			
Limit missed garbage collections to less than 1% per month	0.83%	0.79%	0.79%
Limit missed yard cart collections to less than 1% per month	0.57%	0.50%	0.50%
Achieve a recycling participation rate of 90% of the total number of eligible households	91%	91%	92%
Collect recyclable materials equal to at least 20% of the residential garbage collected	21%	20%	21%
Complete 75% of brush collection routes on time	55%	75%	75%
Complete 75% of leaf collection routes on time	60%	45%	75%
Achieve 60% voluntary participation in the curbside garbage collection program	60%	65%	70%
Efficiency			
Bulk container revenue as percentage of bulk container operating costs	85%	92%	83%
Yard waste cart fee revenue as percentage of yard waste operating costs	76%	86%	88%
Workload			
Tons of garbage collected	51,394	52,094	52,800
Households serviced each week	73,500	74,500	75,500
Voluntary curbside garbage collection points	43,861	47,775	51,540
Tons of yard waste collected	5,980	6,810	7,000
Yard carts serviced weekly	14,476	14,781	14,800
Customers receiving bulk container service	1,066	1,124	1,175

SANITATION

FY 07-08 N.C. BENCHMARKING PROJECT RESULTS



Source: N.C. Benchmarking Project, *Final Report on City Services for Fiscal Year 2007-2008*, February 2009

EXPENDITURES BY TYPE	Actual	Budget	Adopted	Percent
	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>Change</u>
Personnel Expense	\$7,530,351	\$7,733,530	\$7,416,790	-4.1%
Supplies and Services	9,847,964	10,101,840	9,929,220	-1.7%
Equipment Leasing Expense	1,539,774	1,828,720	1,635,360	-10.6%
Total Expenditures by Type	\$18,918,089	\$19,664,090	\$18,981,370	-3.5%
RESOURCES BY TYPE				
Bulk Container Service Charges	\$1,532,841	\$1,689,910	\$1,689,910	0%
Yard Waste Cart Collection Fee	728,170	784,080	784,080	0%
Other Charges for Service	39,731	43,370	43,370	0%
Proceeds from Cart Sales	39,562	49,750	49,750	0%
Bulk Container Rental/Sales	7,515	11,880	11,880	0%
Miscellaneous Revenues	11,039	3,000	3,000	0%
Transfer from Solid Waste Disposal Fund	2,625,767	2,900,010	2,898,250	-0.1%
Transfer from Stormwater Management Fund	1,275,385	1,465,090	1,468,380	0.2%
Other General Fund Resources	12,658,077	12,717,000	12,032,750	-5.4%
Total Resources by Type	\$18,918,089	\$19,664,090	\$18,981,370	-3.5%
Positions				<u>Change</u>
Full-Time	211	211	204	-7
Part-Time (FTE's)	29.9	20.5	18.7	-1.8

SANITATION

BUDGET HIGHLIGHTS

Total Sanitation Division Budget

- The Sanitation Division's budget is decreased \$682,720, or 3.5%, as a result of the fiscal measures taken to balance the FY 08-09 and FY 09-10 budgets, including the elimination of seven positions. These measures total \$314,850 and include reductions in overtime, supplies, printing and mailing expenses, travel, fuel, garage services, and non-capital equipment. The remaining decrease in the budget reflects the following: savings in personnel expenses from normal turnover (-\$122,220), a net decrease in equipment lease payments due to the completion of payments in FY 08-09 for previously approved equipment (-\$193,360), a projected decrease in fuel prices (-\$60,940), and a reduction in temporary labor costs (-\$39,810).

Most of these reductions will not impact services to citizens. The reduction in supplies may result in a slowdown in the repair or replacement of damaged yard waste carts.

Refuse Collection

- To date, the Sanitation Division has issued almost 44,000 carts to households participating in the voluntary curbside garbage collection program (60% of households). Based on this level of participation and the division's increased use of automated loaders, the division has determined that it can eliminate two crews. The budget includes the deletion of six vacant positions for a savings of \$160,460 in salaries and benefits. The division also would eliminate two rear-loading refuse collection trucks; however, due to the higher cost of maintaining automated loaders, there is no decrease in the maintenance budget. In addition, the budget includes the elimination of two vacant temporary laborer positions, reducing the total used each day from 25 to 23 (-\$39,810).
- The budget includes a lease payment of \$50,000, which reflects the purchase of an additional 5,000 carts to meet anticipated demand for the service. The elimination of the refuse crews will offset the cost of the carts for a net savings of \$110,460. As the number of participants continues to increase, the Sanitation Division will continue to evaluate its routes and identify new efficiencies in its service delivery.

Sanitation Code Enforcement

- The budget includes the elimination of a vacant environmental control officer position (-\$32,750 in salary and benefits). Because the number of environmental control officers covering the city would decrease from three to two, enforcement efforts may take longer to achieve compliance with regard to proper placement and storage of containers.

Curbside/Multi-family Recycling

- The budget includes a transfer from the solid waste disposal fund to cover 100% of the cost of the City's recycling program.

WATER AND SEWER SYSTEM

MISSION STATEMENT

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

PROGRAM DESCRIPTIONS

Water Treatment

- Operates three conventional water treatment plants—the R.W. Neilson plant, the R.A. Thomas plant, and the Northwest plant—with a combined capacity of 91 million gallons per day. The R.A. Thomas plant is currently out of service and being rebuilt at an 18 million gallon per day capacity. The plant will be back in service in 2011.
- Operates and maintains 14 tanks and eight distribution pump stations for distributing water throughout the distribution system

Water Distribution

- Provides potable water to residential, commercial, and industrial customers
- Maintains a distribution system consisting of approximately 2,068 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 Collections Division
- Oversees the backflow prevention program

Wastewater Collection

- Provides wastewater collection to residential, commercial, and industrial customers
- Maintains a collection system consisting of approximately 1,649 miles of sewer mains
- Installs sewer connections, cleans and repairs sewer mains, clears utility right-of-ways, and constructs sewer mains

Wastewater Treatment

- Operates two wastewater treatment plants, the Archie Elledge plant and the Muddy Creek plant, with a combined capacity of 51 million gallons per day and 50 wastewater lift stations
- Manages two programs that impact its treatment facilities:

Biosolids Disposal: Disposes of wastewater treatment plant biosolids in a manner that is considered beneficial reuse. Facilities began operation in FY 07-08 that allowed the focus to shift from land application on farmland to production of a biosolid pellet that can be marketed as a soil amendment or fertilizer filler.

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

Utilities Customer Service

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

Utilities Administration

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

WATER AND SEWER SYSTEM

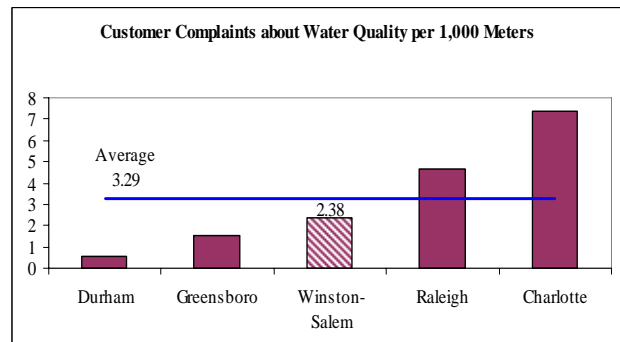
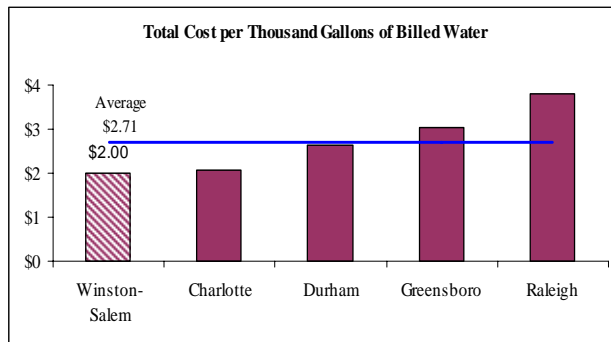
EXPENDITURES BY PROGRAM	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10	Percent Change
Water Treatment	\$8,734,626	\$8,442,080	\$8,289,500	-1.8%
Water Distribution	8,573,044	9,180,790	8,624,960	-6.1%
Wastewater Collection	5,273,238	5,140,700	5,277,450	2.7%
Wastewater Treatment	12,195,878	14,659,020	14,354,590	-2.1%
Utilities Customer Service	3,325,273	3,125,950	3,008,540	-3.8%
Utilities Administration	1,640,507	1,514,030	1,500,740	-0.9%
Subtotal	\$39,742,566	\$42,062,570	\$41,055,780	-2.4%
Non-Program Debt Service	\$21,391,859	\$25,345,690	\$27,113,420	7.0%
Total Expenditures by Program	\$61,134,425	\$67,408,260	\$68,169,200	1.1%

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 07-08	Estimated FY 08-09	Projected FY 09-10
Effectiveness			
Maintain 100% compliance with federal and state drinking water quality standards	100%	100%	100%
Respond to 100% of sewage overflows within two hours as required by the State Clean Water Act	100%	100%	100%
Receive zero federal and state violations at wastewater treatment plants (returning clean water back to rivers and streams)	1	0	0
Efficiency			
Meet 100% of average daily water demand throughout water system	100%	100%	100%
Meet 100% of average daily sewer demand throughout sanitary sewer system	100%	100%	100%
Collect and treat 100% of wastewater throughout sanitary sewer system (minimize back-ups and overflows)	100%	100%	100%
Workload			
Total miles of water distribution lines maintained	2,037	2,068	2,088
Total miles of wastewater collection lines maintained	1,500	1,649	1,660
Ratio of average daily water demand to system capacity	41.75%	52.74%	57.40%
Ratio of average daily sewer demand to system capacity	61.60%	60.40%	59.80%
Number of meters read annually	710,100	728,568	747,000

WATER AND SEWER SYSTEM

FY 07-08 N.C. BENCHMARKING PROJECT RESULTS



Source: N.C. Benchmarking Project, *Final Report on City Services for Fiscal Year 2007-2008*, February 2009

	Actual	Budget	Adopted	Percent
	FY 07-08	FY 08-09	FY 09-10	Change
EXPENDITURES BY TYPE				
Personnel Expense	\$16,326,697	\$17,510,810	\$17,238,990	-1.6%
Supplies and Services	23,407,577	24,475,500	23,698,190	-3.2%
Capital Outlay	0	5,300	39,400	643.4%
Subtotal	\$39,734,274	\$41,991,610	\$40,976,580	-2.4%
Debt and Lease Expense	\$21,391,859	\$25,345,690	\$27,113,420	7.0%
Transfer to General Fund (Vector Control)	8,292	24,000	24,000	0%
Transfer to General Fund (Safety Manager)	0	46,960	55,200	17.5%
Total Expenditures by Type	\$61,134,425	\$67,408,260	\$68,169,200	1.1%
RESOURCES BY TYPE				
Water Charges	\$32,113,941	\$35,040,410	\$38,458,020	9.8%
Sewer Charges	23,747,756	24,821,720	26,600,810	7.2%
Charges for Service	5,296,231	4,875,710	5,000,640	2.6%
Assessments to Benefit Property	1,349,540	1,300,000	1,300,000	0%
Interest Income	1,374,782	1,700,000	0	-100.0%
Miscellaneous Revenues	137,127	0	0	N/A
Total Resources by Type	\$64,019,376	\$67,737,840	\$71,359,470	5.3%
Addition to Capital Reserves	\$2,884,951	\$329,580	\$3,190,270	868.0%
Positions				
				Change
Full-Time	327	332	329	-3
Part-Time (FTE's)	6.9	3.9	3.9	0

WATER AND SEWER SYSTEM

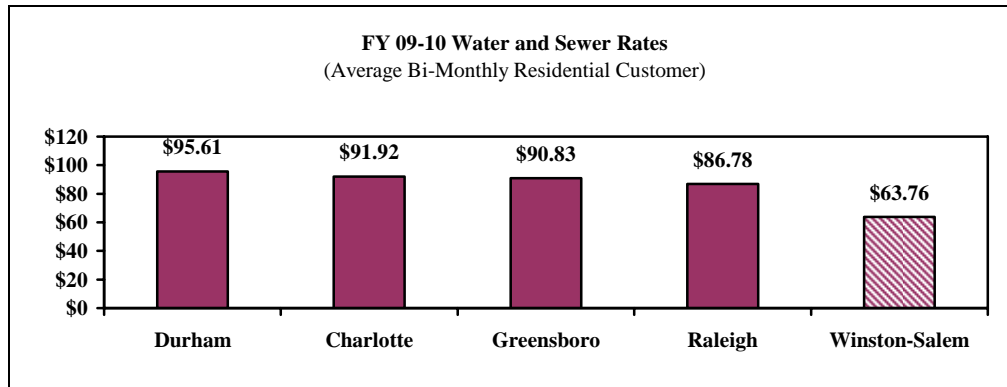
BUDGET HIGHLIGHTS

- On May 11, 2009, the City-County Utility Commission recommended a FY 09-10 budget for the water and sewer system that includes a new tiered rate structure and rate increases of 5% for water and 9% for sewer.

The new tiered rate structure is intended to provide a conservation pricing signal whereby consumers who use more water will pay more for the service. The change will not impact small and medium size residential users significantly. The new tiered structure would be effective July 1, 2009.

The rate increases would generate sufficient revenues to meet the net operating income-to-debt service ratio requirements of recently approved revenue bonds. The rate increases would be effective October 1, 2009. As part of the budget, debt service on revenue bonds is increased \$1,767,730 due to increased debt service costs for recently approved bonds. The rate increases also would support the major renovation or replacement of water and sewer treatment facilities and reinvestments in the wastewater collection and water distribution systems. The capital budget for FY 09-10 totals \$32.4 million.

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



Note: Charlotte is considering a 9% increase in rates, which would increase the average bi-monthly cost to \$99.41.

- ★ Excluding debt service on revenue bonds and capital lease payments, the FY 09-10 budget decreases 2.4%, primarily due to the following: construction of the new R.A. Thomas Water Treatment Plant (-\$893,550), reductions in supplies and contractual services as part of the city’s overall efforts to reduce expenditures (-\$578,730), and elimination of three maintenance worker positions in Utilities Construction and Maintenance (-\$77,760). The positions had been vacant for an extended period of time and were support positions for larger construction and repair crews. The Utilities Division anticipates that the reductions in supplies, contractual services, and positions will not have an impact on service levels. These reductions are partially offset by increases in chemical costs that the division realized in FY 08-09 after the budget was adopted (+\$771,500).

Water Treatment

- The budget for Water Treatment is decreased \$152,580, or 1.8%, primarily due to the construction of the Thomas Plant (-\$893,550), which is offset by increases in chemical and electrical costs for the other water plants (+\$851,500). The existing staff at the Thomas Plant has been reassigned to other utilities operations until construction of the new plant is completed in 2011. Once construction of the plant is completed, most of the operating expenses will be restored in the budget.
- The budget includes a capital outlay of \$39,400 to replace computer hardware used to manage the instrumentation of the treatment facilities and the pump stations that support them.

WATER AND SEWER SYSTEM

BUDGET HIGHLIGHTS - Continued

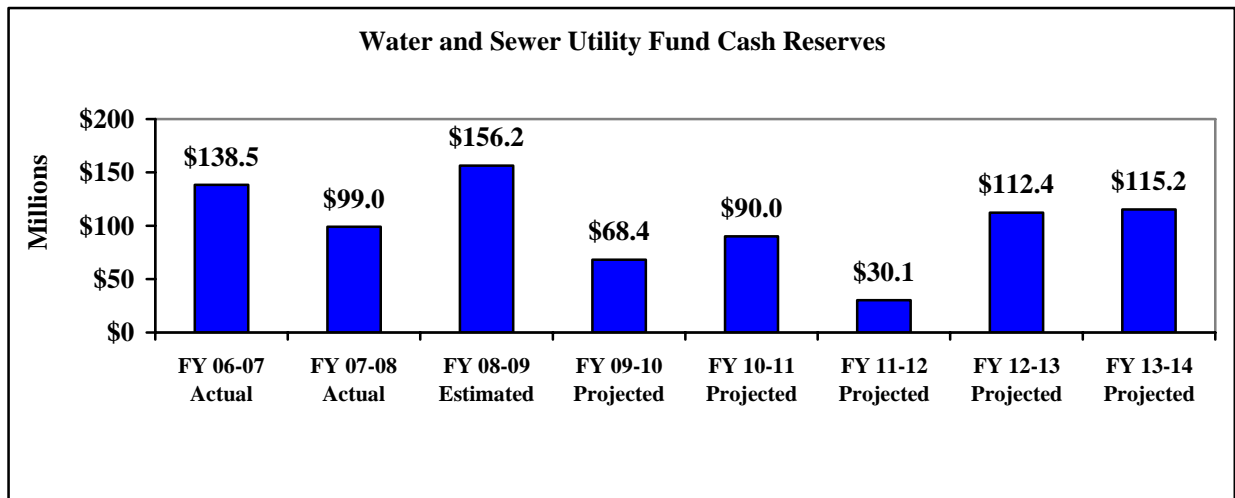
FY 08-09 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the water and sewer utility fund. The major budget-to-actual change is the \$10 million drop in investment income, which reversed the year-end outcome from a budgeted income of \$329,580 to an estimated loss of \$4,708,372.

	Budgeted FY 08-09	Estimated FY 08-09
Operating Revenues	\$66,037,840	\$67,310,980
Operating Expenditures	(41,991,610)	(39,051,771)
Operating Income	\$24,046,230	\$28,259,209
Investment Income	1,700,000	(10,000,000)
Conveyances	0	2,385,024
Debt and Lease Expenses	(25,345,690)	(25,281,645)
Program Support for Vector Control	(24,000)	(24,000)
Program Support for Safety Manager	(46,960)	(46,960)
Net Income/(Loss)	<u>\$329,580</u>	<u>(\$4,708,372)</u>

Long-Range Financial Outlook

- The following chart provides the outlook for the water and sewer utility fund's cash reserves. The outlook assumes future bond issues of \$109 million in FY 08-09, \$80 million in FY 10-11, and \$100 million in FY 12-13. The outlook also assumes future annual rate increases of 6% to 7% for water and sewer.



SOLID WASTE DISPOSAL

MISSION STATEMENT

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

PROGRAM DESCRIPTIONS

Municipal Solid Waste Disposal

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

Construction and Demolition Waste Disposal

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

Leaf Composting and Yard Waste Processing

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

Household Hazardous Waste Management

- Provides for the recycling or disposal of hazardous materials including paints, pesticides, oxidizers, used oil, and solvents

Disposal of Other Wastes

- Provides recycling of “white goods” (refrigerators, stoves, etc.) and tires through private contractors

Financing for City and County Residential Recycling

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

Solid Waste Disposal Administration

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

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>Change</u>
Municipal Solid Waste Disposal	\$4,594,353	\$5,005,190	\$4,657,510	-6.9%
Construction and Demolition Waste Disposal	1,432,989	1,803,220	1,732,330	-3.9%
Leaf Composting/Yard Waste Processing	945,141	797,880	810,050	1.5%
Financing for Winston-Salem Residential Recycling	2,500,895	2,736,850	2,736,390	0%
County-wide Waste Reduction Programs	1,013,749	1,162,010	1,103,520	-5.0%
Solid Waste Disposal Administration	458,869	476,990	475,240	-0.4%
Subtotal	\$10,945,996	\$11,982,140	\$11,515,040	-3.9%
Non-Program Debt Service	\$2,364,546	\$2,687,400	\$2,417,390	-10.0%
Total Expenditures by Program	\$13,310,542	\$14,669,540	\$13,932,430	-5.0%

SOLID WASTE DISPOSAL

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 07-08	Estimated FY 08-09	Projected FY 09-10
Effectiveness			
% of waste diverted from municipal solid waste landfill	13%	14%	16%
Receive zero notice of violations for all disposal facilities	0	0	0
Number of citizen complaints received for all disposal facilities	3	0	2
Efficiency			
% of municipal solid waste landfill airspace consumed to date (FYE)	37%	46%	55%
% of Construction and Demolition landfill airspace consumed to Date (FYE)	62%	66%	70%
Overall tipping fee revenues as % of operating costs	85%	77%	63%
Workload			
Tons of municipal solid waste disposed	250,626	231,026	207,840
Tons of construction and demolition debris disposed	84,880	63,697	45,335
Tons of yard waste/wood waste processed	26,594	26,942	26,942
Tons of leaves processed	14,245	15,557	15,557
Tons of household hazardous waste managed	195	208	208
Tons of tires managed	6,374	6,063	5,640
Tons of appliances managed	808	587	587
Tons of waste recycled by Winston-Salem and Forsyth County programs	12,023	12,157	12,288
Tons of waste disposed per capita in Forsyth County	0.99	0.86	0.73

	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10	Percent Change
EXPENDITURES BY TYPE				
Personnel Expense	\$1,734,884	\$1,837,580	\$1,800,190	-2.0%
Supplies and Services	6,585,345	7,244,550	6,816,600	-5.9%
Subtotal	\$8,320,229	\$9,082,130	\$8,616,790	-5.1%
Debt and Lease Expense	\$2,364,546	\$2,687,400	\$2,417,390	-10.0%
Transfer to General Fund for Recycling	2,625,767	2,900,010	2,898,250	-0.1%
Total Expenditures by Type	\$13,310,542	\$14,669,540	\$13,932,430	-5.0%

SOLID WASTE DISPOSAL

RESOURCES BY TYPE	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10	Percent Change
Service Charges	\$7,709,305	\$8,013,590	\$5,725,290	-28.6%
Charges to City Departments	3,583,693	3,282,960	3,016,350	-8.1%
Proceeds from Sale of Recyclables	450,537	430,710	182,330	-57.7%
State Scrap Tire Disposal Tax	485,246	500,290	466,460	-6.8%
State Solid Waste Disposal Tax	0	0	161,200	N/A
Other Resource Recovery	244,982	206,800	106,280	-48.6%
Rentals	29,812	35,800	33,230	-7.2%
Miscellaneous Revenues	55,118	0	0	N/A
Interest Income	-52,229	700,000	0	-100.0%
Proceeds from Sale of Surplus Property	18,620	0	0	N/A
Fund Balance Appropriation	785,459	1,499,390	4,241,290	182.9%
Total Resources by Type	\$13,310,542	\$14,669,540	\$13,932,430	-5.0%

Positions				Change
Full-Time	35	35	35	0
Part-Time (FTE's)	10.0	11.7	10.5	-1.2

BUDGET HIGHLIGHTS

Tipping Fees

- Overall, tipping fee revenues are budgeted to decrease \$2,554,910, or 22.6%. The Solid Waste Disposal Division is projecting decreased tonnage at all of its facilities due to a slowing economy, the decline in construction activity, and the possible diversion of waste to other disposal facilities.

The tipping fees for all disposal facilities remain unchanged for FY 09-10:

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

SOLID WASTE DISPOSAL

BUDGET HIGHLIGHTS – Continued

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

Solid Waste Tipping Fee Comparison of Public Facilities

<u>Jurisdiction</u>	<u>Municipal Solid Waste</u>	<u>Construction and Demolition</u>
Durham (Transfer Station)	\$41.50	N/A
High Point	\$38.00	N/A
Charlotte (Mecklenburg County)	\$26.00	\$39.00
Greensboro	\$41.00	\$31.00
Raleigh (Wake County)	\$38.00/\$32.00	N/A
Winston-Salem	\$36.00/\$32.00	\$30.00

1. Durham, High Point, and Wake County do not operate construction and demolition landfills.
2. Mecklenburg County’s waste is disposed at a privately operated landfill under contract for the indicated price.
3. In Greensboro, construction and demolition waste is disposed at the White Street Landfill at \$31 per ton. Municipal solid waste is disposed at the transfer facility at \$41 per ton.
4. Municipal solid waste is disposed at South Wake Landfill at \$32 per ton and at the transfer facility at \$38 per ton.

Total Departmental Budget

- The FY 09-10 budget for Solid Waste Disposal is decreased \$737,110, or 5%, primarily due to measures taken to respond to a declining trend in landfill tipping fee revenues. These measures include a reduction in operating hours at all disposal facilities (-\$60,550), deferred replacement of equipment (-\$177,550), reductions in contractual services (-\$209,250), and reduced fuel and maintenance costs (-\$120,350). Because of the declining trend in tonnage, the budget also includes a decrease in the adjustment for closure and post-closure expenses (-\$124,140).
- The budget also includes decreases in proceeds from the sale of recyclables and scrap metal (-\$348,900) and no investment income based on the current performance of the solid waste disposal fund’s investments (-\$700,000). The budget includes the city’s projected distribution of the state solid waste disposal tax (+\$161,200).

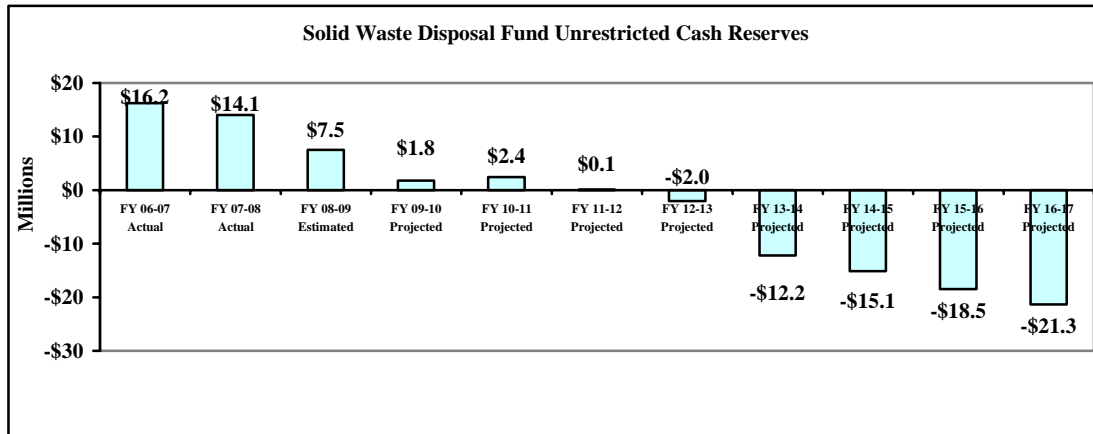
Long-Range Financial Outlook

- Despite the overall decrease in the Solid Waste Disposal budget, the estimated decline in tipping fee revenues requires an increased use of fund balance of \$2,741,900. For FY 08-09, Utilities staff project that the decline in tipping fee revenues and investment losses will require the use of \$5.8 million in reserves to cover operating costs (please see table below).

The following chart provides a projection of the unrestricted cash reserves for the solid waste disposal fund. The unrestricted reserves provide resources for operations, future landfill cell construction, the development of new disposal facilities, and other capital improvements. This outlook assumes that the solid waste disposal fund would continue to fund 100% of the city’s curbside recycling program. It also assumes \$1 increases at all disposal facilities every two years. In addition, the outlook reflects the issuance of \$8.1 million in special obligation bonds in FY 10-11 to finance a portion of the projected capital expenditures. According to this outlook, unrestricted reserves would be exhausted in FY 12-13.

SOLID WASTE DISPOSAL

BUDGET HIGHLIGHTS – Continued



Financing the City’s Curbside Recycling Program

- On May 21, 2009, the City-County Utility Commission adopted a resolution recommending a budget for FY 09-10 that continues to fund 100% of the city’s curbside recycling program, contingent upon the City Council finding that there is no alternative funding source for this program. The resolution does not recommend the continued draw down of the solid waste disposal fund’s unrestricted reserves to balance the budget.
- The adopted budget continues to fund 100% of the city’s curbside recycling program from the solid waste disposal fund. The transfer to the general fund is decreased 0.1% from FY 08-09. During FY 09-10, the city staff will continue to examine other public landfill funding models to minimize the use of the solid waste disposal fund’s unrestricted cash reserves.

FY 08-09 Year-End Outlook

- The following table provides estimated year-end revenues and expenditures for the solid waste disposal fund. The loss of \$2.2 million in investment income is a major contributor to the fact that the year-end loss exceeds budgeted expectations by \$4.3 million.

	Budgeted FY 08-09	Estimated FY 08-09
Operating Revenues	\$11,969,860	\$10,522,498
Operating Expenditures	(9,082,130)	(9,037,722)
Operating Income	\$2,887,730	\$1,484,776
Intergovernmental Revenue	500,290	547,060
Investment Income	700,000	(2,198,884)
Debt and Lease Expenses	(2,687,400)	(2,687,400)
Transfer to General Fund	(2,900,010)	(2,900,010)
Net Loss	(\$1,499,390)	(\$5,754,458)

STORMWATER MANAGEMENT

MISSION STATEMENT

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

PROGRAM DESCRIPTIONS

Stormwater Monitoring and Administration

- Manages the day-to-day operations of the Stormwater Management Program
- Implements the requirements of the city's Municipal Separate Storm Sewer System (MS4) permit
- Performs watershed master planning by developing maps and inventories of the entire drainage system within the city
- Monitors stormwater run-off as part of the program's efforts to improve water quality
- Provides educational programming to increase public awareness of water quality issues
- Monitors stormwater billings for residential and non-residential customers in conjunction with the city's Revenue Division
- Reviews and approves stormwater management plans

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

EXPENDITURES BY PROGRAM	Actual	Budget	Adopted	Percent
	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>Change</u>
Monitoring and Administration				
Administration	\$1,282,445	\$1,892,730	\$1,856,310	-1.9%
Water Quality Monitoring	657,215	971,960	894,540	-8.0%
Support for Seasonal Leaf Collection	1,275,385	1,465,090	1,468,380	0.2%
Subtotal	\$3,215,046	\$4,329,780	\$4,219,230	-2.6%
 Drainage Maintenance	 \$2,828,150	 \$2,833,150	 \$2,580,470	 -8.9%
 Total Expenditures by Program	 \$6,043,195	 \$7,162,930	 \$6,799,700	 -5.1%

STORMWATER MANAGEMENT

PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 07-08	Estimated FY 08-09	Projected FY 09-10
Effectiveness			
Achieve 91% collection rate of revenues for non-residential customers	75%	91%	90%
Achieve 92% collection rate of revenues for residential customers	107%	92%	90%
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%	95%
Provide 30 federally required educational programs a year	51	15	30
Ensure 100% of stormwater devices are built in accordance with approved plans	100%	96%	100%
Workload			
Number of pollution prevention inspections completed	55	67	70
Number water quality samples taken	966	2005	2005
Number of catch basins cleaned	,1424	1,525	1,525
Linear feet of pipe installed	3,962	2,500	2,500
Number of new and redevelopment project plans reviewed yearly	41	65	40

EXPENDITURES BY TYPE	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10	Percent Change
Personnel Expense	\$1,878,382	\$2,174,660	\$1,980,000	-9.0%
Supplies and Services	2,568,173	3,134,380	3,064,860	-2.2%
Subtotal	\$4,446,555	\$5,309,040	\$5,044,860	-5.0%
Capital Outlay	\$0	\$18,600	\$0	-100.0%
Debt and Lease Expense	312,963	346,200	262,460	-24.2%
Transfer to General Fund (Leaf Collection)	1,275,385	1,465,090	1,468,380	0.2%
Transfer to General Fund (Vector Control)	8,292	24,000	24,000	0%
Total Expenditures by Type	\$6,043,195	\$7,162,930	\$6,799,700	-5.1%

STORMWATER MANAGEMENT

RESOURCES BY TYPE	Actual FY 07-08	Budget FY 08-09	Adopted FY 09-10	Percent Change
Stormwater Fees: Residential	\$4,007,437	\$3,735,660	\$3,735,660	0%
Stormwater Fees: Non-Residential	3,636,979	4,865,400	4,865,400	0%
Private Drainage Projects	50,450	45,000	0	-100.0%
Plan Review Fees	0	0	7,040	N/A
Miscellaneous Revenues	123,113	0	0	N/A
Interest Income	128,725	0	0	N/A
Total Resources by Type	\$7,946,704	\$8,646,060	\$8,608,100	-0.4%
Added to Capital Reserves	\$1,903,509	\$1,483,130	\$1,808,400	21.9%
Positions				Change
Full-Time	47	47	44	-3

BUDGET HIGHLIGHTS

Total Departmental Budget

- Personnel expenditures reflect a decrease of \$194,660, or 9%, primarily as a result of elimination of three vacant positions for senior crew coordinator, equipment operator, and maintenance worker in Drainage Maintenance (-\$97,560), as well as savings associated with employee turnover (-\$60,850).
- Supplies and services expenditures are decreased \$69,520, primarily due to reduced payments to contractors for ditching (-\$30,000), engineering and design for water quality related studies (-\$10,000), other contractual services (-\$20,000), and parts and supplies associated with the stormwater sampling and monitoring program (-\$10,000).
- The budget includes a reduction in equipment lease expenses (-\$83,740) due to the completion of payments for previously approved equipment in FY 08-09.

Monitoring and Administration

- The transfer to the general fund of \$1,492,380 includes \$1,468,380 to cover the cost of the city's seasonal leaf collection program and \$24,000 for the city's vector control program. The increase in the cost of the leaf collection program is primarily due to an increase in equipment leasing payments.

Drainage Maintenance

- Supplies and services expenditures are decreased due to reduced contractual services (-\$60,000) and fuel consumption (-\$6,920).
- The FY 09-10 decrease in revenue from private drainage projects is due to a process change in which revenues from city residents who request assistance in the program are now charged directly to the drainage capital projects, rather than to the operating budget.

STORMWATER MANAGEMENT

BUDGET HIGHLIGHTS - Continued

FY 08-09 Year-End Outlook

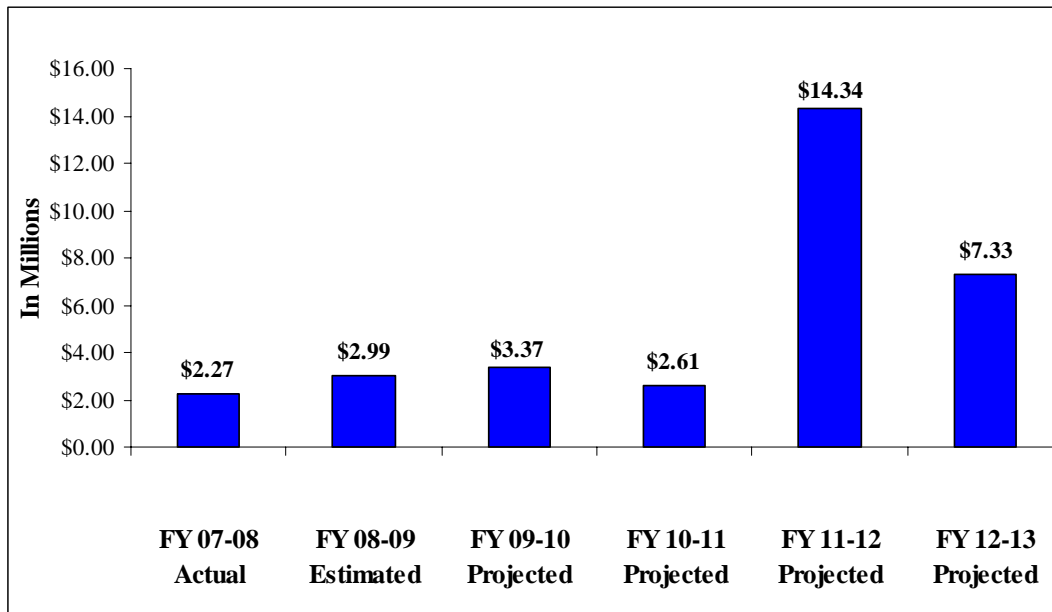
➤ The following table provides estimated year-end revenues and expenditures for the stormwater management fund.

	<u>Budget</u>	<u>Estimated</u>
Operating Revenues	\$8,646,060	\$9,124,684
Operating Expenditures	(5,309,040)	(5,064,482)
Operating Income	\$3,337,020	\$4,060,202
Investment Income	\$0	\$77,729
Debt and Lease Expenses	(364,800)	(322,997)
Transfer to General Fund	(1,489,090)	(1,489,090)
Net Income	<u>\$1,483,130</u>	<u>\$2,325,844</u>

Long-Range Financial Outlook

➤ The following chart provides a projection of stormwater management fund balance. This outlook assumes a future bond issue of \$12.7 million in FY 11-12 and 5% stormwater fee increases every other year starting in FY 10-11.

Stormwater Management Fund Balance



CEMETERIES

MISSION STATEMENT

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

PROGRAM DESCRIPTION

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



PERFORMANCE MEASURES AND SERVICE TRENDS

	Actual FY 07-08	Estimated FY 08-09	Projected FY 09-10
Effectiveness			
Resolve 95% of service requests/complaints within 24 hours	95%	95%	95%
Maintain a revenue collection rate of 98% or better	99%	100%	100%
Workload			
Number of interments	351	330	303
Number of grave maintenance complaints	16	11	10
Total graves (capacity) at Woodland	14,417	14,417	14,417
Number of single graves unsold at Woodland	1,190	1,182	1,172
Single graves sold per year at Woodland	13	8	10
Total graves (capacity) at New Evergreen	32,278	32,278	32,278
Number of single graves unsold at New Evergreen	1,381	1,211	1,041
Single graves sold per year at New Evergreen	201	170	170

	Actual FY 07-08	Budgeted FY 08-09	Adopted FY 09-10	Percent Change
EXPENDITURES BY TYPE				
Personnel Expense	\$259,477	\$297,200	\$297,540	0.1%
Supplies and Services	303,772	251,830	259,090	2.9%
Subtotal	\$563,249	\$549,030	\$556,630	1.4%
Debt and Lease Expense	\$27,316	\$25,450	\$20,890	-17.9%
Transfer to Perpetual Care Fund	13,200	0	0	N/A
Total Expenditures by Type	\$603,765	\$574,480	\$577,520	0.5%

CEMETERIES

RESOURCES BY TYPE	Actual FY 07-08	Budgeted FY 08-09	Adopted FY 09-10	Percent Change
Service Charges	\$531,963	\$427,570	\$437,880	2.4%
Contribution from Cemetery Perpetual Care Fund	124,731	130,680	128,000	-2.1%
Proceeds from the Sale of Property	3,278	0	0	N/A
Investment Income	-5,219	0	0	N/A
Transfer from General Fund	17,013	16,230	11,640	-28.3%
Total Resources by Type	\$671,764	\$574,480	\$577,520	0.5%
Addition to Capital Reserves	\$68,790	\$0	\$0	N/A
Positions				Change
Full-Time	7	7	7	0
Part-Time (FTE's)	2.3	2.3	2.3	0

BUDGET HIGHLIGHTS

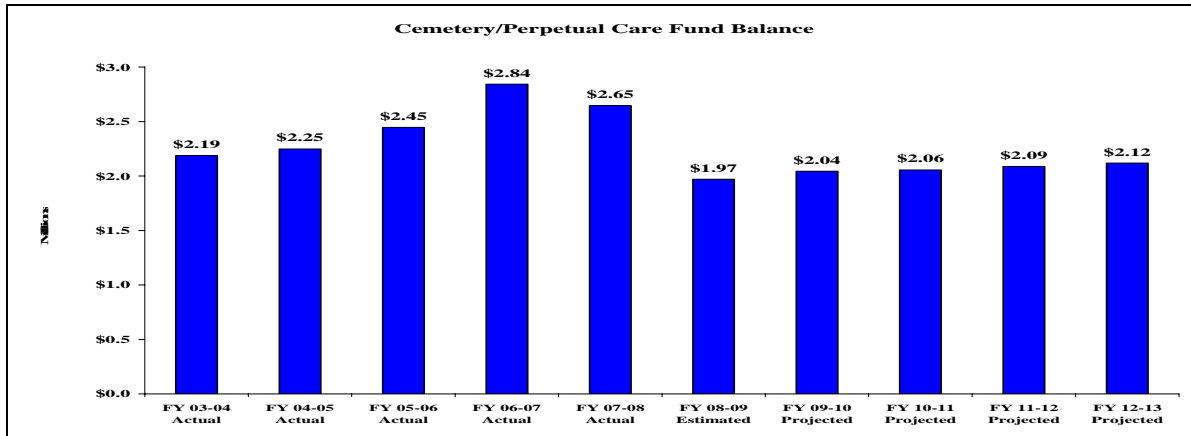
- The budget for the Cemetery Division is increased \$3,040, or 0.5%. Supplies and services are increased \$7,260 due to increases in equipment maintenance costs, contractual services for monument engraving, and the cost of items sold to the public. Debt and lease expenses are decreased \$4,560 as a result of the completion of payments in FY 08-09 of previously approved equipment.
- Revenues from service charges are increased \$10,310, or 2.4%, based on average lot sales and grave openings over the last five years.
- As required by City Code, \$50 from the purchase price of each grave space is transferred to the cemetery perpetual care fund. The Cemetery Division operating budget includes a contribution from the fund to cover maintenance expenses associated with those areas of the cemeteries that are occupied. The amount of the contribution is based on 5% of the average of the immediately preceding three year-end balances of the fund. For FY 09-10, the contribution from the cemetery perpetual care fund is decreased \$2,680, or 2.1%, due to investment losses in the fund in FY 08-09.

CEMETERIES

BUDGET HIGHLIGHTS - Continued

Long-Range Financial Outlook

- The following chart provides a projection of the combined fund balances for the cemeteries and cemetery perpetual care funds.



FY 08-09 Year-End Outlook

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

	<u>Budgeted</u> <u>FY 08-09</u>	<u>Estimated</u> <u>FY 08-09</u>
Operating Revenues	\$427,570	\$427,570
Operating Expenditures	(549,030)	(505,287)
Operating Loss	(\$121,460)	(\$77,717)
Contribution from Cemetery Perpetual Care Fund	130,680	128,610
Investment Income	0	4,596
Debt and Lease Expense	(25,450)	(25,445)
Transfer to Cemetery Perpetual Care Fund	0	(10,800)
Transfer from General Fund	16,230	16,210
Net Income	\$0	\$35,454

ENVIRONMENTAL HEALTH NON-DEPARTMENTAL

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

Expenditures	Actual	Budget	Adopted	Percent
General Fund	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>Change</u>
To Cemeteries Fund	\$17,013	\$16,230	\$11,640	-28.3%
Total Expenditures	\$17,013	\$16,230	\$11,640	-28.3%
Resources				
General Fund				
Other General Fund Resources	\$17,013	\$16,230	\$11,640	-28.3%
Total Resources	\$17,013	\$16,230	\$11,640	-28.3%

ENVIRONMENTAL HEALTH CAPITAL PROJECTS

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

EXPENDITURES	Adopted
<u>Project Title</u>	<u>FY 09-10</u>
Solid Waste Disposal:	
Hanes Mill Road Landfill Cell Construction	\$3,400,000
Old Salisbury Road Construction and Demolition Recycling Center	500,000
Water and Wastewater Treatment:	
Idol's Pumping Station Rehabilitation	\$1,887,490
Lift Station Supervisory Control and Data Acquisition, Flowmetering and Telemetry System Upgrade	1,232,500
Miscellaneous Water and Wastewater Treatment Capital Projects	2,000,000
Nutrient Removal at Wastewater Treatment Plants	250,000
Raw Water Pipeline Evaluation	689,430
Reedy Fork Pump Station and Force Main	640,590
Salem Lake Dam Improvements	800,000
Wastewater Lift Station Rehabilitation	866,060
Water Tank Rehabilitation	785,630
Water Distribution and Wastewater Collection:	
2006 Annexation - Potential Petition Projects	\$2,500,000
2" Water Main Replacement	1,135,280
Ardmore Area Water and Sewer Rehabilitation	4,400,000
Construction and Maintenance Facilities Improvements	917,500
Muddy Creek Find and Fix Project	1,417,100
New Elevated Water Tanks	1,770,840
Permanent Flow Monitoring	385,000
Polo Road Outfall Sewer Rehabilitation	1,876,020
Wastewater Collection System Improvements	3,000,000
Water and Sewer GIS/Work Order Management System	883,400
Water Distribution System Improvements	1,000,000
Winston-Salem State University Campus Distribution System Improvements	3,995,870
Stormwater Management:	
Drainage Improvements on Private Property	\$250,000
Federal Emergency Management Agency Severe Repetitive Loss Grant Assistance	373,360
Municipal Stormwater Pollution Prevention Plans	108,800
Total Expenditures	\$37,064,870
FUNDING SOURCES	
Bonds:	
Revenue Bonds	\$23,421,410
Special Obligation Bonds	3,900,000
Reserves:	
Stormwater Management Fund	\$732,160
Water and Sewer Fund Balance	9,011,300
Total Funding Sources	\$37,064,870



Winston-Salem