



**Winston-Salem**

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## Responses to Council Questions from Budget Updates

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## **Livable Neighborhoods**

### **Demolitions:**

**Please provide an update of revenues collected from demolition assessments.**

When a property is demolished, the property owner is assessed a fee. The average collection rate for demolition assessments is 27%. Below is a table showing demolition assessment collections for the past three fiscal years and year-to-date in fiscal year 2017-18:

<u>Fiscal Year</u>	<u>Revenue Collected</u>
FY 2014-15	\$ 39,245.64
FY 2015-16	31,723.75
FY 2016-17	49,918.33
FY 2017-18 (YTD)	56,175.99

In the current fiscal year, the City budgeted \$60,000 in revenues to be collected from demolition assessments. The actual revenue collected year to date, \$56,175.99, could include payments from demolitions in prior years since property owners have the option to finance their payments for up to five years.

### **What is the cost of demolitions vs. the rehabilitation of properties?**

The cost of rehabilitation is much higher than demolition in most cases, although the two are not used interchangeably. While there are many factors that impact the decision to rehabilitate or demolish a property, one of the key factor is the owner's interest.

In rehabilitation cases, the home is occupied and the owner has an interest in preserving the property and continuing to occupy the premises. The owner applies for a loan for improvement from one of the City's programs. Repairs tend to be much more expensive, such as replacing a rotten subfloor or cabinets.

In contrast, demolitions are considered when the owner has abandoned the house in some manner and staff has followed protocol to contact property owners or heirs. These properties are vacant or abandoned and have major repair issues, such as extensive water damage from a failing roof, rotting structures, or fire damage. Typically the property owner does not have an interest in rehabilitating the property.

The average cost of a demolition and rehabilitation of property is shown in the table below:

	<b>Average Cost</b>	
	<b>FY 2016-17</b>	<b>FY 2017-18 (YTD)</b>
Demolition	\$9,260	\$6,220
Rehabilitation	\$27,580	\$34,260

## Recreation:

### Please provide a cost of pool operations and include staff costs for each pool.

Personnel and operating costs for each pool were calculated using the number of staff assigned to each pool to prorate the total pool personnel and operating expenditures. The table below shows personnel, operating, and total costs for each pool for FY 19.

Pool	Assigned Pool Staff	Personnel Costs	Operating Costs	Total Expenditures
Winston Lake Aquatic Center	24	\$149,440	\$22,440	\$171,880
Bolton Pool	14	87,174	13,090	100,264
Kimberly Park Pool	9	56,040	8,415	64,455
Mineral Springs Pool	8	49,813	7,480	57,293
Long Creek Pool <sup>1</sup>	8	49,813	7,480	57,293
Parkland Pool	9	56,040	8,415	64,455
Polo Park Pool	9	56,040	8,415	64,455
Reynolds Park Pool	8	49,813	7,480	57,293
Sprague Street Pool	7	43,587	6,545	50,132
<b>Total</b>	<b>96*</b>	<b>\$597,760</b>	<b>\$89,760</b>	<b>\$687,520</b>

\*Note: 10 pool staff (2 Assistant Aquatics Supervisors and 8 Cashiers) are not assigned to a specific pool but instead rotate between sites as needed. They are budgeted in the Personnel Costs for each pool, but are not included in the Assigned Pool Staff number. The total number of aquatics staff for FY 19 is 106.

<sup>1</sup> For FY 19, there will be additional one-time operating costs for Long Creek to become fully operational since this is a new pool. One-time costs include: check-in baskets, racks, lounge chairs, life jackets, first-aid/AEDs, lockers, etc.

### Has the open gym fee for adult basketball been rescinded?

The fee to participate in open gym at Recreation Centers was rescinded as part of the FY 2014-15 budget process and has not been charged since that time.

Gymnasium rental fees for individuals, programs, and groups are still in effect and charged according to the City's User Fee Manual. Rental fees help offset the cost of set-up, cleaning, and staff time associated with private use of City facilities.

### What is the percentage increase (from last year) in CDBG funding overall?

The percentage increase in new CDBG funding is 12.2%. For FY 2018-19, the City is expecting to receive \$2,214,400, an increase of \$240,440 over the FY 2017-18 allocation of \$1,973,960.

## **Quality Transportation**

**Please provide the line items of expenditures and “proforma” for revenues for Union Station.**

Below is the proposed budget for Union Station for FY 2018-19. Any revenues from leasing space to tenants will be added to future budgets as leasing agreements are signed.

<u>Object Code Category</u>	<u>FY 2018-19 Proposed</u>
Rent and Utilities	\$34,000
Buildings and Grounds Maintenance	\$112,070
Contracted Services	\$16,000
<b>Total</b>	<b>\$162,070</b>

**Please describe the logistics of the Business 40 Mitigation Strategies. How will funds be spent? How will they be reimbursed?**

The total funding available for Business 40 Mitigation Strategies is \$9,470,250. The proposed FY 2018-19 budget includes \$7,296,450 for Business 40 mitigation strategy programs. These programs are 100% reimbursable by the North Carolina Department of Transportation and will assist with transit services during the planned closure of Business 40 scheduled to begin in the fall of 2018. The funds cannot be spent until a final contract is received from NCDOT, and the city will invoice monthly to reimburse any funds spent the previous month in accordance with the agreement. The below table shows the strategies, including \$2,173,800 previously approved by the Mayor and City Council.

Strategy	Cost	Description
Bus Rehabilitation	\$2,023,000	WSTA will rehab 14 buses to add to the fleet of 38 on fixed route. These will be used on the Mitigated and Enhanced Services
Park and Ride Costs	\$100,800	Staff identified 8 potential locations that had an abundance of parking opportunities, within 10 miles downtown and along WSTA current routes. Each location will be served by an ‘Express Bus’ that shuttles persons directly downtown with no stops in between.
Marketing and Public Relations	\$319,260	Staff proposes extensive marketing of the mitigation strategies through the use of social media, signage (inside and outside of buses), WSTA website (and affiliated Business 40 Closure websites), radio, newspaper, etc. Additional staff at the call centers will be provided as well as travel training and information sessions for new and existing users on changes to market the bus services available. Funds are available for the Guaranteed Ride Home program.
Mitigated Bus Service	\$3,626,200	Mitigated Services: Services that are offered as a result of being directly impacted by the closure site. This includes transit routes that currently travel within the closure area as well as the operational impacts of re-routing and re-configuring routes.
Enhanced Bus Service	\$3,400,990	Enhanced Services: Services that will further improve the transit system during the closure, aid in the reduction of car volumes on the road, and encourage transit use during the closure.
<b>Total</b>	<b>\$9,470,250</b>	

### What are the plans to optimize travel when the Business 40 closure takes place?

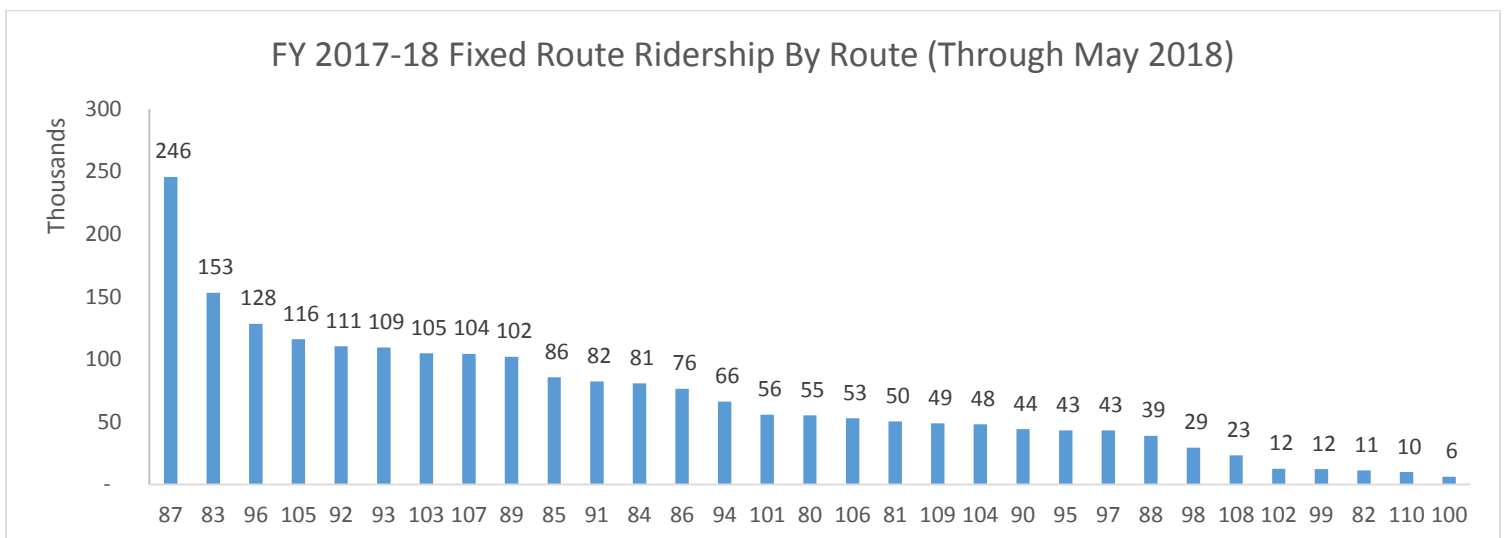
The Winston-Salem Department of Transportation is working with the North Carolina Department of Transportation (NCDOT) to mitigate the impacts of the closure. Some of the major mitigation strategies are listed below.

- Offsite improvement to handle detour traffic influx
  - o Peters Creek Parkway widening around ballpark
    - Also includes new lane configuration for 2<sup>nd</sup> St @ Broad St. New dual left turns will be added for the eastbound approach.
  - o Academy Street widening – westbound right turn lane
  - o Martin Luther King Jr. Drive widening from Trade to Cherry/Marshall
- Traffic Signal Timing and Optimization
  - o Detour route timing plans
  - o Incident response timing plans
  - o Pedestrian signal installation for several locations
  - o Increased peak hour monitoring
- Road closure moratorium
- Road closure fees
- Increased communication via website

### Are there any planned maintenance/renovations to the Transit Center to be funded with operating or capital (FTA 5307) funds?

The proposed FY 2019-24 Capital Improvement Plan (CIP) includes \$314,290 in FY 2018-19 and \$2,231,320 in the outlying planning years for transit facility renovations, including at the Clark Campbell Transportation Center. Planned maintenance/improvements include repainting beams in the canopy, more sustainable seating, a redesign of the HVAC system, and maintenance of the elevator.

### Provide ridership by route, noting the known circulator routes.



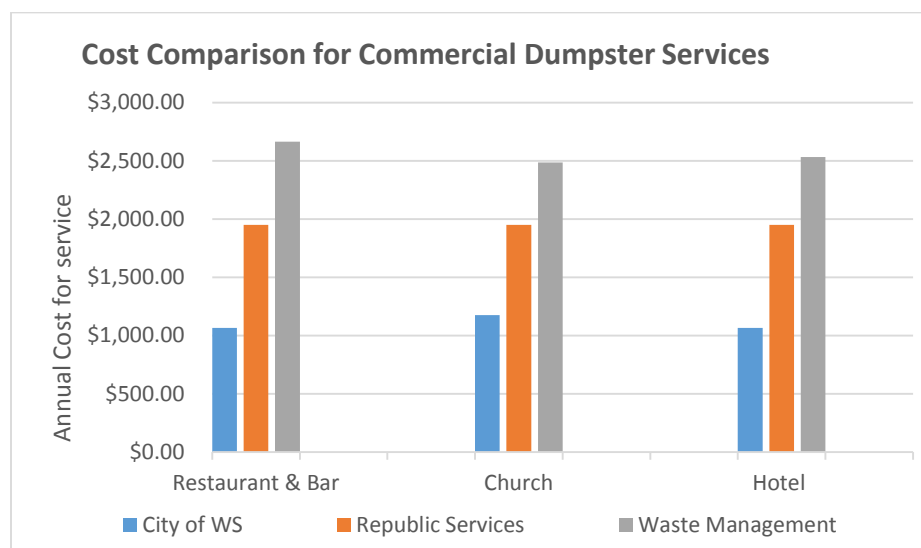
The below table shows ridership by route, for the transit system.

<u>Route</u>	<u>Route Information</u>	<i>N=Nights</i>	<u>2017</u>	<u>YTD 2018</u>
87	Transit Center-Downtown Health Plaza N Side Shop-Forsyth Tech-K&W Hanes Mill	N, Sat, Sun	265,072	104,710
83	Transit Center-Peters Creek-Brewers Crossing-South Park Walmart/Peters Creek	N, Sat, Sun	171,007	66,673
92	Transit Center-Cleveland Ave-Patterson Ave Oak Summit - Old Rural Hall Road	N, Sat	113,158	54,383
96	Transit Center-New Walkertown Rd-Carver School Road-Butterfield Drive	N, Sat, Sun	147,759	55,567
105	Transit Center-Union Station/WSSU-Bowman Gray Stadium-Salem Gardens Apts	N, Sat, Sun	133,255	48,925
91	Transit Center-Patterson Ave-Indiana Ave Cherry St - Sturmer Park	N, Sat	84,813	39,246
86	Transit Center-MLK-Union Station Waughtown-Louise & Thomasville	N, Sat, Sun	77,479	38,340
103	Hanes Mall-Baptist Hospital-Thruway Shopping Ctr-Westgate Plaza-Pavillions Shopping Ctr	N, Sat, Sun	114,165	46,124
89	Goodwill-Coliseum Industries for the Blind-Sturmer Park	N, Sat, Sun	109,734	44,786
107	Wake Forest Baptist Med. Ctr Food Lion/Hawthorne-Forsyth Med Ctr-Hanes Mall	N, Sat, Sun	110,421	45,812
85	Forsyth Tech-Salem Crest Apartments Old Salem-Gateway YMCA	N, Sat	93,615	38,083
93	DSS-Public Health Department-LaDeana Crest Apts-Bowen Park WS Prep-Andrew Ht. Apts	N, Sat, Sun	116,176	44,178
84	BB&T Ballpark-Forsyth Tech/Main-Forsyth Tech/W Hanes Mall	N, Sat	85,660	35,583
94	Atkins High School Kensington Village Apartments Petree Elementary School	Sat, N, Sun	66,328	32,463
80	Transit Center-Academy-Hawthorne Road Forsyth Hospital-Hanes Mall North	N, Sat, Sun	53,104	28,741
95	Transit Center-1st Street-Northwest Blvd Stratford Road-Vinegar Hill		49,816	18,230
81	Hanes Mall/W Circulator Hanes Mall Blvd-Kester Mill/Walmart-Jonestown Rd-Healy Dr	N, Sat	52,301	21,623
101	SE Plaza Shopping Ctr Food Lion Waughtown-South Park Shopping Ctr-Walmart/Peters Creek	N, Sat, Sun	63,889	23,504
106	SA Center of Hope-Goodwill Coliseum-Senior Services Millbrook/Greenway Apts	N, Sat, Sun	46,784	27,967
88	Wake Forest-Reynolda Road Old Town Dr-Industries for the Blind		44,685	16,245
104	Old Salem-Gateway YMCA Alders Point-Goodwill/Waughtown Stoney Glenn	N, Sat, Sun	43,726	25,067
90	Goodwill-Senior Services Millbrook/Greenway/Crystal Towers Apts	N, Sat, Sun	43,570	21,738
109	Towergate Apts-Reynolda Road-Polo Road-Robinhood Road-Transit Center	N, Sat	54,276	21,195
97	Northside Circulator-Walmart-Target-Bethabara Park-Oldtown Shopping Ctr-Sam's Club	N, Sat	47,066	20,155
98	DSS-Smith Reynolds Airport-Carver Rd Library-Forsyth Tech East Campus		31,248	13,417
110	Transit Center-Union Station-Lowery St Facility-Lowery Court		11,413	4,294
108	Green Oaks Apts-Plaza Hollow-Plaza South Apts-Whitford Place Apts	N, Sat, Sun	20,196	12,798
102	Transit Center-Stratford Road-I40 West Stratford Industrial Park-I40 East		14,185	4,307
82	Hanes Mall/E Circulator Hanes Mall Blvd-Forsyth Tech-Kimel Park-Pavillions Shopping Ctr.	N, Sat	12,450	4,879
99	Sturmer Park-Wake Forest-Hanes Mall-Forsyth Tech College/Main Campus		12,705	5,330
100	Union Station-WSSU Gateway YMCA-UNCSA Driver's License Office/FTCC	N, Sat, Sun	7,654	1,614

## **Healthy Environment**

**Please complete a price comparison for customers of the city vs. a variety of private companies.**

Below you will find comparison data for the City of Winston-Salem and two private commercial dumpster services that serve Winston-Salem: Republic Services and Waste Management. The annual cost for service (shown in the graph) is based upon a collection frequency of once per week and the rental of an 8-cubic yard bulk container for a restaurant, church, and hotel, all located in the downtown area. The private haulers have a 36-month service contract agreement with their customers, and the City of Winston-Salem provides a 12-month service agreement. Included in the base service fees of the private vendors are: container refresh, estimated fuel/environmental recovery fees, and commercial administrative fees.



**Please provide a transition plan for ending the Commercial Dumpster Service, including information on the disposal and sale of dumpsters, trucks, and a client list.**

Since the Commercial Dumpster Service operates on a calendar year schedule, the program will end effective January 1, 2019. The program will no longer accept any new or renewing customers after the Mayor and City Council approve the FY 2018-19 budget in June 2018. The City will honor existing contracts through July 1, 2019. Changes to the Commercial Dumpster Service will not affect the multifamily recycling program.

All City employees working in the Commercial Dumpster Service will be reassigned to other areas within Sanitation. In FY 2018-19, one Senior Operator and two front-end loaders will remain assigned to collect bulk containers for remaining contracts and City facilities.

Staff will create a plan to sell the equipment utilized by the program. Existing customers may be given the opportunity to purchase City-owned dumpsters. Many customers currently pay a monthly rental fee for use of the containers. Another possibility is to release a Request for Proposals to solicit bids for the purchase of dumpsters, front-end loader trucks used for collection, and a client list. Bidders could submit proposals for the purchase of any combination of the items. If the purchase of a list of customers from the City does not go through, staff would give current customers ample notice to identify a private

company to contract with to provide the service. City staff are working to explore these options to ensure a smooth transition for customers.

**Demonstrate the allocation of potential revenues received from the elimination of the Commercial Dumpster Service.**

The annual budget includes revenue of \$225,000 for the sale of surplus property. These revenues are accounted for in the general fund, within the budget for the Purchasing Division of Financial Management. In any fiscal year where the revenues for the sale of surplus property come in higher than budget, the funds are credited to the general fund.

The current budget for the Bulk Container Program within the Sanitation Department includes installment-purchase payments for six front loader garbage trucks, purchased via the North Carolina Municipal Leasing Corporation in FY 2014-15, FY 2015-16, and FY 2016-17. If these assets are sold as part of the elimination of the program, the proceeds would be applied back to the Leasing Fund to pay off the remainder owed on the vehicles.

**What is the pick-up hours ordinance for bulk containers and does the city currently have fees for violations?**

City ordinance (Chapter 46 – Noise, Section 46-5) prohibits the operation of a front-end loader for refuse collection between the hours of 10:00 p.m. and 6:00 a.m. in residentially zoned areas or within 300 feet of any residence in the City. This same section also prohibits engaging in recycling activities involving glass bottles or cans within 300 feet of any residence in the Growth Management Area 1 (Winston-Salem/Forsyth County) between the hours of 12:00 a.m. and 6:00 a.m.

A violation of this ordinance is a Class 3 misdemeanor and the offender may be fined up to \$500.00. Chapter 26 “Garbage and Trash” also governs the Bulk Container Program, in particular Section 26-8 addresses Bulk Container fees for service.

**Provide information on the amount of debt and cash in the water and sewer fund.**

The water and sewer fund currently has \$448,920,000 outstanding in revenue bonded debt and \$114,246,472 in state loans outstanding. The fund also has an obligation under the terms of the revenue bond trust agreement to generate revenues equal or greater than 1.10 times the annual debt payments. The bond rating agencies strongly prefer that this minimum coverage ratio be on the order of 2.0 vs. 1.10 in order to continue to rate the water and sewer bonded debt at the best level. Currently the debt is rated at AAA by Standards and Poors, Aa1 by Moodys and AA+ by Fitch. The current financial projection includes spending \$30 million cash for CIP projects in 2019. The \$79,601,551 in unrestricted cash that is in the water and sewer fund will be used for normal operational costs as well as to fund more projects under the “paygo” concept. The benefit to the customers is that less debt to the system means the rates for water and sewer can be lower.



### **Why are refuse costs higher than the other comparison cities?**

A major driver of cost in the refuse program is the level of service provided. The City of Winston-Salem has provided a higher level of service than most cities for years. Staff consistently provides service on the assigned day of collection regardless of costs. The department also provides multiple courtesy collections in response to resident requests which results in service above and beyond the standard refuse collection process. Higher service levels require additional trips and use of employees, which in turn drive costs higher.

While improvements have been made in the age and condition of the fleet, there are additional costs associated with assuring that routes are collected when mechanical failures result in a shortage of vehicles. Crews that have no vehicle to utilize must wait on another vehicle to return to the Lowery Street facility before beginning their route.

### **What has the City done to optimize refuse collection?**

The city has taken several measures to optimize refuse collection, including:

1. Optimizing routes with routing software- Staff monitors routes weekly and evaluates them at the end of each year to determine whether they need adjustments to improve efficiency and effectiveness. The routing software considers collection variables such as: vehicle capacity, housing densities, and time of collection cycle to create efficient routes for collection. Effective routing eliminates unnecessary trips to the landfill which minimizes fuel consumption and the generation of greenhouse gases.
2. Adjusting the collection vehicle composition- In April 2018, staff redesigned refuse routes to allow for the use of more automated vehicles which require fewer staff to operate. The route redesign changed the composition of vehicles to 16 automated vehicles and 9 rear loader vehicles. It is highly unlikely that rear loaders will be completely removed from the routing mix due to the inability to utilize automation in all situations and the versatility they provide in collection of many types of waste. In FY 19, there will be a reduction of eight positions in refuse due to an increase in side loader trucks. In order to achieve maximum savings with the latest route design, staff will need to fill the remaining vacancies to minimize the need for overtime.

### **What is driving the decrease in Stormwater fund balance, when the proposed budget shows no use of fund balance?**

While no fund balance appropriation is needed in order to balance Stormwater's operating budget, capital projects necessitate this draw down in fund balance. The decrease in Stormwater Management fund balance is due to spending on capital projects, largely approved in prior years. The FY 2018-19 capital plan appropriates \$1,170,000 for Stormwater Infrastructure Renovations. In recent years, the number of capital projects that are Stormwater-related has increased, both in number and scope, which drives higher costs and greater use of fund balance.

**Provide an economic analysis on the \$30 million advanced metering capital project. What is the ROI?**

The City/County Utility Commission concluded an extensive feasibility study in 2017 to determine the best approach to updating the aging metering and water distribution infrastructure. Table I below shows the expenses that were anticipated as part of the Utility's regular meter replacement program. Table II shows the additional \$4.9M investment to enhance the planned replacement with a network and concurrent system integrations to gain efficiencies, improve customer service, and realize savings.

**Table I**

Current Planned Meter Replacement Cost	20-Yr Present Value
Meter Replacement	\$36,125,000
Process Changes	\$2,605,000
Key Enabling Initiatives (IT + MDMS)	\$7,145,000
<b>20-Year Total</b>	<b>\$45,367,000</b>

**Table II**

Automated Metering Upgrade Cost	20-Yr Present Value
Meter Replacement	\$36,125,000
Process Changes	\$2,605,000
Key Enabling Initiatives (IT + MDMS)	\$7,145,000
Network, Security, and Integrations	<b>\$4,933,000</b>
<b>20-Year Total</b>	<b>\$50,300,000</b>

Table III indicates the projected savings from implementing the additional \$4.9M upgrade to the planned infrastructure replacement program. In order to gain as much benefit as possible from the upgrade to advanced metering, it is necessary to implement the upgrade at one time in order to allow for the modification of policies and procedures as well as the integration of all of the different information systems in order for the transition to be successful. Additional service offerings will be available to the citizens as well in the form of:

- Mobile account access and management
- Budgeted billing
- Monthly billing
- Early leak detection/notification
- Improved billing accuracy and timeliness

**Table III**

Major Financial Benefits of Advanced Meter Implementation	20-Yr Total (Present Value)
Operational Efficiencies	\$24,601,000
Improved Meter Accuracy	\$23,077,000
Utilities Staff Reallocation	\$9,676,000
Other Benefits*	\$15,196,000
<b>Total Benefits</b>	<b>\$72,551,000</b>

\* Other Benefits include:

- Reduction in the number/amount of leak adjustments
- Deferred or avoided infrastructure replacements due to accurate condition and functionality information on assets, assuring replacement only when necessary
- Bad debt reduction
- Reduced non-revenue water from proactive leak detection and distribution system tracking to ensure highest-efficiency in operations

## **Economic Vitality and Diversity**

### **Explain the allocation of local ABC revenue.**

Before making any other distribution, a local ABC board shall first pay from its gross receipts operating expenses of the local ABC system, taxes to the Department of Revenue, and other distributions required by statutes. The local ABC board shall then quarterly pay the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law. In Winston-Salem, two-thirds are allocated to the general fund and the remaining one-third is allocated for debt service.

*The City of Winston-Salem, Village of Clemmons, Town of Kernersville, Town of Lewisville, Town of Oak Ridge, Town of Bermuda Run, and Town of Yadkinville jointly appoint the nine member Triad Municipal Alcoholic Beverage Control Board, which operates 14 liquor stores in Forsyth County, Davie County, Guilford County, and Yadkin County. North Carolina General Statute 18B805 requires the Triad Municipal Alcoholic Beverage Control Board to distribute its net income to the seven municipalities who appoint the Board and Forsyth County.*

### **Create a plan to change the timing of when payments are made to the Summer Youth Employment Program so that a contract can be awarded and funds disbursed prior to the summer.**

A proposed option to improve the timing of when the contract is approved and payments made to the Summer Youth Employment Program is as follows: The City could remove the program from the standard community agency process and have Community Development (CD) to issue a separate request for proposals (RFP) in early fall for the summer youth program. The RFPs could be reviewed by the Community Agency Allocation Committee (CAAC) and/or Community Development staff. Once the agency has been selected, CD would take a budget amendment to Council in January to fund the Summer Youth Employment Program with Housing Finance Assistance Funds (HFF). Once approved, the City could enter into a multi-year (3 to 5 year) contract with the selected agency, with options to renew. The multi-year contract would allow the agency to plan ahead for the summer program, receive a timely payment(s), and submit annual reports on the program's performance measures, participant stats, and outcomes. This would be an annual process and will give the agency several months to prepare for the program with timely funding.

### **How many additional youth could the Summer Youth Employment Program serve if funding is increased by \$10,000?**

The cost per participant for the summer youth program at the WS Urban League is \$1,160. An additional \$10,000 in funding would allow for eight more youth to participate in the program. The program currently has the capacity to serve 150 youth.

### **Provide an update on Caterpillar.**

Caterpillar is still undergoing a transition in their operations, and the City has not received updated employment numbers nor has a payment been made to them since July 2016. At that time, they had 298 employees. Contact has been made recently, and once updated numbers are provided, an update will be provided to the Mayor and City Council.

**Provide a matrix of the funding sources for contributions to community agencies.**

<b>GF:</b>	General Fund	<b>CDBG:</b>	Community Development Block Grant
<b>SOAR:</b>	Successful Outcomes After Release	<b>HOME:</b>	HOME Investment Partnerships Program
<b>HFF:</b>	Housing Finance Assistance Fund	<b>ESG:</b>	Emergency Solutions Grant (City & State)
<b>OT:</b>	Occupancy Tax		

Organization	GF	SOAR	HFF	OT	Federal & State Funds			FY 2017-18 Adopted Total
					CDBG	HOME	ESG	
Arts Council	\$269,900							\$ 269,900
Bethesda Center			\$160,000				\$ 77,046	\$ 237,046
Boys2Men Mentorship Program (Hope Counseling)*		\$ 5,000						\$ 5,000
Center for Creative Economy	\$ 25,000							\$ 25,000
Eureka Ministry, Inc.		\$20,000						\$ 20,000
Experiment in Self Reliance (ESR)	\$ 85,230		\$ 45,600		\$ 79,250		\$ 13,212	\$ 223,292
Family Services							\$ 30,764	\$ 30,764
Financial Pathways of the Piedmont					\$ 66,750			\$ 66,750
Forsyth County Adult Drug Treatment Court	\$ 35,000							\$ 35,000
Forsyth County District Attorney	\$ 45,000							\$ 45,000
Goodwill Industries of NWNC (in collaboration w/ United Way of Forsyth County)							\$ 32,480	\$ 32,480
Habitat for Humanity						\$143,000		\$ 143,000
HARRY VCOS			\$ 25,000					\$ 25,000
Honorable Youth		\$ 5,000						\$ 5,000
Hoops4L.Y.F.E		\$ 5,000						\$ 5,000
Housing Authority of Winston-Salem						\$240,000		\$ 240,000
IFB Solutions					\$ 50,000			\$ 50,000
Institute for Dismantling Racism/ Freedom Tree	\$ 33,350							\$ 33,350
Josh Howard Foundation		\$ 6,500						\$ 6,500
Kaleideum	\$222,360							\$ 222,360
Liberty East Redevelopment			\$ 31,150					\$ 31,150
Mediation Services	\$ 7,500							\$ 7,500
My Brothers Second Chance		\$ 5,000						\$ 5,000
NABVETS			\$ 10,000					\$ 10,000
Neighbors for Better Neighborhoods					\$ 40,050			\$ 40,050
North Carolina Black Repertory Company	\$ 85,000							\$ 85,000
North Carolina Housing Foundation			\$ 13,350		\$ 14,250			\$ 27,600
Old Salem Museums & Gardens	\$ 15,000			\$160,000				\$ 175,000
Piedmont Triad Film Commission				\$ 32,310				\$ 32,310
Piedmont Triad Regional Council		\$10,000	\$ 10,000		\$ 21,150			\$ 41,150
Positive Wellness Alliance			\$ 24,250		\$ 10,850			\$ 35,100
Reynolda House				\$ 75,000				\$ 75,000
RiverRun International Film Festival	\$ 40,000							\$ 40,000
Salvation Army							\$ 44,897	\$ 44,897
Samaritan Ministries							\$ 44,898	\$ 44,898
Self-Empowerment Lasts Forever (SELF), Inc.		\$10,000						\$ 10,000
Sergei Foundation	\$ 5,000							\$ 5,000
Shepherd's Center of Greater W-S	\$ 15,000							\$ 15,000
Southside Rides		\$10,000						\$ 10,000
United Health Centers			\$ 16,020					\$ 16,020
United Way of Forsyth County					\$ 57,100		\$133,755	\$ 190,855
Winston-Salem Urban League			\$165,000					\$ 165,000
Work Family Resource Center			\$ 25,450					\$ 25,450
YMCA - Youth Incentive Program	\$ 66,000							\$ 66,000
YWCA - Hawley House		\$13,500						\$ 13,500
<b>FUNDING TOTAL:</b>	<b>\$949,340</b>	<b>\$90,000</b>	<b>\$525,820</b>	<b>\$267,310</b>	<b>\$339,400</b>	<b>\$383,000</b>	<b>\$377,052</b>	<b>\$2,931,922</b>

**When is the next revaluation? Provide the resolution regarding revaluation approved last year.**

The next countywide revaluation will occur in 2021 and be in effect for the FY 2021-22 budget. A resolution approved by the Mayor and City Council on May 1, 2017 requesting the Forsyth County Board of Equalization and Review to evaluate the 2017 tax reappraisal process is attached.

**What is driving the decrease in the budget for Bowman Gray Stadium?**

The proposed FY 2018-19 budget for Bowman Gray Stadium assumes a full year of operations under City ownership. The sale of the stadium and surrounding property potentially could be approved before the end of calendar year 2018. The City currently has contracted with Winston-Salem State University to operate and maintain the stadium during 2018, including the NASCAR racing and Winston-Salem State University Football seasons. The City has contracted with a new concession provider for 2018 and will receive 30% of net sales. The proposed budget is decreased by 5.5%, mainly due to the completion of debt payments for the video scoreboard. Overall, the budget for Bowman Gray Stadium reflects a net loss of \$23,110.

**Provide a list of the taxes paid by companies that are currently receiving incentive payments.**

The below table shows property taxes paid in 2016, and scheduled and actual incentive payments made to companies receiving economic development assistance in FY 2017-18.

<b>Economic Development Projects</b>	<b>2017-18 Projected Payment</b>	<b>2017-18 Actual Payment</b>	<b>2016 Property Taxes</b>
WFIQ	\$288,580	\$86,612	\$111,846
WFIQ-Building 90 South	195,000	0	0
WFIQ-Bailey Power Plant^	344,000	0	0
Brookstown	93,600	183,849	205,894
Caterpillar^	574,680	0	1,985,925
Piedmont Propulsion	6,300	2,191	5,477
Inmar^	142,990	0	0
Pepsi Bottling	68,750	68,749	161,223
Herbalife	315,140	315,136	567,882
4th & Broad	20,170	16,071	9,272
Goler Heights	20,000	20,000	30,779
Hilltop House	13,000	8,203	23,072
Polyvlies*	9,170	0	54,909
Winston Factory Lofts	9,300	8,401	33,538
United Furniture*	10,720	0	32,084

^FY 2017-18 payment has not been made

\*Economic Development Agreement has not been executed

## **Service Excellence**

### **What was the original goal of the public safety supplemental pay?**

In January 2016, the Mayor and City Council approved a resolution regarding compensation and changes to the certified fire pay schedule and sworn police pay schedule. In order to address market disparities among certified fire and sworn police personnel, the following actions were recommended:

- To address market competitiveness, a 2% supplemental pay increase for certified fire and sworn police personnel with at least one year of tenure. This supplemental pay increase was implemented with the pay period beginning February 1, 2016, and, thereafter, would be awarded annually the first pay period in January. In addition to this supplemental pay increase, certified fire and sworn police employees would be eligible for merit pay adjustments based on their annual performance ratings.

Implementation of an annual public safety pay adjustment for employees on the sworn police and certified fire pay schedules that, in addition to annual merit, would provide a 2% pay adjustment each January starting in 2017, provided the Mayor and City Council approves each year a budget ordinance or budget ordinance amendment funding the adjustment, which adjustment the Mayor and City Council reserves the right to amend or terminate at any time.

- Approval of a 7.5% adjustment to entry level pay (minimums) for positions on the certified fire and sworn police pay schedule for implementation with the pay period beginning February 1, 2016. Certified fire and sworn police employees whose salaries were below the new minimum would be adjusted to the new minimum pay amount.
- The pay adjustment approved in FY 2016-17 was for police officers with 5-15 years of experience.

This public safety supplemental pay adjustment was implemented after a market review of Triad cities revealed that other jurisdictions had step and career ladder systems in place and accelerator incentives. The mid-year incentive, in addition to the annual merit increase, moves public safety employees to the job rate (middle of the pay scale) much faster during their careers. This allows the city to remain competitive in a market that is frequently changing.

### **Is the public safety pay plan moving closer to the market rate?**

The police pay plan is closer to market competitiveness due to recent market adjustments to entry level pay for police officer, corporal, detective, and sergeant positions. Fire pay plan positions still lag behind the market. The recommended pay plan adjustments by Springsted for Police and Fire recommend an overall average increase of 6% to bring these positions up to the market rate.

### **How many employees are currently making below \$12.50 per hour? \$15 per hour?**

Currently there are 448 full time employees whose salaries are below \$15/hour and 101 with salaries below \$12.50/hour.

### **Can staff provide a list of all authorized positions that are below market rate?**

Below are positions included in the Springsted study that are below the market rate. Other positions were pegged to the positions evaluated in the study based on the collected market data and internal equity. The internal comparisons were based on several different factors: training and ability required to perform the job, experience required, level of work, physical demands, working conditions, independence of actions, impact of work on end results, and supervision required. Positions with similar requirements were grouped in the same pay grades.

The consultant studied the market competitiveness of entry level salaries (pay plan minimums) for 122 benchmarked positions in the general plan, 8 positions in the fire pay plan, and 7 positions in the police pay plan. Of the general pay plan positions, 58 have entry level salaries that are below the market. Five of the fire pay plan positions are below market. Positions on the police pay plan are closer to market due to recent market adjustments to entry level pay for police officer, corporal, detective, and sergeant positions. The charts below provide detailed information on positions with entry level salaries below the market for these three pay plans.

POLICE		Current	Salary Survey vs Current	
Title	Minimum	Minimum	% Diff	
Police Officer	39,470.00	39,572.00	-0.26%	
Police Sergeant	55,538.00	55,621.00	-0.15%	
Assistant Police Chief	72,847.00	83,071.00	-14.03%	

FIRE		Current	Salary Survey vs Current	
Title	Minimum	Minimum	% Diff	
Firefighter Trainee	32,091.00	35,071.00	-9.29%	
Firefighter	33,696.00	36,290.00	-7.70%	
Fire Captain	55,087.00	56,655.25	-2.85%	
Division Chief	68,257.00	74,131.00	-8.61%	
Assistant Fire Chief	72,847.00	79,414.00	-9.02%	

GENERAL PAY PLAN		Current	Salary Survey vs Current	
Title	Minimum	Minimum	% Diff	
Accounting Services Manager	54,817.00	59,711.60	-8.93%	
Assistant City Attorney	68,761.00	73,895.92	-7.47%	
Assistant City Manager	111,970.00	123,002.97	-9.85%	
Budget Evaluation Director	90,726.00	92,295.63	-1.73%	
Buyer	35,802.00	41,057.26	-14.68%	
Chief Building Official	55,444.00	63,207.97	-14.00%	
Chief Financial Officer	100,701.00	102,439.28	-1.73%	
City Surveyor	50,700.00	54,046.89	-6.60%	
Civil Engineer	49,183.00	56,294.15	-14.46%	
Construction Inspector	37,267.00	39,381.80	-5.67%	
Crime Analyst	36,099.00	42,235.22	-17.00%	
Customer Service Clerk	24,574.00	26,633.62	-8.38%	
Deputy Marketing and Communications Director	60,261.00	67,211.60	-11.53%	
Deputy Planning Development Services Director	64,654.00	74,612.27	-15.40%	
Emergency Management Coordinator	49,671.00	59,570.92	-19.93%	
Emergency Management Director	62,946.00	73,501.67	-16.77%	
Engineering Technician	35,144.00	35,986.99	-2.40%	
Equipment Mechanic - Light	27,248.00	31,388.26	-15.19%	

Continued....GENERAL PAY PLAN	Current Minimum	Survey Minimum	% Diff
Erosion Control Inspector	40,620.00	42,011.08	-3.42%
Financial Analyst	40,450.00	49,690.79	-22.84%
Financial Clerk	26,836.00	30,104.95	-12.18%
Fire Apparatus Mechanic	33,980.00	38,050.00	-11.98%
Forensic Services Division Supervisor	44,790.00	62,338.71	-39.18%
Forensic Services Technician	34,030.00	35,271.86	-3.65%
Graphic Artist	33,691.00	36,095.80	-7.14%
Housing Inspector Supervisor	42,445.00	47,992.38	-13.07%
Human Resources Analyst	43,293.00	45,657.70	-5.46%
Human Resources Technician	30,581.00	34,387.29	-12.45%
Internal Auditor	47,740.00	55,072.11	-15.36%
Legal Assistant	35,144.00	38,266.88	-8.89%
Marketing and Communications Director	77,678.00	87,197.26	-12.25%
Parking Attendant	22,880.00	23,156.90	-1.21%
Parking Enforcement Officer	22,880.00	27,249.91	-19.10%
Permit Technician	27,727.00	32,682.89	-17.87%
Planner	40,620.00	44,326.67	-9.13%
Plans Examiner	43,888.00	47,849.30	-9.03%
Police Evidence Specialist	30,656.00	31,990.29	-4.35%
Police Records Specialist	27,557.00	30,459.16	-10.53%
Principal Planner	62,055.00	64,494.81	-3.93%
Public Safety Communications Operator	30,656.00	33,349.69	-8.79%
Public Works Dispatcher	29,319.00	31,143.17	-6.22%
Recreation and Parks Director	93,315.00	94,200.56	-0.95%
Registered Nurse	41,946.00	45,731.00	-9.02%
Safety Inspector	44,747.00	47,594.60	-6.36%
Senior Administrative Assistant	38,582.00	44,178.15	-14.50%
Senior Engineering Technician	40,358.00	43,564.89	-7.95%
Senior Human Resources Analyst	54,817.00	65,636.08	-19.74%
Solid Waste Administrative Supervisor	51,645.00	56,678.95	-9.75%
Team Leader - Fleet Services	35,144.00	38,478.53	-9.49%
Transportation Engineer	54,107.00	60,813.42	-12.39%
Transportation Operations Manager	54,817.00	75,775.75	-38.23%
Transportation Principal Planner	62,055.00	65,529.83	-5.60%
Treasury Manager	54,817.00	63,763.56	-16.32%
Victim Assistance Coordinator	31,547.00	39,901.47	-26.48%
Video Productions Specialist	35,144.00	44,486.33	-26.58%
Warehouse Supervisor	33,980.00	38,303.40	-12.72%
Water Treatment Plant Superintendent	74,979.00	77,337.64	-3.15%
Web Content Coordinator	43,495.00	44,459.53	-2.22%



### **What is driving the large interfund revenue in the Debt Service Fund?**

In 2013, the City issued Limited Obligation Bonds to increase the funding level of the Winston-Salem Police Officers' Retirement System. During fiscal year 2017, it was determined principal and interest payments (\$2.1 million), related to the Series 2013 Limited Obligation Bonds and previously reported in a Fiduciary Fund, should be reported as Governmental activities. The 2013A Taxable Limited Obligation Bonds have been moved from the WSPORS 701 Fund (non-budgeted fund) to the Debt Service Fund. The funding for this payment is transferred from the General Fund (\$2.1 million). In previous years, this was transferred to the Fiduciary Fund. The proposed FY 2018-19 budget for Debt Service includes the revenue from the General Fund and corresponding debt service payment.

### **What is driving the increase in Mail & Printing? What services are provided from the mail and printing contract?**

On January 1, 2016, Ricoh supported 37 City locations, as of January 1, 2018 they supported 52 locations, a 41 % growth. The Fire Stations are shown as one location and in reality there are 11 new locations, which further increases the growth rate. These new business locations are:

- District 1 Police Station -mail stop and 2 devices
- District 2 Police Station - mail stop and 2 devices
- District 3 Police station mail stop and 2 devices
- Lowery Street - 3 mail stops, 9 devices
- Forensics - Beaty Building - mail stop and 2 devices
- Fire Admin - Beaty Building - 1 device
- Police CRU - Old Winston Mutual Building - mail stop and 1 device
- Fire Stations 8, 9, 10, 11, 12, 14, 15, 17, 18, 19 and 20 - one device at each Fire Station.
- Emergency Management - Forsyth Co. PSC - one device
- Salem Lake Marina - one device
- Operations - Old Winston Mutual Building - mail stop and 2 device
- City Transit Station - Bus station, 5<sup>th</sup> St. - 1 device
- Georgia Taylor Rec Center - 1 device
- Sprague St. Rec Center - 1 device
- Hanes Mill Landfill - 3 devices

On January 1, 2016, Ricoh was supporting a total of 139 printers and MFP's distributed throughout the printing fleet. On January 1, 2018, this number had grown to 190. As of today, the number of supported devices is up to 205.

The City will look into efforts to reduce printing costs, including the deployment of desktop printers. Staff will also survey Council Members to see if they still want to continue to receive the weekly print deliveries to their homes.

### **What is driving the increased principal retirement in the Debt Service Fund?**

The LOBS principal payment (described above) increased \$835,000. In addition, in FY 2019 the principal payments begin for the Series 2016 and Series 2017 General Obligation Bonds from the 2014 Referendum.

## Safe and Secure

Provide a total accounting of the SOAR/Youth Build budget.

### SUCCESSFUL OUTCOMES AFTER RELEASE

EXPENDITURES BY PROGRAM	Budget	Requested	Proposed	Percent
Work Experience Program	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY 18-19</u>	<u>Change</u>
Reintegration and Youth Development <sup>1</sup>	\$466,140	\$471,200	\$471,200	1.1%
<b>Subtotal</b>	<b>\$466,140</b>	<b>\$471,200</b>	<b>\$471,200</b>	<b>1.1%</b>
<b>Grantee Agencies (SOAR)</b>				
Beating up Bad Habits	\$0	\$20,000	\$5,000	N/A
Boys2Men Mentorship Program (More Than Conquerors)*	5,000	20,125	5,000	0%
Eliza's Helping Hands	0	250,000	0	N/A
Eureka Ministry, Inc.	20,000	23,000	20,000	0%
Honorable Youth*	5,000	0	0	-100.0%
Hoops4L.Y.F.E.*	5,000	125,000	5,000	0%
I.C.A.R.E Support Group	0	20,000	0	N/A
Josh Howard Foundation	6,500	0	0	-100.0%
My Brothers Second Chance*	5,000	15,000	5,000	0%
Piedmont Triad Regional Council (PTRC) <sup>2</sup>	41,150	53,609	41,150	0%
Self-Empowerment Lasts Forever (SELF)	10,000	20,000	0	-100.0%
Southside Rides	10,000	20,000	10,000	0%
Triad Restorative Justice	0	5,000	0	N/A
Total Concepts International, Inc.	0	10,000	0	N/A
YAMM (Youth Achieving Moral Maturity)*	0	5,000	0	N/A
YWCA: Hawley House	13,500	143,825	13,500	0%
Contingency	5,000	N/A	10,000	100.0%
<b>Subtotal</b>	<b>\$126,150</b>	<b>\$730,559</b>	<b>\$114,650</b>	<b>-9.1%</b>
<b>Total Expenditures by Program</b>	<b>\$592,290</b>	<b>\$1,201,759</b>	<b>\$585,850</b>	<b>-1.1%</b>

<sup>1</sup> Total includes administrative costs for SOAR and a youth development program

<sup>2</sup> Partially funded from Community Development Block Grant (CDBG) funds

\* Seed funded agency

**What is the actual average salaries for those on the public safety pay plans?**

The below table shows the average actual salaries for employees on the public safety pay plans.

<u>Classification</u>	<u>W-S Average Actual Salaries (May 2018)</u>
Police Officer Trainee	\$40,127
Police Officer	\$46,530
Police Corporal	\$56,025
Police Detective	\$56,362
Police Sergeant	\$71,689
Police Lieutenant	\$86,018
Police Captain	\$94,735
Assistant Police Chief	\$114,702
Firefighter Trainee	\$33,824
Firefighter	\$39,795
Fire Engineer	\$51,383
Fire Captain	\$66,106
Battalion Fire Chief	\$77,786
Division Fire Chief	\$82,710
Assistant Fire Chief	\$93,789

**Please provide the most up to date vacancy analysis for Police.**

The below table shows the vacancy analysis for the Police Department. It assumes an average attrition rate of three officers per month and an average of fifteen officers unavailable for deployment due to military leave, Family and Medical Leave Act (FMLA), light duty, and administrative duty. Basic Law Enforcement Class (BLET) 73 begins on Monday, June 4, 2018 with 45 members.

Date	Authorized Positions*	Estimated Deployed	(Under)/Over Deployed	Field Training	BLET	Total (including BLET)	(Under)/Over Authorized
06/2018	558	472	(86)	33	45 New	550	(8)
09/2018	558	493	(65)	3	39	535	(23)
11/2018	558	489	(69)	0	38	527	(31)
01/2019	558	483	(75)	38	0	521	(37)
03/2019	558	477	(81)	38	40 New	555	(3)
05/2019	558	506	(52)	3	37	546	(12)

\*Does not include 10 COPS Grant positions proposed to be frozen for FY 2018-19