

CITY OF FORT WORTH CITIZEN'S GUIDE TO THE FY2010 BUDGET

FORT WORTH



Evans/Rosedale Business & Cultural Development District



▲ Shamblee Branch Library architectural illustration

▶ Ella Mae Gratts Shamblee Branch Library Opened May 30, 2008; Dedication ceremony June 13, 2008 as part of the Evans and Rosedale Business and cultural district revitalization project



Historic Our Mother of Mercy School adjoining Shamblee Library at Evans & Rosedale Village concept



City of Fort Worth

Citizens' Guide to the FY2010
Annual Budget

CITY OF FORT WORTH STRATEGIC GOALS FOR FY2010

Make Fort Worth the nation's safest major city;

Improve mobility and air quality;

Create and maintain a clean, attractive city;

Strengthen the economic base, develop the future workforce, and create quality job opportunities;

Revitalize and redevelop the central city and other older areas;

The City's budget incorporates both program budgeting and line item budgeting, however all proposed programs are aligned with one or more of the City Council's strategic goals.

FORT WORTH





Dear Fort Worth Resident:

The budgeting process always stimulates valuable discussion about the role of city government, including what services to offer and how to deliver them. Budget discussions also generate a lot of good ideas and visions of Fort Worth's future. Understanding the city's budget process and the decisions that lead to its adoption are essential to realizing how these issues affect the city now and for years to come.

This guide is published to help you understand how the budget is developed by city staff with input from residents and the City Council, which approves the final document. Please use this reference to become familiar with the process so you will know how to offer input and feedback about how your tax dollars and other revenue are used to provide services such as police, fire protection and libraries, and to support public infrastructure such as roads and parks. I encourage you to participate in our local government by expressing your opinions and offering your ideas to city staff and your City Council representative.

This document is available on our Web site, www.FortWorthGov.org.

Thank you for your interest in our municipal government.

Sincerely,

Dale A. Fisseler, P.E.
City Manager



The *Citizens' Guide to the Budget* is published to help Fort Worth residents better understand the City of Fort Worth budget development process and the resulting operating adopted budget.

TABLE OF CONTENTS

CITY OF FORT WORTH STRATEGIC GOALS FOR 2009-2010.....	1
NOTE FROM THE CITY MANAGER.....	3
FORT WORTH CITY COUNCIL.....	6
FORT WORTH CITY COUNCIL DISTRICTS.....	7
CITY MANAGER'S ORGANIZATIONAL STRUCTURE.....	9
BUDGET PHILOSOPHY.....	10
THE BUDGET PROCESS.....	11
FINANCIAL STRUCTURE OVERVIEW	
General Funds.....	12
Enterprise Funds.....	12
Internal Service Funds.....	13
Special Trust Funds.....	13
GENERAL FUND REVENUES	
Property Tax.....	18
Sales Tax.....	15
Licenses and Permits.....	16
Other Revenues.....	16
MAJOR BUDGET ADJUSTMENTS BY DEPARTMENT	
City Manager's Office.....	18
City Secretary.....	18
Code Compliance.....	18
Community Relations.....	18
Environmental Management.....	19
Financial Management Services.....	19
Fire.....	19
Housing and Economic Development.....	19
Human Resources.....	20
Internal Audit.....	20
Law.....	20
Library.....	20
Municipal Court.....	20
Non-Departmental.....	21
Parks and Community Services.....	21
Planning and Development.....	21
Police.....	21
Public Events.....	22
Public Health.....	22
Transportation and Public Works.....	22
ENTERPRISE FUND REVENUES	
Water and Sewer Fund.....	23
Municipal Airport Fund.....	23
Municipal Golf Fund.....	23
Solid Waste Fund.....	23
Municipal Parking Fund.....	24
Storm Water Utility Fund.....	24
INTERNAL SERVICES FUNDS	
Equipment Services Fund.....	24
Information Systems Fund.....	24
Capital Projects Service Fund.....	24

TABLE OF CONTENTS (continued)

SPECIAL TRUST FUNDS
Culture and Tourism Fund 24
Environmental Protection Fund..... 25
Cable Communications Fund..... 25
Lake Worth Trust Fund 25
Crime Control and Prevention District..... 26
EMPLOYEE COMPENSATION 26
GROUP HEALTH INSURANCE 26
VEHICLE REPLACEMENT PLAN 27
CAPITAL IMPROVEMENTS
2004 Bond Program..... 27
2006 Critical Capital Needs Program..... 28
2008 Bond Program..... 28
SIGNIFICANT ISSUES WITH BUDGETARY IMPACT 30
SUMMARY OF AUTHORIZED POSITIONS AND EXPENDITURES
General Fund by Department 40
Other Funds 41
GLOSSARY 42

FORT WORTH CITY COUNCIL

Incorporated in 1873, Fort Worth did not adopt the council-city management approach – the most popular form of government in the United States today – until 1924, when it received a charter from the Texas Legislature.

In the Fort Worth council-city management form of government, council members represent the people in their geographic districts. Six members constitute a quorum. Council appoints a professional city manager to administer and coordinate municipal operations and programs. City Council members also appoint the city secretary, city attorney, city auditor, municipal court judges and citizens who serve on city boards and commissions.

Council members are elected from the district in which they reside, with the exception of the mayor who is elected at large. The mayor is the official head of the city's government and represents Fort Worth on ceremonial occasions. The mayor is a voting member of the City Council, presides over council meetings, and represents the council to the public. The mayor may respond to citizen concerns by appointing special committees to address particular issues.

Council members and the mayor are elected for two years terms, after which they must step down or run for re-election. In the absence of the mayor, the mayor pro tem presides over council meetings. Duties of the council also include setting the tax rate, approving the budget, planning for capital improvements, adopting all city ordinances, selecting citizens to serve on boards and commissions, and approving major land transactions, purchases and contracts.

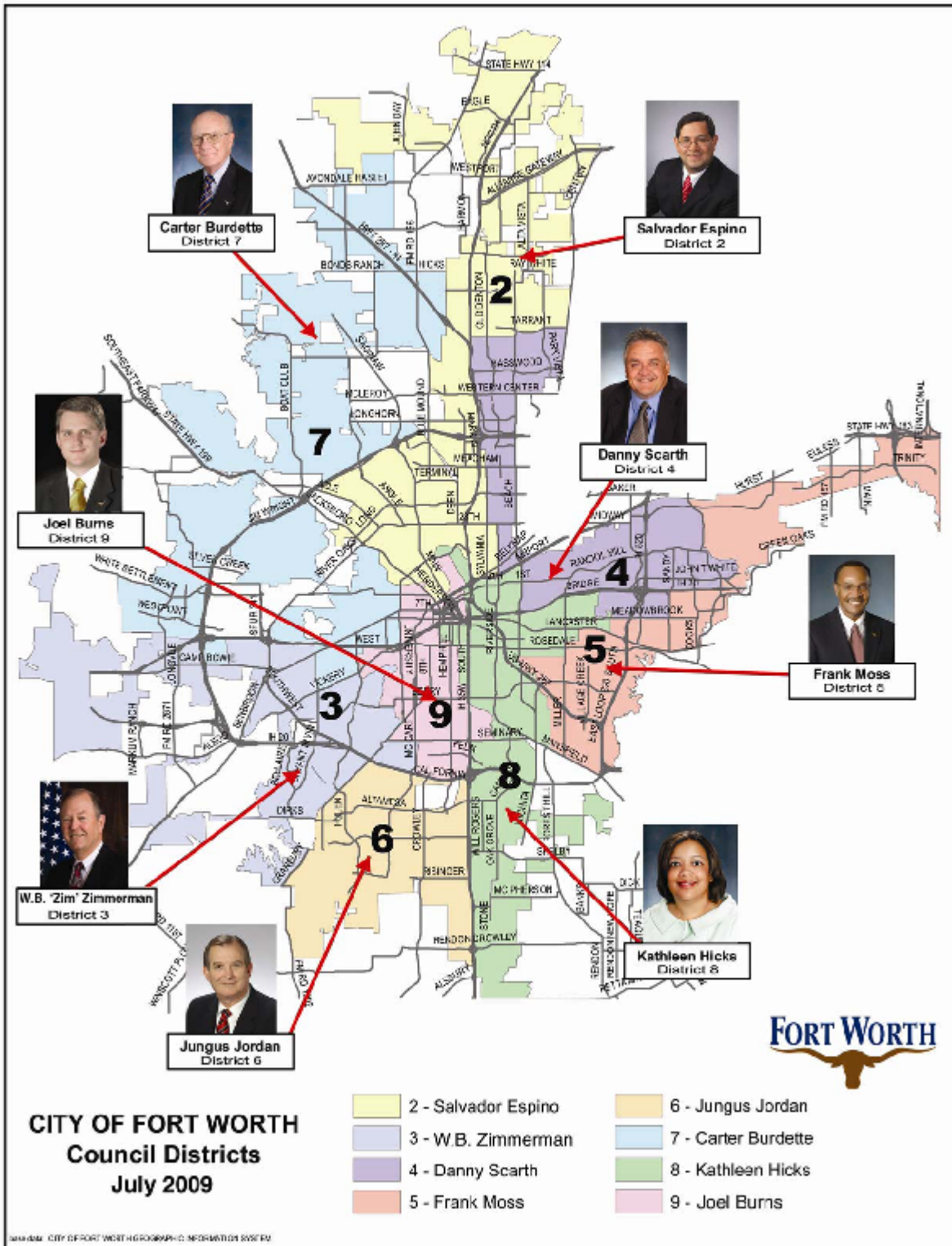
Council meetings, which are open to the public, are conducted at 7 p.m. on the first and second Tuesdays of the month and 10 a.m. on the remaining Tuesdays in the Council Chamber at City Hall, 1000 Throckmorton St., unless otherwise posted.

Pre-Council sessions begin at 3 p.m. on the days of evening meetings and at 8:30 a.m. on the days of morning meetings in the Pre-Council Chamber at City Hall, 1000 Throckmorton St., unless otherwise posted.

For a detailed schedule, you can visit the City's web site at www.fortworthgov.org for the Calendar of Public Meetings and Agendas. The calendar is located on the homepage of this site.

Pre-Council and City Council meeting agendas are generally posted on Friday afternoons prior to each regularly scheduled Tuesday meeting.

FORT WORTH CITY COUNCIL DISTRICTS



FORT WORTH



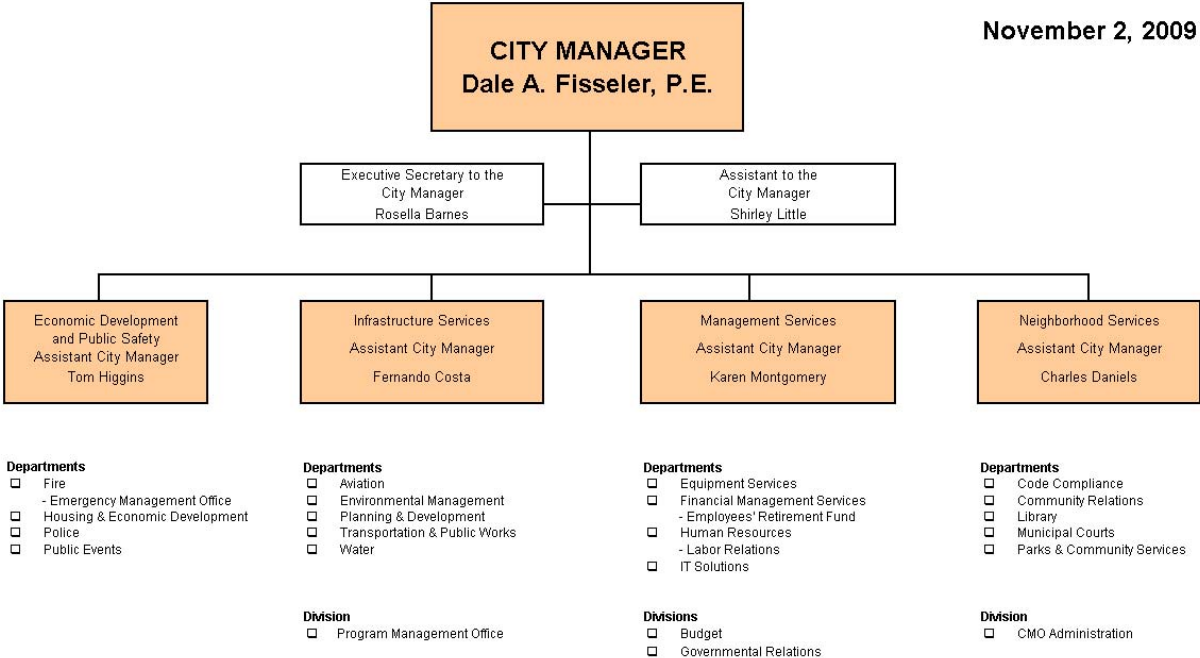
CITY MANAGER'S ORGANIZATIONAL STRUCTURE

Though the city manager is appointed by City Council, the City Manager's Office is made up of non-political employees much like any other office. The employees in the City Manager's Office oversee city operations and processes while acting as a clearinghouse for information both requested by and submitted to City Council. The City Manager's Office exists to keep the city running, regardless of who wins an election.



FORT WORTH CITY MANAGER'S OFFICE ORGANIZATIONAL CHART

November 2, 2009



The City of Fort Worth government is divided into separate departments based on the different types of programs and services provided.

The budget also includes a Non-Departmental section to allocate funding for activities that are not directly related to a specific department. Examples of these types of expenditures include City insurance, litigation costs, and City professional memberships.

BUDGET PHILOSOPHY



On November 8, 1984, Fort Worth voters approved a number of amendments to the City Charter relating to the budget process. These amendments were substantially based on the budget section of the Model City Charter and replaced certain archaic elements of the old charter that had not been modified since 1924. It is believed that these amendments facilitate the budget enactment and administration process. Included within these charter revisions were amendments that clarified and simplified the three types of appropriation transfers. At any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, division, or section upon compliance with such conditions as City Council may establish by ordinance. Upon written request by the City Manager, the City Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one department to another. If at any time during the fiscal year the City Manager certifies that there are revenues in excess of those estimated in the budget that are available for appropriation, the City Council, by ordinance, may make supplemental appropriations for the year up to the amount of the excess.

The City's basis of budgeting system is designed to be consistent with its accounting system, the modified accrual basis of accounting. Under this system, revenues are recognized when they become measurable and available. Expenditures are recognized when the fund liability is incurred within the current period.

In accordance with its accounting system, the City of Fort Worth's budget development process is built on the historical analysis of line-item expenditures. Additionally, program performance measures have been identified to track the progress of departmental programs. Program enhancements are prioritized Citywide in order to dedicate the City's limited resources as effectively as possible. Performance measure tracking systems, as part of a departmental business plan, have also been developed in an effort to link fund allocations with desired and actual outcomes. Coordinating with the City's accounting system and Financial Management Policy Statements, refinements and modifications are made to the budget process each year so that Fort Worth will maintain a more effective budget system.

THE BUDGET PROCESS

Development of the City's budget begins in the spring of each year. The first step is a City Council retreat at which the Council determines the initial budget priorities for the upcoming fiscal year, based in part on the results from the bi-annual survey of Fort Worth residents. Taking into account those initial Council priorities, departments compile their budget requests for the upcoming fiscal year, which begins on October 1. The departments' requested budgets are then submitted in draft form to the City's Budget and Research Division.

At that point, the Budget staff analyzes each department's request, giving careful consideration to program impact. Based on that analysis, the Budget Division then makes its recommendations to the City Manager, incorporating any changes made to initial requests.

On the basis of these recommendations, discussions with senior staff and further City Council input and direction, the City Manager makes any necessary expenditure and revenue adjustments to balance the budget. Budget staff then compiles the Annual Budget and Program Objectives as proposed by the City Manager for presentation to the City Council in mid-August.

After the proposed budget is presented to the City Council, the content of the budget is discussed in a series of Budget Study Sessions during the course of approximately one month.

During this period, the Council also holds public hearings at its regular City Council meetings for citizen commentary on the proposed budget. Based on input from citizens and priorities established by Council Members, changes are made and the budget is finalized. The City Council then officially approves the budget by adopting an appropriation ordinance. The official property tax rate for the next year is also set at this time, through adoption of the property tax ordinance.



Aug 11 - City Manager's proposed budget is presented to City Council

Aug 20 & 21 - City Council Budget Retreat

End of August - Budget Study Sessions begin and are held each week through budget adoption.

Sept 15 - Budget is adopted by the City Council. Tax rate is set.

Sept 30 - Fiscal Year 2009 ends

Oct 1 - Fiscal Year 2010 begins

FINANCIAL STRUCTURE

The City of Fort Worth collects various types of revenues and taxes, expends this revenue and has different types of funds all making up the City's financial structure.

GENERAL FUND • ENTERPRISE FUNDS • INTERNAL SERVICE FUNDS • SPECIAL TRUST FUNDS

GENERAL FUNDS

General Funds finance City departments that provide basic services.

The general fund receives the largest amount of revenue in the overall City budget. Major revenues that contribute to this Fund include:

- Property taxes
- Sales Tax
- License and permit fees
- Service charges
- Fines and forfeitures

Several smaller revenue categories also contribute to this Fund:

- Revenue from other governmental agencies
- Local taxes
- Revenue from Money and Property

General Fund revenues are used to finance City departments that provide basic services. Some of these services include:

- Police protection
- Fire protection
- Parks
- Libraries
- Street maintenance
- Administration

In the past, General Fund revenues have also been used to pay interest and principal on bonds sold for capital improvements, such as street reconstruction and new facilities. These types of payments are referred to as debt service. Starting with the FY2009 budget, revenues for debt service are assigned directly to the Debt Service Fund without first passing through the General Fund.

NOTE: The General Fund is explained with more detail further in the guide.

ENTERPRISE FUNDS

Enterprise Funds finance a direct service to the citizen.

Citizens and businesses pay for solid waste disposal, recycling, storm water control, water, and sewer services. The City charges fees for these services and deposits the revenue in separate operating funds. The revenue is used to pay for the delivery of each service. Each service is intended to be a self-supporting business, and therefore operates as an *Enterprise Fund*.

When citizens and businesses pay their water bills, they are actually paying what it costs the City to provide their water. In order to easily track these costs, the City has established a separate Enterprise Fund called the *Water and Sewer Fund*. Based on expenditures in the *Water and Sewer Fund*, the City establishes a billing rate for water service that covers the total cost of producing and delivering water to its customers.

Other Enterprise Funds include the *Solid Waste Fund*, the *Municipal Parking Fund*, the *Municipal Golf Fund*, the *Storm Water Utility Fund*, and the *Municipal Airports Fund* and are detailed further in the guide.

FINANCIAL STRUCTURE (continued)

INTERNAL SERVICE FUNDS

Internal Service Funds assist other city departments in the delivery of their services.

The City has established *Internal Service Funds* for reasons similar to those for Enterprise Funds. However, Internal Service Funds do not provide a direct service to citizens. Instead, Internal Service Fund departments assist other City departments in the delivery of their services. The use of a separate Fund helps ensure that City government is accountable for how it spends taxpayers' money.

For example:

- The *Temporary Labor Fund* provides temporary employee services to City departments. The Temporary Labor Fund then bills City departments for the temporary services provided, including all associated salary and administrative costs.
- The *Capital Projects Service Fund* (formerly the Engineering Services Fund) provides for comprehensive engineering design, project management, surveying, quality control testing, and construction inspection for water, street, storm drain, sidewalk, and other infrastructure improvements. The Fund allows the public and private sectors to work together to develop the best engineering product for the best price in the least amount of time. The Fund derives approximately 80 percent of its revenue from Capital Improvement Program (CIP) projects, primarily in the Transportation / Public Works and Water departments.
- The *Office Services Fund* provides mail services, graphics design, and operates a print shop for City departments.
- The *Equipment Services Fund* procures, maintains, and repairs City-owned vehicles and equipment.
- The *Information Systems Fund* maintains the City's information and telecommunications systems.

NOTE: Internal Service Funds are detailed further in the guide.

SPECIAL TRUST FUNDS

Money given to the City for specific purposes is managed in Special Trust Funds. These Special Trust Funds include:

- Income generated by cable television subscriptions.
- Income resulting from leases and the sale of property around Lake Worth.

NOTE: Special Trust Funds are detailed further in the guide.

GENERAL FUND REVENUES

Property Tax, Sales Tax, Licenses and Permits and Other Revenues

PROPERTY TAX

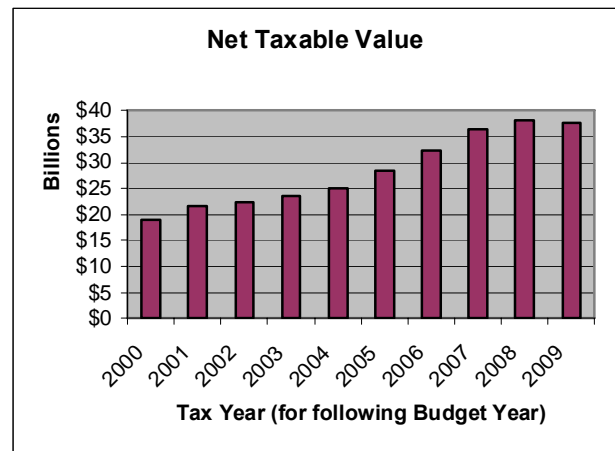
The property tax is the primary source of revenue for the General Fund, representing 55.3% of General Fund revenues. The property tax is also called the “ad valorem” tax, which means “on value”. The tax is paid by property owners in Fort Worth based on the value of their houses, real estate, and personal property, as appraised by the Tarrant Appraisal District (TAD).

Three factors affect a property owner’s tax bill:

- the assessed valuation of the property
- any tax exemptions for which the owner qualifies
- the property tax rate adopted by City Council

Assessed Valuation of the Property

Since 1996, growth and expansion within the City of Fort Worth has caused the net taxable assessed valuation to increase to \$37.5 billion in 2009. The success of the Appraisal District in handling the protested and incomplete valuations has also attributed to an increase in recognized revenue. Furthermore, Fort Worth had an increase in property values resulting in an increase in revenue for the City. Despite the slow recovering economy, the City has experienced growth, albeit at a slower rate. City leaders were able to maintain the property tax rate of \$0.8550 per \$100 of assessed value for FY2010.



City of Fort Worth Tax Exemption Policies

Another factor affecting property tax collections is the City’s exemption policy. An exemption allows a percentage of a property owner’s valuation to be excluded from taxation. An example of such an exemption would be for the elderly and the disabled resulting in a freeze on their property tax. This year Fort Worth saw a 15.8% increase in allowed exemptions. A portion of this increase may be due to an unusually low number of exemptions for FY2009, related to a high number of incomplete and protested properties at the time of certification last year.

The City’s current exemption policy allows for five discretionary exemptions:

- The general residence homestead exemption
- The senior citizen homestead exemption
- The disabled homestead exemption
- The historic sites exemption
- The transitional housing for indigent persons exemption

The most significant of these discretionary exemptions is the general residence homestead exemption, which results in a loss in assessed value of more than \$3.3 billion.

Non-discretionary exemptions apply to businesses rather than residences.

Freeport Goods

- The most significant of these exemptions is for Freeport Goods, which is a permanent exemption instituted by the City Council. Freeport goods are defined as property held by companies in Fort Worth for a period of fewer than 175 days for the purpose of assembly and/or transport to another state. Freeport goods are not taxed. This exemption alone is projected to result in lost assessed value of \$2.2 billion in FY2010.

GENERAL FUND REVENUES (continued)
Property Tax, Sales Tax, Licenses and Permits and Other Revenues

Foreign Trade Zones

- These are mandated by the federal government. Two local zones exist in Tarrant County, including the areas surrounding D/FW Airport and the Alliance corridor. Eligible inventory with either a foreign source or a foreign destination is non-taxable. This exemption is projected to result in lost assessed value of \$355 million in FY2010, but is also expected to foster foreign commerce.

Tax abatement policy for businesses

- The City Council has also established a tax abatement policy for businesses to stimulate economic development and create jobs for Fort Worth residents. Tax abatements provide a partial exemption from property taxes paid on the increased property value. This increase in value results from the owner's investment in the property. Total abated property projected for FY2010 is valued at \$432 million. Such tax abatements are audited periodically and adjusted if businesses are not complying with the terms of the abatement.

In FY2010, the total assessed value lost due to exemptions and abatements in Fort Worth is projected to be in excess of \$8.6 billion, which could result in a loss of \$73.4 million in potential revenue. However, the City Council remains committed to the exemptions outlined above.

Property Tax Rate Adopted by the City Council

The final factor affecting a property owner's tax bill is the property tax rate set by the City Council. Over the past ten years, the City's tax rate has changed frequently in conjunction with changes in the economy. In fact, the City of Fort Worth's property tax rate increased by 22.7% between FY1987 and FY1995. However, as the tax base expanded, the tax rate was reduced from \$0.9735 per \$100 valuation in FY1995 to an adopted \$0.8650 for FY2002. Due to the high growth and high valuations, the FY2006 tax rate was reduced in FY2007 and in FY2008. The property tax rate remains \$.8550 per \$100 of assessed value for FY2010.

The average value of a single-family home in 2009 is \$120,387. For the average homeowner with a homestead exemption, this equates to \$823 in annual taxes.

Average Home Value	\$ 120,387
20% Homestead Exemption	\$ (24,077)
Net Taxable Value	\$ 96,310
Tax Rate	0.855%
Tax Due	\$ 823

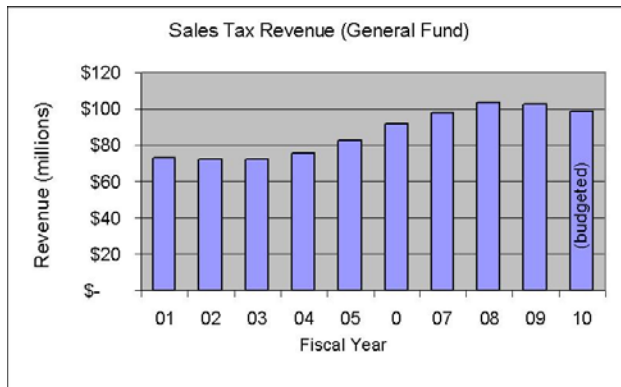
SALES TAX

The second largest source of revenue to the General Fund is from sales tax, at 18.7%. State law sets the base sales tax rate. Municipalities can establish an additional local sales tax rate for limited purposes through a local election. The combined local purpose sales tax rate cannot exceed two percent. Currently, a total sales tax rate of 8.25 percent is charged in the City of Fort Worth. The table below depicts the allocation of sales taxes collected within the City.

6.25%	State of Texas
1.00%	City of Fort Worth
0.50%	Crime Control & Prevention District
0.50%	FWTA (Fort Worth Transportation Authority)

GENERAL FUND REVENUES (continued)
Property Tax, Sales Tax, Licenses and Permits and Other Revenues

The General Fund receives a one-cent sales tax, totaling \$98.8 million in FY2010. There is an additional half-cent sales tax dedicated to the Crime Control and Prevention District, which was initially established by popular vote in March 1995. Funds from this half-cent tax are used to pay for additional police personnel and equipment, as well as various crime prevention programs. This revenue is not added to the General Fund. Instead, the revenue is being placed in a separate fund called the Crime Control and Prevention District Fund. Finally, there is a half-cent sales tax to support the Fort Worth Transportation Authority, also known as "The T."



The State's base rate combined with the local tax rate equals the total tax that individuals pay on goods and services within a particular city. Sales of foods and drugs are exempt from the tax, as are purchases by governmental agencies, non-profit organizations, and churches. Sales tax revenue depends on retail sales. Consumer spending, retail development and inflation directly affect retail sales. The above chart depicts ten years of actual sales tax revenue in the General Fund.

LICENSES AND PERMITS

Licenses and permits income constitutes approximately \$44 million, or 8.1%, of the City's General Fund revenue budget for FY2010. Some of the fees that are included in this source of revenue are:

- Franchise fees on utility companies
- Electrical permits
- Plumbing permits
- Parking permits
- Building permits
- Public health fees
- Occupational license changes

OTHER REVENUES

Other sources of revenue make up 17.9% of the City's total General Fund revenue. These revenues come from:

- Fines for traffic and parking violation
- Revenue from other cities and agencies
- Rental income from the use of City facilities
- Interest income from the investment of reserve funds
- Fees for recreation and library services.

FORT WORTH



MAJOR BUDGET ADJUSTMENTS BY DEPARTMENT

The information below includes a brief description of the various departments and shows their adopted FY2010 budget as well as the percentage increase or decrease over last year's budget.

City Manager's Office

\$5,310,513

31.7 percent decrease under FY2009

The City Manager's Office is composed of four divisions: Administration, Mayor and Council Office, Governmental Relations, and Budget and Research. Several changes were made to the organization of the City Manager's Office for FY2010. They include moving the Program Management Office to the Capital Projects Service Fund; moving the Emergency Management Office to the Fire Department; transferring the Cable Office to the Community Relations Department; receiving the Budget Office from the Financial Management Services Department; and the elimination of eleven positions.

City Secretary

\$1,020,665

.17 percent decrease under FY2009

The City Secretary, appointed by the City Council serves as a coordinator for the City Council meetings and records and maintains all of the official City Council minutes. The department also coordinates the City Council's boards and commission's appointment process and maintains the records relating to these appointments. The City Secretary serves as the Election Administrator for all city-held elections. The City Secretary's Office also coordinates the Public Official Ethics Ordinance and serves as the official repository for associated document filings and campaign filings. The department is responsible for the publication of official legal notice requirements; for the posting of all official meeting notice requirements; and, the update and distribution of the City's Code of Ordinances.

Code Compliance

\$14,206,884

3.9 percent decrease under FY2009

The Code Compliance Department's responsibilities include protecting and improving the quality of life through establishing community partnerships, public education and enforcement of City Codes and environmental and public health ordinances and regulations. The department has three divisions: Administration, Field Operations and Health. Field Operations is responsible for enforcing regulations and ordinances aimed at preventing disease, injury and illness and ensuring safe neighborhoods. The Health division is responsible for enforcing animal control .



The primary changes to this budget include the addition of funds for the new Hazel Harvey Peace Center, a full year of funding for a spay/neuter clinic including a veterinarian, and funding for on-board computers for animal control vehicles. These costs are offset by the elimination of nine positions and a reduction in operating hours for the animal shelter.

Community Relations

\$4,558,138

12.38 percent increase over FY2009

The Community Relations Department is composed of six departmental divisions: Administration, Enforcement, Youth Outreach, Neighborhood Education, Communications, and Outreach. The primary change to this budget is due to the transfer of the Cable Office and public information costs from the City Manager's Office to Community Relations.

MAJOR BUDGET ADJUSTMENTS BY DEPARTMENT (continued)

Environmental Management

\$723,244

17.07 percent decrease under FY2009

The Environmental Management Department is responsible for ensuring that the city is in compliance, or developing means to achieve compliance, with federal and state environmental regulations. The General Fund provides funding for five sections: Administration, Compliance, Water Quality, Air Quality and Geographic Information System (GIS).

The primary change to this budget is a result of the transfer of Stormwater Compliance to the Environmental Protection Fund.

Financial Management Services

\$5,848,027

31.23 percent decrease over FY2009

The Financial Management Services Department has general responsibility for the financial administration of the City. These duties are performed by the following divisions: Administration, Accounting, Purchasing, Treasury, and Financial Systems.

The primary changes to this budget is due to the transfer of the Budget and Research Division, consisting of 10 positions, to the City Manager's Office; the transfer of the Capital Projects team, consisting of 6 positions, to the Capital Projects Service Fund; and the reduction of four positions.

Fire

\$105,131,539

1.52 percent increase over FY2009

The Fire Department, under direction of the Fire Chief, provides protection of life and property from fire, first response for emergency medical service, fire safety and prevention programs, arson and fire cause investigations, and dispatching of fire apparatus and personnel to fire scenes and other emergencies. The department is also responsible for the development and implementation of plans for the protection of life and property, thereby minimizing the effects of a potential disaster. The department is organized into four major divisions: Administration, Executive Services, Operations, and Educational and Support Services.



The primary change to this budget is as a result of the transfer of the Emergency Operations Center from the City Manager's Office and increased contributions to employee retirement.

Housing and Economic Development

\$6,965,869

3.29 percent decrease over FY2009

The Housing and Economic Development Department develops and administers programs that preserve and expand the city's supply of quality affordable housing, facilitates sustainable investment and reinvestment and small business development activities to sustain a healthy and diverse economy. These housing and economic development programs are administered with an emphasis on the central city. Housing activities are funded primarily through the use of federal grant funds that require a focus on the needs of low and moderate income persons.

The primary changes to this departmental budget are the addition of the "Direction Home" homelessness program from the Planning and Development department; the elimination of the 3rd year payment to the Housing Trust Fund, and a reduction in the number of positions.

MAJOR BUDGET ADJUSTMENTS BY DEPARTMENT (continued)

Human Resources

\$4,068,136

7.16 percent decrease under FY2009

The Human Resources Department administers the city's compensation and fringe benefits program, prepares and revises job classifications, maintains employee records, and administers the Workers' Compensation, Group Health and Life Insurance and Unemployment Compensation Funds and functions.

The primary change to this budget is the elimination of one position, and the ending of employee recognition programs.

Internal Audit

\$2,351,986

98.12 percent increase over FY2009

The Internal Audit Department is charged with conducting fiscal compliance, risk assessment and financial procedure audits of all City departments, offices, agencies, and programs, under the direction and control of the City Auditor, who is appointed by the City Council. The department also performs other activities as specified by the City Council

The increase is largely the result of an increase of \$1,200,000 for the transfer from Non-Departmental for the external audit fees as part of the budget process to align contractual expenditures with appropriate departments.

Law

\$5,851,485

6.08 percent increase over FY2009

The Department of Law, under the direction of the City Attorney, is responsible for the administration of all legal affairs of the City; City representation in all suits, litigation and hearings; preparation of ordinances, contracts, and all other legal documents; and the rendering of legal advice and opinions to the City Council, City Manager, and City departments. Departmental duties are divided along the following lines of specialization: Litigation, Administrative, Intergovernmental Management and Code Compliance, and Support Services.



The primary change to the Department of Law budget is the addition of two positions for the review of public information requests.

Library

\$17,435,414

2.59 percent increase over FY2009

The Fort Worth Public Library is responsible for delivering library services to meet the educational, informational, cultural, and recreational needs of Fort Worth citizens of all ages. The Department is divided into five divisions: Neighborhood Services, Central Library, Collection Management, Administrative Services, and Library Information Technology. The primary changes are a result of the opening of the new Northwest Library Branch.

Municipal Court

\$13,229,446

.10 percent increase over FY2009



Municipal Court is a Court of Record comprised of eight municipal courts that have jurisdiction within the City of Fort Worth's territorial limits over all Class C misdemeanor criminal cases brought under City ordinances and the Texas Penal Code. These cases are punishable by fine only. Court operations are divided into four divisions: Administration, Judicial, Court Clerk, and Marshals.

MAJOR BUDGET ADJUSTMENTS BY DEPARTMENT (continued)

The primary change to this budget is due to the implementation of the Scofflaw Technology Project to increase the rate of fine collection. This cost is offset by the elimination of one position.

Non-Departmental

\$66,694,974

3.82 percent increase over FY2009

Non-Departmental cost centers record all General Fund expenditure items not exclusively within the programmatic responsibilities of a General Fund department. Major Non-Departmental accounts include, but are not limited to, electric utility costs, the City's contribution to the Group Health Plan, terminal leave costs for General Fund employees, commercial insurance premium costs, MedStar subsidy costs, Appraisal District fees and subsidies and memberships for non-City agencies.

The budget increases \$30,000 to cover tuition reimbursement costs for General Fund employees that applied and were approved for the program for the Fall semester, as well as for the implementation of vacation buyback.

Parks and Community Services

\$33,786,418

6.81 percent decrease under FY2009



The Parks and Community Services Department is responsible for planning, designing, developing, and maintaining the City's network of parks, as well as for the planning and administration of the City's recreational and human services programs.

The primary change to this budget is a result of the transfer of 7 authorized positions and associated costs from the Water Gardens to Culture and Tourism Fund.

Planning and Development

\$11,694,480

24.14 percent decrease under FY2009

The Planning and Development Department's mission is to build the most livable city in Texas by helping people make sound decisions about the City's growth and development and, accordingly, to develop property in ways that benefit the community. The Department consists of four divisions; Administration, Development, Planning and Gas Well.



The primary change to this budget is a result the transfer of the Directions Home program to the Housing and Economic Development department and the elimination of ten positions.

Police

\$178,049,079

4.99 percent increase over FY2009

The Police Department, under the direction of the Chief of Police, develops and implements programs to deter crime and enforce traffic laws to protect life and property within the City of Fort Worth. Specific departmental responsibilities include crime prevention, the apprehension of persons suspected of committing crimes, recovery of stolen property, and regulation of non-criminal activities such as traffic enforcement.

The primary changes to the Police Department budget are a result of contractually obligated salary increases and an increase in contributions to employee retirement.

MAJOR BUDGET ADJUSTMENTS BY DEPARTMENT (continued)

Public Events

The Public Events Department has been moved to the Culture and Tourism Fund for FY2010. All budget information for this department can be found in the Special Funds section.

Public Health

In FY2009, the Public Health Department's responsibilities were reorganized to achieve the City Manager's goal of consolidating departments with like services to improve efficiency and decrease costs. The Outreach, Health Promotion and Education, Consumer Health, Animal Kennel and Animal Control Programs have transferred to the Code Compliance Department. In FY2009, Tarrant County assumed the responsibilities of the Vital Statistics Program for the City of Fort Worth as part of their countywide operations.

Transportation and Public Works

\$51,475,246

5.92 percent decrease under FY2009

The Transportation and Public Works Department strives to improve the physical condition of the city by maintaining city roadways, drainage structures, street lights, signs, markings and traffic signals, as well as City-owned facilities. The department's seven divisions are: Business Support and Administration, Infrastructure Management, Traffic Engineering, Transportation Planning & Capital Projects, Traffic Services, Facilities Management and Street Services.

The primary changes to this budget are due to the elimination of 39 positions.

ENTERPRISE FUND REVENUES

Water and Sewer Fund, Municipal Airport Fund, Municipal Golf Fund, Solid Waste Fund, Municipal Parking Fund, Storm Water Utility Fund

Water and Sewer Fund

The Water and Sewer Fund is an Enterprise Fund responsible for providing water and wastewater services to residential, commercial, industrial and wholesale customers. The Fund serves approximately 800,000 people in Fort Worth and 29 surrounding communities by providing more than 220 million gallons of water for use every day. Operations are completely financed through fees for services. In addition, debt is issued for large capital projects.

This Fund encompasses both the Water and Wastewater Departments. They are separate departments, but they share an administrative staff and many of the employees are partially expensed from both departments.

The combined Water and Wastewater departments adopted budget is \$341,494,432.

Municipal Airport Fund

The Municipal Airports Fund is an Enterprise Fund supported by several revenue sources, including, but not limited to: aircraft landing fees, terminal building and hangar lease agreements, lease fees for both improved and unimproved land at the airports, fuel purchases through the City's Fixed Base Operation (FBO) at Spinks Airport, which is a profit-sharing arrangement with Alliance Airport, and proceeds from possession fees for the Greater Southwest International Airport. The Aviation Department, which manages the Municipal Airports Fund, relies on that Fund to finance the promotion, development, maintenance, and protection of all City aviation assets, as well as the maintenance of optimal facilities and services.



The Municipal Airport Fund adopted budget is \$4,619,947, a 46.07 percent increase from the FY2009 adopted budget. The change is a result of the inclusion of revenue and expenditures related to a lease agreement at Alliance Airport.

Municipal Golf Fund

The Municipal Golf Fund is an Enterprise Fund established to offer residents a safe and enjoyable comprehensive golf program. The Fund is managed by the Golf Division of the Parks and Community Services Department.

Each golf course is divided into four sections – Golf Management, Pro Shop Operations, Snack Shop Operations, and Golf Course Maintenance. The City operates five regulation-length golf courses that promote golf as a lifetime sport – Pecan Valley, Z Boaz, Meadowbrook, Rockwood, and Sycamore Creek.



The Municipal Golf Fund FY2010 adopted budget is \$5,726,246, an increase of 7.39 percent from the FY2009 budget. The change is due to the re-instatement of the Administrative Services Charge.

Solid Waste Fund

The Solid Waste Fund is an Enterprise Fund supported by revenues from solid waste monthly residential fees, service charges for special bulk/brush collection, residential recycling revenues and other miscellaneous fees. Four major service areas exist under this structure, including Contract Management, Field Operations, Customer Service, and Community Education.

The City's residential customers pay for comprehensive solid waste collection services through a monthly fee added to their water bill. Customers can choose from one of three tiers, based upon the size of the cart used: \$12.75 for a 32 gallon cart, \$17.75 for a 64 gallon cart, and \$22.75 for a 96 gallon cart. Residential customers may change tiers if they later decide their original choice was unsuitable for their waste disposal needs.

The Solid Waste Fund FY2010 adopted budget is \$52,157,385.

ENTERPRISE FUND REVENUES (continued)
**Water and Sewer Fund, Municipal Airport Fund, Municipal Golf Fund, Solid Waste Fund,
Municipal Parking Fund, Storm Water Utility Fund**

Municipal Parking Fund

The Municipal Parking Fund is an Enterprise Fund that generates revenues from fees charged for the use of parking spaces and the lease of office space. The parking fees are designated to serve as incentives to decrease traffic and pollution by providing special reduced rates to employees who carpool to work.



The City's Transportation and Public Works Department oversees this Fund. The Municipal Parking Fund adopted budget is \$4,654,455.

Storm Water Utility Fund

The Storm Water Utility Fund, which was created as an Enterprise Fund in FY2008, has the responsibility for providing Storm Water management to approximately 200,000 residential, commercial and industrial customers. Storm water management is a vital issue affecting Fort Worth's future.



The Storm Water Utility Fund adopted budget is \$25,693,028. The Storm Water Program operations are completely financed through fees for services charged to residents and commercial customers based on the measure of impervious surface area of each property and its impact on storm water management.

INTERNAL SERVICE FUNDS

Equipment Services Fund, Information Systems Fund, Capital Projects Service Fund

Equipment Services Fund

The Equipment Services Fund provides fleet maintenance and management services to all City departments. The Equipment Services Department adopted budget is \$25,561,551.

Information Systems Fund

The City's Information Technology Solutions Department (IT Solutions) is responsible for coordinating all information technology resources within the City in support of the City of Fort Worth strategic vision and to provide quality services to the community. The Information Technology Solutions Department's adopted budget is \$23,179,951.



Capital Projects Service Fund (formerly Engineering Services Fund)

The Capital Projects Service Fund is responsible for providing engineering design, project management, surveying quality control, material testing and construction inspection services for most water, sewer, storm drain, sidewalk and other infrastructure improvement projects.

The Capital Projects Service Fund adopted budget is \$14,580,275, an increase of 23.30 percent. The increase is due to the transfer of 14 positions in the Program Management Office from the City Manager's Office and Finance Department to the Capital Projects Service fund.

SPECIAL TRUST FUNDS

**Culture and Tourism Fund, Environmental Protection Fund, Cable Communications Fund,
Lake Worth Trust Fund, Crime Control and Prevention District**

Culture and Tourism Fund

The Culture and Tourism Fund is a special Fund that was established in 1989 to provide funding for organizations that enhance tourism or promote, develop, and maintain cultural activities in Fort Worth. The Fund is supported by the hotel/motel occupancy tax, which is levied at nine percent of

the price of a hotel room. Seven percent of the tax is used to promote tourism and support art/cultural activities and the remaining two percent is used to fund debt associated with the expansion of the Fort Worth Convention Center. The Fund is also supported by a share of car rental taxes from DFW airport. These taxes are shared among the cities around the airport. For FY2010, revenue from the Public Events Department will also be part of the Culture and Tourism Fund budget.

Public Events

The Public Events Department operates and maintains both the Will Rogers Memorial Center and the Fort Worth Convention Center. The department promotes and schedules events in these facilities. Among the events hosted at the facilities are the Southwestern Exposition and Livestock Show, political and



other conventions, conferences, equestrian events, banquets, circuses, concerts, basketball games, theatrical performances, and various community events. The FY2010 budget also includes funds for the maintenance and upkeep of the Fort Worth Community Arts Center.

The Culture and Tourism Fund adopted budget is \$29,010,535.

Environmental Protection Fund

The City of Fort Worth charges environmental protection fees to fund federally mandated projects associated with ensuring storm water quality throughout the city. The Department of Environmental Management has eight major areas that are funded from the environmental protection fees – Compliance, Regulatory, Construction Inspection, Spill Response, Environmental Collection Center, Storm Water Monitoring, Education, Undesignated (special projects).

The Environmental Protection Fund is supported by several revenue sources that include the Environmental Protection Fee charged on residential and commercial water bills, revenue from the Environmental Collection Center (which is collected from cities participating in the Household Hazardous Waste Program), and interest on investments.



The Environmental Management Fund adopted FY2010 budget is \$4,305,117.

Cable Communications Fund

The purpose of the Cable Communications Fund is to provide an information delivery system for the citizens of Fort Worth, as well as departments of the City of Fort Worth and their employees.

The Fund assists in providing programming that will highlight the culture and interests of the residents of Fort Worth, as well as in providing studio space and technical assistance to more local groups and organizations requesting to produce programming. The Cable Communications Fund adopted budget is \$616,341.

The most significant concern in the Cable Communications Fund is the continued elimination of program income revenue, which is derived from the number of cable subscribers. In 2005, the Texas Legislature passed a law creating statewide cable/video franchising. The state law allows cities to receive fees for Public, Educational, and Governmental (PEG) access channel capital expenditures, but eliminated fees for daily operations. Due to the changes in legislation, the Cable Office must utilize all cable subscriber PEG revenues for equipment replacement.

Lake Worth Trust Fund

The Lake Worth Trust Fund manages leased properties adjacent to Lake Worth. Upon expiration of the leases, the Fund purchases improvements located on the leased properties and markets the properties for sale to the public. The Fund also provides funding for the maintenance of park grounds located along the lake, and six City Marshal positions. These six officers provided protection for the parks and neighborhoods adjacent to the lake.

The Lake Worth Trust Fund FY2010 adopted budget is \$922,630.

Crime Control and Prevention District

The Crime Control and Prevention District (CCPD) was implemented during FY1996. The CCPD was made possible through voters' authorization of a half-cent increase in sales tax, effective October 1, 1995. The district was initially authorized for five years. Revenue from this tax has been used to employ additional Police Officers, purchase replacement and new CCPD vehicles, increase security at schools, and expand other crime fighting programs. Through the use of this revenue, the City of Fort Worth planned to reduce crime by an average of 10 percent for each of the five years.



On May 6, 2000, a new election was held to re-authorize the district for an additional five-year period. Fort Worth residents voted in favor of re-authorization, which allowed the City of Fort Worth to continue the half-cent portion of the sales tax until the expiration of the five-year period. The new period began October 1, 2000, and ended on September 30, 2005. On February 5, 2005 voters again re-authorized the district for another five-year period, beginning October 1, 2005 until September 30, 2010.

A nine-member board of directors appointed by the City Council establishes the budget and policies of the Crime Control and Prevention District. By law, the City Manager proposes the annual district budget to the board, which then votes approval or disapproval after holding a mandatory public hearing. After the district board has approved the annual budget, it is forwarded to the City Council, which votes approval or disapproval after holding a mandatory public hearing of its own.

A substantial portion of the fund balance is set aside for a multi-year phase-out of the Crime Control and Prevention District. The phase-out plan goes into effect if voters do not re-authorize the district. The plan mainly provides funding for CCPD employees for a limited time so they can fill openings that become available elsewhere in the City. However, the board of directors may also decide to use a portion of the fund balance for other purposes, such as upgrades to the public safety communication system and newly created programs.

The FY2010 adopted budget is \$50,625,926.

EMPLOYMENT COMPENSATION, GROUP HEALTH INSURANCE, VEHICLE REPLACEMENT PLAN

EMPLOYEE COMPENSATION

Employees are the City's major resource, providing the services desired and required by citizens. They are the ones who fill the potholes, protect homes and lives, repair traffic signals, and perform other functions necessary for the provision and effective operation of City services. The Adopted Budget includes no pay increases for employees other than those agreed to by contract for police. Eight (8) mandatory furlough days – equivalent to a 3% salary reduction for general employees – are spread throughout the year and coincide with holiday closings. Departments may vary furlough schedules if service impacts necessitate. However, the budget included funds for vacation sell-back, to be paid in accordance with Personnel Rules and Regulations. The City has not funded sell back since 2002.



GROUP HEALTH INSURANCE

Employee benefits are another important component of the total compensation package. In particular, the cost of group health insurance, the most significant benefit for most employees, continues to rise. In FY2002, the City became self-insured for its medical benefits. The Adopted Budget reflects the City's contribution for Group Health Insurance at \$39 million and \$55 million for all funds. This is a 12% increase over the FY2009 projected City contribution revenue for FY2010, resulting in an average increase of only 1% of pay. The increased funding is due to the increase in

the number of City employees during previous fiscal years during which there was no corresponding increase in premium contributions.

VEHICLE REPLACEMENT PLAN

The FY2010 adopted budget is \$1.5 million which is a reduction of approximately \$500K from the FY2009 funding level for replacement of general fund vehicles. This funding will allow the replacement of 39 vehicles in General Fund departments, including Planning and Development, Community Relations, Code Compliance, Transportation and Public Works, Fire and Parks and Community Services. Other funds determine the level of vehicle/equipment replacement based on individual needs.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS

Many capital projects are constructed annually by the City of Fort Worth and include, but are not limited to, improvements for streets, parks, aviation, libraries, fire stations, water and waste water lines and facilities, etc. These improvements may entail new construction, an expansion, upgrade, replacement, or any other addition designed to improve, conserve, or maintain the value of City assets; enhance service capacity; and/or visual environment. In order to deliver these improvements, the City may conduct multiple project phases to study, plan, design, and/or construct various projects and utilizes proceeds from various funding sources, as follows:

- General Obligation Bonds
- Revenue Bonds
- Commercial Paper Notes
- Capital Projects Reserve Fund
- State Revolving Loan Fund
- Gas Well Revenues
- Federal and State Grants
- Private Contributions/Assessments
- Certificates of Obligation, and
- Tax Notes



Capital improvements are expected to have an ordinary useful life of at least 15-20 years, which is the approximate time required to repay the bonds issued to fund a specific improvement. In fiscal year 2008-09, the City had literally hundreds of capital projects in various stages that included: project planning, site exploration, analyses, right-of-way and/or property acquisition, public hearing, utility relocation, site preparation, project agreement preparation, design, construction, inspection, etc.

Debt financing allows the City to provide costly improvements to public facilities without excessively burdening current Fort Worth taxpayers. Some capital debt is funded by revenues from user fees, such as utilities like water or storm water. For improvements supported by property taxes, no increase in the overall property tax rate was necessary to finance the debt service for the on-going programs. Specifically, those major programs consisting of multiple projects funded by property tax revenues in the last few years are as follows:

2004 Bond Program:

In February of 2004, the citizens of Fort Worth voted to approve all six propositions presented to voters in a \$273.5 million bond program to address capital needs in the following six program areas:

- Street and Storm Sewer Improvements (\$232.9 million)
- Parks, Recreation, and Community Services Improvements (\$21.6 million)
- Library System Improvements (\$4.49 million)
- Fire Safety Improvements (\$12.6 million)
- Telecommunications Systems Improvements (\$1.19 million)

CAPITAL IMPROVEMENTS (continued)

- Public Health Facility Improvements (\$665,000)
- Public Art funds were also included to support public art components in some of these projects.

2006 Critical Capital Needs Program:

In December 2006, \$150 million of crucial and time sensitive capital needs were identified, and the City Council approved the planned multi-year sale of Certificates of Obligation to address these needs. Improvements included: neighborhood and arterial streets; transportation grant matches; land acquisitions for the 121 Tollway project; and a new fire station, among other projects. Public Art funds were included to support public art components in some of these projects.

2008 Bond Program:

In May of 2008, the citizens of Fort Worth voted to approve a \$150 million bond program, which was a single proposition for Streets and Related Improvements only. Improvements included: neighborhood streets, arterials, bridges, traffic signals, intersection improvements, and transportation grant matches. Public Art funds were included to support public art components in some of these projects.

Visit the City's website at www.fortworthgov.org for more information regarding capital projects in the City of Fort Worth.



FORT WORTH

A brown silhouette of a longhorn head, facing forward, with long, curved horns extending outwards. It is positioned centrally below the text "FORT WORTH".

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
Arranged by Department

This section provides an overview of issues that are expected to result in some level of budgetary impact over the next one to five years. The issues listed are often in the preliminary, problem identification stage, but could pose significant resource allocation challenges in the near future. Adequately addressing these issues will require some sort of City Council action/decision. While some of the issues may result in requests for funding, others may require setting broader policy to address future service needs in the City of Fort Worth.

City Secretary:

Enterprise Information Management System Staffing – In FY2009 the City Secretary's Office completed the pilot program for document imaging/workflow software process. The program costs would be necessary for the next four years. Upon the implementation of the City's EIMS software system, one additional Records Information Management (RIM) position is necessary to handle the increasing volume of electronic records that will be part of the EIMS system. This position will oversee the retention and disposition of the electronic records so that they are properly managed. This enterprise coordination will enhance information and process management efficiency and collaboration across the organization.

CFW Code of Ordinances – The City Code of Ordinances has not been re-codified in 22 years. Legal review of the Code Book is needed in the near term. Municipal Code Corporation provides those services and has given the City an estimated cost for those services at \$30,000 to \$40,000.

Restoration of City Council Minute Books – Approximately 70 to 80 historical minute books need to be restored. Cost estimates include restoration of covers, de-acidification of pages and imaging of books. This is a long term project (5 years) due to cost estimate and seeking of a grant.

Code Compliance:

Service and Program Enhancements – With continued City growth, staff has identified specific staffing and equipment needs to address increased code, health, and animal control related issues. These needs include the expansions of: the Animal Control Field Operations to meet the increased demand for service; the Rental Registration Section to concentrate on the inspection of rental structures having 1 or 2 units; the expansion of the Community Service Section to a 7-day work week supporting the North and South Field Operations, Nuisance Abatement and Animal Control, the Code Field Operations to create a Central City Code District, and the expansion of the Building Standards Division to increase the number of Category I demolitions to be adjudicated through the Building Standards Commission each month. The department also identified the need to create Safe Neighborhood Initiative Team that would serve a dual role as Animal Care and Control/Code Officer for seamless service delivery, the creation of the Tire Enforcement Team to monitor tire shop manifests, transport, and legal disposal of used tires; and the creation of the Hotel/Motels Team to systematically check and monitor all hotels and motels in the city for compliance. First year costs would be approximately \$4,139,682 with estimated potential revenue of \$264,250.

Stand Alone Animal Adoption Center – A group of potential private investors have formed a non-profit organization to raise the funds necessary to build a stand-alone animal adoption center to dramatically improve the adoption rates for animals brought to the City's shelter. Staffing (11 FTE) and operating costs to run the center would be required should the center be built. Should a planned endowment fund-raising effort fall short of what would be required, additional funds would need to be budgeted. The annual cost is approximately \$464,676 with estimated potential revenue of \$187,500.

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

Northside Animal Control and Care Center – Fort Worth continues to expand to the north and west and a large percentage of service calls originate on the north side. The lone Animal Care and Control facility is currently on the far Southeast part of the city. This creates significant operational inefficiencies due to travel times, fuel costs and wear-and-tear on vehicles. There is a need for a north side animal care and control shelter annex with adequate staffing (15 FTE) and operating budgets. First year costs would be approximately \$708,859.

Community Relations

Closed Captioning – The Community Relations Department was able to find savings in its FY2009 budget to fund closed captioning services for FY2010. Continuation of the service beyond FY2010 will require an ongoing allocation of approximately \$50,000 to fund the annual contract with the provider.

Centralized Call Center – The City Council has asked city staff to consider a centralized customer contact center or a “311 Call Center”. To date, the City of Fort Worth had merged the call center functions of four major service departments or areas – Environmental Management, Code Compliance, Animal Care and Control, and Transportation and Public Works - as well as the city’s main switchboard number into the new City Call Center, formerly called the Solid Waste Call Center. The three-year plan for the City Call Center calls includes the following items:

- Citizens can reach the City Call Center with one phone number.
- Calls will be answered 24/7.
- Online service requests can be made and tracked (see next item).
- Departments to be considered for consolidation into the City Call Center will be identified and consolidation planning will be implemented.

There will be costs for licensing, programming and maintenance of the system in addition to staffing needs. As the scope of this project is still evolving, budgetary impacts to the general fund are unknown at this time.

Online Tracking – A Multi-Departmental Online Service Request & Tracking System is needed to improve the quality of customer service on the City of Fort Worth’s Web site. The system would increase resident access to city services by providing a centralized, knowledge-based customer complaint / request tracking system. The system would address online complaints and requests from the public as well as City employees and would benefit departments by offering coordinated reporting, tracking, auditing and problem resolution capability. Cost of implementing an enterprise system is approximately \$150,000.

Reliance on Federal Funding – Funding from the U.S. Equal Employment Opportunity (EEOC) and the U.S. Department of Housing and Urban Development’s Fair Housing Assistance Program (FHAP) and Community Development Block Grants (CDBG) provides funding for the City’s fair employment, fair housing, landlord and tenant counseling and neighborhood capacity building programs. Fluctuations and decreases in EEOC, FHAP and CDBG funding will impact the staffing levels requiring the department to secure local funds in order to continue to enforce the City’s anti-discrimination in employment laws, enforcement of fair housing laws and provide the same level of service to neighborhoods, landlords, tenants and housing providers. The reliance on federal funding is classified as near term as we are typically impacted by the federal budget and possible budget cuts. Over the past five years, outside funding from the above sources has decreased by 11% or \$76,000. This downward trend is expected to continue at an increased pace that may exceed \$100,000 over the next five years thus impacting the department’s ability to fund staff and operations. Future inflationary pressures are not included in this estimate.

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

Youth, Education and Families – Education attainment for Fort Worth residents will continue to be an important policy issue with children coming to kindergarten unprepared to succeed, not doing well in school, and dropping out before completing high school. Federal funds, in addition to City of Fort Worth general operating funds, have supported the City's Early Childhood Program to train parents to ensure their children have the skills they need. Although the City Council approved funding to pay staff to continue funding of two Early Resource Centers in FY2010, the loss of federal funding would result in closure of two existing (grant funded) Resource Centers and two planned (grant funded) Resource Centers opening in FY2010.

Housing and Economic Development:

Fort Worth Partnership for Community Development – The City of Fort Worth along with the Amon Carter Foundation, the Sid Richardson Foundation, and the local business community created this partnership. Initially, the City made a three-year commitment to fund the Partnership in the amount of \$800,000 (\$275,000 in FY2007, \$275,000 in FY2008 and \$250,000 in FY2009). The initial \$275,000 funding was provided in FY2007 by using funds acquired through the sale of real property. Additional, funding was provided by the Local Development Corporation to make up for the lack of FY2008 funding. Due to budget constraints, funding has not been requested for as originally supposed to be for FY2009. The organization is requesting annual funding for the programs moving forward. The request is that annual funding be reduced to \$100,000 annually after the last portion of the initial commitment is made available. The final portion of the original commitment was \$250,000, which would have been due this past fiscal.

Funding to Repay the City's Federal Line of Credit for HUD Findings – The City of Fort Worth has been receiving grant funding from the Department of Housing and Urban Development (HUD) since 1986. Periodically, HUD audits the grant expenditures to ensure compliance with HUD regulations. Based on HUD audits and reviews which determined that some grant expenditures are ineligible, there is the potential for the City to be required to repay its federal line of credit with non-federal funds in an amount over \$2 million dollars in the next few years. Currently, a total of \$657,094 is being held in an escrow account in anticipation of repaying these HUD findings. Once the current escrow account is exhausted in March of FY2010, funds will be needed to reimburse HUD for any additional ineligible expenditures.

Human Resources:

On-Site Employee Health Clinic and Fitness Facility – City Council approved the establishment of the On-Site Employee Health Clinic and Fitness Facility funded from the Workers' Compensation Fund in the amount of \$1,050,500. Workers' Compensation Fund currently contains sufficient funds in excess reserves to fund the Employee Health Clinic and Fitness Facility operations for approximately three years through FY2012. Beginning in FY2013 if the Employee Health Clinic and Fitness Facility is continued, an alternative funding source will need to be identified for operations.

Environmental Management:

Changing State and Federal Environmental Mandates – Greenhouse Gas Benchmark and Monitoring – In late September 2009, a federal law requiring affected industries to collect accurate and timely data on greenhouse gas (GHG) emissions was promulgated. As a result, the City must collect baseline emissions data in calendar year 2010 with reoccurring compliance data collected over the next 5 years. The City has not performed this type of work or analysis in the past and will require the assistance of engineers, contractors, and vendors to assure appropriate effort and infrastructure to appropriately measure and report impact. The City has been awarded an Energy Efficiency and Conservation Block Grant for the initial assessment process in an amount not to exceed \$88,300 including grant administrative costs. Future year

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

funding requirements will be determined by this initial assessment along with the results of pending legislation.

Changing State and Federal Environmental Mandates – Clean Air Act Compliance Requirements – North Texas is currently in non-attainment for Ozone with the National Emissions Standards for Hazardous Air Pollutants. Proposals have the standard potentially dropping to 60 parts-per-billion (ppb) from the current 85ppb resulting in the need for the implementation of additional control measures. Potential control measures that may be enacted and affect the City of Fort Worth operations include, but may not be limited to, regional policies and partnerships, the institution of fees and fines, an independent enforcement situation, and/or other schemes to limit or reduce ozone precursor emission production. Costs associated with these new requirements can not be determined until the federal lawsuit is finalized later this year and the Clean Air Steering Committee reconvenes to write the control measures anticipated for the next state implementation plan.

Sustainability – Sustainability is a broad term used to define a business practice wherein an organizations' environmental "footprint" is defined and policies and measures are implemented to minimize or eliminate this impact. Sustainability issues potentially include, but are not limited to the minimization of the City's waste stream, implementation and enforcement of a clean fleet policy, the application of smart growth and resource conservation programs, and green economic development models. Sustainability will be driving compliance and development issues over the next 5 years. As the City looks to implement the recommendations of the City's Sustainability Task Force and additionally require state and federal resource conservation and preservation rules, additional effort will be required to ensure that appropriate evaluation, reductions, and compliance measures are being recorded in the public, private, and commercial sectors. No cost estimate has been determined at this time but we anticipate that funding will be absorbed within existing department program costs.

Financial Management Services:

Office Space – In order to meet the demands placed on the department for CAFR completion and compliance needs, the number of staff has increased over the last couple fiscal years. Accordingly, office space continues to be an issue for the department. Accommodations for staff need immediate attention. The estimated cost to renovate the first floor of the Zipper Building is \$400K. Renovation for the third floor of City Hall is much less at a cost of \$16K.

BuySpeed Upgrade/Modifications – In 2009, BUYSPEED will be upgraded to the web based version in order for the City to continue to receive vendor support. The upgrade is currently underway and is on schedule. In conjunction with the system upgrade, the department has recently been informed that additional hardware will likely be required in order to retire the older Buyspeed servers. The maintenance fee schedule is also changing. It will now be based on each user login instead of concurrent licenses.

Fire:

2nd Fire Company for Stations North of the Loop – The City has nine fire stations in the area north of loop 820, of those only two stations (Stations 35 and 38) have 2nd fire companies. The lack of a second company delays an aerial apparatus for multi-story buildings by 20-30 minutes and results in long response time during multiple events such as weather-related EMS and fires. One company per year should be added to existing North stations.

Spinks Fire Station – Planning for Fire Station 42 at Spinks Airport is underway. The Aviation Department will pay for the portion of the station used for aircraft rescue and firefighting. The estimate for the structural portion of the station is \$3 million. This amount is needed in addition

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

to Aviation funds. Initially one fire crew of 15 would start training in July 2011 in order to be trained for the station to open in early 2012.

Walsh Ranch Fire Station – The Walsh Ranch development in far west Fort Worth is expected to see the first residential structures in late 2011 or early 2012. With response times from existing fire stations to the development ranging from 9 - 16 minutes, a station in the development will be needed by 2013. For planning purposes the station design/construction cost is \$5 million. An additional \$750,000 for fire apparatus is needed.

Law:

Prosecutor for Additional 4th floor Municipal Court Courtroom – The Law Department anticipates the potential addition of a courtroom on the 4th floor of the Municipal Court will necessitate an additional prosecutor position and additional office space. Additionally, Law anticipates the need for two additional prosecutors over the next five years as the population grows and cases filed in Municipal Court increases. Physical space will need to be addressed by Municipal Court personnel.

Library:

Increase Library Materials – Circulation has increased over 8% the last two fiscal years. Current funding levels can only maintain the library collection at its present size, as over 100,000 worn and outdated books, DVDs, and CDs must be replaced each year. Projected FY2009 per capita holdings is 1.48. An additional 157,000 items will be required to attain the State's basic collection standard of 1.6 items per capita by 2012.

Library Comprehensive Plan – It is necessary to allocate funds for the development of a comprehensive plan for the City of Fort Worth library system. This will include securing consultants, including associated costs, with expertise in library planning. A Library Comprehensive Plan includes outcomes assessment of the 2003 Long Range Services Plan, citizen survey of existing/possible future library services, demographic forecast/needs assessment, and facilities/technology assessments

Municipal Court:

Additional Jury Courtroom – An additional jury courtroom will require increased operational costs in terms of jury summons, jury payments, increased staffing costs, paper and postage requirements. Personnel costs include a Judge, Deputy Marshal and Senior Customer Service Representative.

Lake Worth – The Lake Worth Trust Fund has been decreasing due to the sale of properties around the Lake. The fund has historically been used to fund Lake Patrol operations consisting of 6 Marshals and vehicles. Although several options have been explored, including giving operational control to the Police Department, the general consensus is that because it costs more to staff the Lake Patrol with police officers than marshals, it will eventually be included in the Municipal Court General Fund budget item.

Office Equipment Furniture and Replacement – The department is currently utilizing old furniture which will require mass replacement, including the phasing out of obsolete office equipment, such as rotary files and shelving. Budgetary concerns will include the cost to replace or update furniture and large equipment. A major consideration is the age of the building which may require substantial refurbishing to remain functional.

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

Parks and Community Services:

Parks and Medians – Growth and Annexation Increase the Need for Funding and Facilities – Growth of the city in new developing areas located further away from existing infrastructure, operational support and services continues to place increased demands on existing resources. New budget dollars are directed to these areas which places a greater burden on existing operations and maintenance activities in older, central city areas where much of the infrastructure has exceeded its useful life.

Growth in Park Units and Acreage – As a result of the 2000 Neighborhood and Community Park Dedication Policy, fully developed parks are coming on-line requiring immediate services. The Park, Recreation and Open Space Master Plan indicates the addition of an estimated 850 acres by 2011 at an annual cost of \$3,400 per acre resulting in a need to increase total operating expenses by \$2.7 million. Funding will be needed for park/athletic field staff and maintenance facilities to increase efficiency and meet current standards. All park district operation compounds are located inside Loop 820. Parks in “outlying areas” currently require a 30-minute+ drive to reach.

Zoo Improvements and Contract Renewal – The need to continue the appropriation of funds to underwrite utility improvements and insurance at the Fort Worth Zoo continues per the operations contract with the Fort Worth Zoological Association (Zoo Association), the cost of utility improvements for projects approved for construction or renovation by the City at the Zoo would be paid by the City. A review of current and proposed Zoo projects is completed annually. The actual construction and operation of the new exhibits are funded through the Zoo Association. The cost for insurance and any repairs to the actual exhibit buildings are provided by the City annually. It is anticipated that these costs will continue to escalate at a 3-5% rate each year. The Zoo Association is nearing the close of the first twenty years of their contract with the City. Although the contract has renewal options, the ability of the Zoo Association to fund capital improvements is directly related to the remaining years of the current agreement period. As a result, the Zoo Association will be pursuing a renewal and review of the current operations contract with the City and possible additional concessions, including an increased city subsidy (\$5.4 m in FY2010) for the operation of this valuable asset and City attraction.

Aquatic Program – The FY2010 Adopted Budget required the closure of six of the seven City of Fort Worth public swimming pools during the summer in 2010. In accordance with the City-wide Aquatic Master Plan adopted in January 2008, the ground work for a long term comprehensive approach to replace existing facilities which have exhausted their useful life has been laid. The 20 year plan calls for construction of contemporary designed facilities including Medium Family Aquatic Centers and “spray-grounds”. Capital funds for design and construction require allocation and, once complete, operating dollars will be necessary to service and program these facilities.

Addition of Community Centers – The 2004 CIP allocated \$5 million for the design and construction of two community centers. The south central area of the city has been designated for one center which is scheduled to come online in FY2011. The second facility will be located in the far southwest area and is targeted for completion in FY2012. Both facilities will require funding for initial costs to open including furniture, supplies and equipment; thereafter, on-going costs to maintain programs and operations.

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

Planning and Development:

New Permitting Software – The City's growing needs and increased complexity have taxed the department's permitting software (Permits Plus) beyond its capabilities. Several departments are dependent upon the software including Fire and Parks. Additionally, this permitting system is primary in providing checks and balances for verifying revenue. The current software system falls short in this capacity. Personnel from IT Solutions are developing specifications to replace or upgrade the system. Planning and Development anticipates the purchase can be financed through equipment notes or with the contracted vendor.

Police:

Increasing Jail Cost – In FY2010, the jail cost grew by \$268,258 due to increases in contractual services and personnel cost, however, the Crime Control and Prevention District (CCPD) contribution to the jail contract was capped off at the FY2005 funding level. Since the amount not funded by CCPD will continue to increase at a rate of about 4% a year, a future objective is to entirely shift jail costs to the General Fund.

Civil Service Pay Plan – The Crime Control and Prevention District (CCPD) initially funded a cost of living adjustment for Police Officers in 1995. The CCPD Board and City Council has expressed a mutual commitment to begin transferring ongoing CCPD personnel cost to the General Fund to allow for a more focused acquisition of crime prevention equipment and technology.

Heliport – The Department is actively seeking a new site to relocate the Police Heliport therefore related construction and long term lease cost are presently unknown.

Transportation and Public Works:

Traffic Safety Infrastructure Management – The current funding levels are insufficient to permit the establishment of adequate preventive maintenance programs to keep the City's traffic safety infrastructure (street lights, traffic signals, traffic signs, pavement markings, railroad crossing safety devices, and intelligent transpiration systems) performing at industry standards. To replace pavement markings on an eight year cycle, a proactive Contract Pavement Marking Program is recommended. The program would be a phased implementation starting in FY2011 with \$480,000 and adding \$120,000 for the following four years for a total annual funding of \$960,000 by ultimate program implementation in FY2015.

Street Infrastructure Performance – The Major Street Maintenance Program's goal is to maintain the street network at a service level of Pavement Quality Index 7, on a scale of 0 (Poor) to 10 (Perfect) which requires \$24M annually. The current budget is \$19.7M leaving a \$4.3M funding gap. Additionally, to maintain the current level of service, the budget must be adjusted annually to offset inflation. In FY2011, a second concrete crew needs to be added at a cost of \$510,000 annually plus a one time equipment purchase cost of \$600,000. The Bridge Program's goal is to maintain bridges at a rating of 6 on a scale of 0 (Poor) to 9 (Excellent). Based on the 2007 inventory and long range bridge management program, \$2.5M is needed annually. The current budget is \$1.6M. In FY2011, \$500,000 is needed for contract bridge maintenance. A second bridge crew needs to be added in FY2012 at a cost of \$510,000 annually plus a one time equipment purchase cost of \$600,000.

Equipment Services:

Expansion of the Water Service Center – The Water Service Center is already past capacity. The recommendation from the CMO is that this expansion be paid for in a Water Capital Project.

**SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)**

This expansion in ESD staff would not be possible until after the building is expanded. These expenses reflect an increase of 9 A.P.'s.

Municipal Golf:

Golf Courses – All six golf courses have declining infrastructure due to the age of the courses and their facilities. It will be the challenge of the golf division to develop a plan to address each of these needs and how to fund the improvements. Currently the gas policy allows for 50% of the gas royalties and bonus to remain in a capital improvement fund. Staff will have to address the list of infrastructure needs as funds become available from gas revenues.

Municipal Parking:

Commercial Loading Zones –This parking service enhancement entails converting 60 existing loading zones in the Central Business District (CDB) to metered commercial loading zones. Metering encourages more efficient use of the spaces within the zones while generating revenue from current non-revenue producing spaces.

Parking Meter Expansion –This is a continuation of a multi-year meter expansion program designed to increase the number of parking meters in the Central Business District (CDB) from 2,000 to 3,500. Three hundred and fifty (350) meters will be added annually at a cost \$75,000. Two additional employees will be needed over the next five years.

Garage Security – During the next two years approximately \$235,000 will be needed to install, and \$10,000 annually to maintain security systems and improve overall safety in the Commerce Street, Houston Street and the Taylor Street garages

Credit card/Smartcard – The department studied a few options in FY2009 for a smartcard system. The system did not prove to be a viable option. The Municipal Parking Fund will implement a pilot for FY2010 with potential full implementation in FY2011. The estimated cost is \$100,000.

Office Services:

Billing Program for Reprographics – The program in use was designed in-house in DOS dbase 4 in 1989-90 and has been a fast and easy system. The program is no longer available and not compatible with newer operating systems and software. Our current program loses data periodically and the city no longer has dBase experts to fix it. For reporting purposes it is essential that Reprographics get a tested and proved program. The last price Reprographics received for a new billing program was approximately \$60,000 plus a \$6,000 annual maintenance.

Solid Waste:

Review and Renewal of Fort Worth's Solid Waste Management Program – In 2013, City contracts for the collection and management of the residential garbage, recycling, yard waste and bulk trash as well as cart procurement/maintenance and recycle processing will expire. Over the next 3 years, the City will be required to determine the effectiveness of the programs, if it is in the best interests of the citizens to renew or re-bid the contracts, and what changes or improvements need to be made to the collection program. Contractors will be required to help provide the effort and experience to ensure that issues are appropriately researched and vetted and contracts are executed in a timely manner.

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

Stormwater Utility:

Capability increase for Field Operations – The Field Operations Section is responsible for infrastructure maintenance and repair (sink-holes, cave-ins, blockages and pipe separations), channel maintenance and reconstruction (erosion mitigation, grading, vegetation management, cleaning), inlet cleaning and minor construction projects. For the year's shown, capability is added to the program in accordance with the implementation plan presented to City Council in 2006 using a mix of contract and in-house resources. A privatization evaluation is being completed and over the next 12 to 15 months it is likely that major Storm Water infrastructure construction and repair projects will become contractor supported while routine maintenance and minor repairs will be accomplished in-house.

Capability increase for Studies, Project Planning and Project Funding – The Engineering Section is responsible for Watershed Studies and Project Planning, as well as Project Management (Project Management costs charged to projects) for Stormwater initiated projects. Studies are critical for systematic and consistent development of projects which reduce flooding, protect lives and property and ensure storm water runoff quality. Each year represents increased capability in these areas. This initiative also identifies debt service for projects funded by Storm Water revenue bonds.

GIS Infrastructure Assessment – The Stormwater Utility was implemented with the understanding that reliable data regarding the status, condition or precise location of Fort Worth's underground drainage infrastructure was virtually non-existent. This initiative represents a contract with a consultant to map the stormwater watersheds throughout the City and to build a GIS infrastructure database to capture and manipulate this data for hydraulic modeling and project preparation. Fiscal Year 2010 is year two of this estimated four year project.

Northside Operations Facility – Continue collaboration with other Departments and the Program Management Office to locate and acquire a suitable location north of Loop 820 for a multi-departmental facility to house field operations. This facility is essential and required to eliminate the operational inefficiency resulting from extended travel periods to and from existing facilities.

Water Department:

Westside Water Treatment Plant – The recent Fort Worth Water System Master Plan found that the existing westside water system lacks the capacity to meet the future demands due to development and annexation. To meet these future demands, it was recommended the construction of a water treatment plant in the western part of Fort Worth. The proposed plant will treat up to 10 million gallons of raw water per day from the recently installed Tarrant Regional Water Board 90-inch raw water main, connecting Eagle Mountain Lake with Richland Chambers, Cedar Creek, and Benbrook Reservoirs. The plant is expected to be in service in 2012. A State Revolving Loan will be utilized to fund the construction of this project so debt services payments have been included in this estimate. Additionally, this plant will only provide for growth of the existing service revenue, not a new revenue source.

Drought Response Program – The Water Department has been working with Tarrant Regional Water District (TRWD), the Trinity River Authority and the cities of Arlington and Mansfield to develop a consistent and updated Emergency Water Management/Drought Contingency Plan to the Texas Commission on Environmental Quality (TCEQ). The update was required after an evaluation by TRWD consultants showed the prior plan had virtually no impact on reducing water usage in times of drought. From a drought perspective, Stage 1 would be triggered when water supply is at 75 percent of capacity; Stage 2 would be triggered when water supply is at 60

SIGNIFICANT ISSUES WITH BUDGETARY IMPACT
(continued)

percent and Stage 3 would be triggered when water supply is at 45 percent. Each customer would be limited to two watering days per week in Stage 1, one watering day per week in Stage 2 and only outdoor watering with a handheld hose would be allowed in Stage 3. TRWD estimates Stage 1 could occur, on average, once every five years. While the Water Department currently budgets for the enforcement of this program as a part of the Water Conservation Program, there could be a reduction in water service revenues due to the restriction of customer usage.

SUMMARY OF AUTHORIZED POSITIONS AND EXPENDITURES GENERAL FUND BY DEPARTMENT

SUMMARY OF AUTHORIZED POSITIONS AND EXPENDITURES GENERAL FUND BY DEPARTMENT

	AUTHORIZED POSITIONS					EXPENDITURES				
	Actual 2008	Adopted 2009	Adopted 2010	A.P. Change	% Change	Actual 2008	Adopted 2009	Adopted 2010	\$ Change	% Change
BUDGET & MGMT SERVICES	17.00	0.00	0.00	0.00	0.00%	\$ 1,647,861	\$ -	\$ -	\$0	0.00%
CITY MANAGER	47.00	42.00	33.00	(9.00)	(21.43%)	\$ 6,258,795	\$ 7,775,196	\$ 5,310,513	(\$2,464,683) *	(31.70%)
CITY SECRETARY	7.50	11.50	11.50	0.00	0.00%	\$ 660,469	\$ 1,022,442	\$ 1,020,665	(\$1,777)	(0.17%)
CODE COMPLIANCE	125.00	195.00	181.00	(14.00)	(7.18%)	\$ 10,023,611	\$ 14,783,367	\$ 14,206,884	(\$576,483)	(3.90%)
COMMUNITY RELATIONS	21.05	54.05	47.65	(6.40)	(11.84%)	\$ 1,439,150	\$ 4,056,083	\$ 4,558,138	\$502,055	12.38%
ENVIRONMENTAL MANAGEMENT	14.00	9.50	8.50	(1.00)	(10.53%)	\$ 995,135	\$ 872,153	\$ 723,244	(\$148,909)	(17.07%)
FINANCIAL MANAGEMENT SERVICES	71.00	91.00	71.00	(20.00)	(21.98%)	\$ 6,024,136	\$ 8,503,718	\$ 5,848,027	(\$2,655,691) *	(31.23%)
FIRE	900.00	948.00	950.00	2.00	0.21%	\$ 96,561,790	\$ 103,562,348	\$ 105,131,539	\$1,569,191	1.52%
HOUSING	7.83	0.00	0.00	0.00	0.00%	\$ 705,893	\$ -	\$ -	\$0	0.00%
HOUSING AND ECONOMIC DEVELOPMENT	37.50	36.30	35.90	(0.40)	(1.10%)	\$ 4,089,864	\$ 7,202,892	\$ 6,965,869	(\$237,023)	(3.29%)
HUMAN RESOURCES	48.05	37.05	36.05	(1.00)	(2.70%)	\$ 4,183,095	\$ 4,381,663	\$ 4,068,136	(\$313,527)	(7.16%)
INTERNAL AUDIT	16.00	16.00	15.00	(1.00)	(6.25%)	\$ 1,221,503	\$ 1,187,162	\$ 2,351,986	\$1,164,824	98.12%
LAW DEPARTMENT	46.00	49.00	54.00	5.00	10.20%	\$ 4,944,861	\$ 5,516,005	\$ 5,851,485	\$335,480	6.08%
LIBRARY	252.50	207.75	225.25	17.50	8.42%	\$ 17,347,277	\$ 16,994,721	\$ 17,435,414	\$440,693	2.59%
MAYOR AND COUNCIL	7.00	0.00	0.00	0.00	0.00%	\$ 1,380,432	\$ -	\$ -	\$0	0.00%
MUNICIPAL COURT	193.00	192.50	189.50	(3.00)	(1.56%)	\$ 12,078,734	\$ 13,215,596	\$ 13,229,446	\$13,850	0.10%
NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00%	\$ 103,486,868	\$ 64,241,832	\$ 66,694,974	\$2,453,142	3.82%
PARKS & COMMUNITY SERVICES	367.10	351.60	335.10	(16.50)	(4.69%)	\$ 28,890,684	\$ 36,255,181	\$ 33,786,418	(\$2,468,763)	(6.81%)
PLANNING & DEVELOPMENT	162.00	161.00	151.00	(10.00)	(6.21%)	\$ 11,701,563	\$ 15,416,048	\$ 11,694,480	(\$3,721,568) *	(24.14%)
POLICE	1,659.00	1,719.00	1,725.00	6.00	0.35%	\$ 156,777,565	\$ 169,584,253	\$ 178,049,079	\$8,464,826	4.99%
PUBLIC EVENTS	141.00	102.00	0.00	(102.00)	(100.00%)	\$ 11,429,427	\$ 9,230,244	\$ -	(\$9,230,244) *	(100.00%)
PUBLIC HEALTH	146.00	12.00	0.00	(12.00)	(100.00%)	\$ 9,106,670	\$ 471,535	\$ -	(\$471,535)	(100.00%)
TRANSPORTATION & PUBLIC WKS	382.00	366.00	326.00	(40.00)	(10.93%)	\$ 53,172,525	\$ 54,714,713	\$ 51,475,246	(\$3,239,467)	(5.92%)
ZOO	0.00	0.00	0.00	0.00	0.00%	\$ 5,106,036	\$ -	\$ -	\$0	0.00%
GENERAL FUND TOTAL	4,667.53	4,601.25	4,395.45	(205.80)	(4.47%)	\$ 549,233,944	\$ 538,987,152	\$ 528,401,543	(\$10,585,609)	(1.96%)

***Significant organizational changes:**

-City Manager's Office - The Program Management Office, Cable Fund Subsidy and the Office of Emergency Management were transferred out to the Capital Projects Service Fund, Community Relations Department and the Fire Department, respectively.

-Financial Management Services - Budget and Research, Utilities Management and Capital Projects Division were transferred out to the City Manager's Office, Law Department and the Capital Projects Service Fund, respectively.

-Planning and Development - The Directions Home Program (homelessness) transferred to the Housing and Economic Development Department.

-Public Events - The Public Events Department will be consolidated into the Culture and Tourism Fund and eliminated as a department.

SUMMARY OF AUTHORIZED POSITIONS AND EXPENDITURES OTHER FUNDS

SUMMARY OF AUTHORIZED POSITIONS AND EXPENDITURES OTHER FUNDS

	AUTHORIZED POSITIONS					EXPENDITURES				
	Actual 2008	Adopted 2009	Adopted 2010	A.P. Change	% Change	Actual 2008	Adopted 2009	Adopted 2010	\$ Change	% Change
Enterprise Funds										
MUNICIPAL AIRPORTS FUND	28.00	29.00	26.00	(3.00)	(10.34%)	\$ 3,188,036	\$ 3,162,904	\$ 4,619,947	\$1,457,043	46.07%
MUNICIPAL GOLF FUND	48.25	48.45	48.45	0.00	0.00%	\$ 5,216,668	\$ 5,331,997	\$ 5,726,246	\$394,249	7.39%
MUNICIPAL PARKING FUND	2.00	19.00	19.00	0.00	0.00%	\$ 3,242,505	\$ 4,291,778	\$ 4,654,455	\$362,677	8.45%
SOLID WASTE FUND	80.00	78.00	71.00	(7.00)	(8.97%)	\$ 45,153,961	\$ 50,222,684	\$ 52,508,397	\$2,285,713	4.55%
STORMWATER UTILITY FUND	75.00	112.75	114.75	2.00	1.77%	\$ 17,121,792	\$ 19,327,564	\$ 25,693,028	\$6,365,464	32.93%
WATER AND SEWER FUND	885.00	931.00	926.00	(5.00)	(0.54%)	\$ 289,842,812	\$ 334,577,926	\$ 341,494,432	\$6,916,506	2.07%
Internal Service Funds										
CAPITAL PROJECTS SERVICE FUND	186.75	125.00	145.00	20.00	16.00%	\$ 15,821,573	\$ 11,824,766	\$ 14,580,275	\$2,755,509	23.30%
EQUIPMENT SERVICES FUND	126.00	127.00	123.00	(4.00)	(3.15%)	\$ 26,123,659	\$ 27,189,589	\$ 25,561,551	(\$1,628,038)	(5.99%)
INFORMATION SYSTEMS FUND	131.00	115.00	115.00	0.00	0.00%	\$ 20,484,431	\$ 22,912,526	\$ 23,179,951	\$267,425	1.17%
OFFICE SERVICES FUND	19.00	19.00	12.00	(7.00)	(36.84%)	\$ 2,572,949	\$ 2,555,019	\$ 2,179,089	(\$375,930)	(14.71%)
TEMPORARY LABOR FUND	2.00	2.10	2.10	0.00	0.00%	\$ 1,141,412	\$ 1,884,962	\$ 1,186,168	(\$698,794)	(37.07%)
Special Funds										
CABLE COMMUNICATIONS	13.00	12.00	7.00	(5.00)	(41.67%)	\$ 1,038,545	\$ 1,019,898	\$ 616,341	(\$403,557)	(39.57%)
CRIME DISTRICT	249.00	248.00	248.00	0.00	0.00%	\$ 50,465,748	\$ 51,341,543	\$ 50,625,926	(\$715,617)	(1.39%)
CULTURE AND TOURISM FUND	10.40	47.40	129.40	82.00	173.00%	\$ 14,705,736	\$ 19,931,675	\$ 29,010,535	\$9,078,860	45.55%
DEBT SERVICE FUND	0.00	0.00	0.00	0.00	0.00%	\$ 52,805,402	\$ 58,891,168	\$ 64,414,743	\$5,523,575	9.38%
ENVIRONMENTAL PROTECTION FUND	26.00	19.50	20.50	1.00	5.13%	\$ 4,138,979	\$ 4,304,033	\$ 4,305,117	\$1,084	0.03%
FEDERAL AWARDED ASSETS FUND	0.00	0.00	0.00	0.00	0.00%	\$ 141,099	\$ 258,460	\$ 630,257	\$371,797	143.85%
GROUP HEALTH FUND	9.80	10.00	10.00	0.00	0.00%	\$ 67,670,683	\$ 76,223,567	\$ 79,543,165	\$3,319,598	4.36%
LAKE WORTH TRUST FUND	0.00	0.00	0.00	0.00	0.00%	\$ 2,134,438	\$ 814,763	\$ 922,630	\$107,867	13.24%
RISK MANAGEMENT FUND	1.00	7.00	7.00	0.00	0.00%	\$ 5,509,866	\$ 6,665,908	\$ 7,128,399	\$462,491	6.94%
STATE AWARDED ASSETS FUND	0.00	0.00	0.00	0.00	0.00%	\$ 999,297	\$ 449,527	\$ 152,150	(\$297,377)	(66.15%)
UNEMPLOYMENT COMP FUND	0.15	0.20	0.20	0.00	0.00%	\$ 185,628	\$ 342,050	\$ 349,134	\$7,084	2.07%
WORKERS COMP FUND	0.00	5.65	5.65	0.00	0.00%	\$ 11,672,434	\$ 12,989,350	\$ 10,300,150	(\$2,689,200)	(20.70%)
SPECIAL TRUST FUND	0.00	0.00	0.00	0.00	0.00%	\$ 8,703,018	\$ 9,249,018	\$ 4,668,018	(\$4,581,000)	(49.53%)
TOTAL ALL FUNDS	5,672.88	6,557.30	6,425.50	(131.80)	(2.01%)	\$ 1,190,611,597	\$ 1,255,500,809	\$ 1,282,451,647	\$22,282,820	2.15%

GLOSSARY

In discussions of the City's budget, many technical terms are often used. Here are simple definitions that may be helpful in understanding financial matters.

A

Account: A code made up of numbers used to classify how specific dollar amounts come into the City or how they are being spent.

Accrual Accounting: A bookkeeping system that records income when it is earned rather than when it is actually received. For example, in accrual accounting, revenue that was earned between April 1 and June 30, but for which payment was not received until July 10, is recorded as being received on June 30 rather than on July 10.

Appropriation: A legal authorization made by the City Council that permits the City to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited to a certain amount and period of time in which it may be expended.

Assessed Valuation: The dollar value established for real or personal property for use as a basis for levying property taxes. (Note: the Tarrant Appraisal District establishes City of Fort Worth property values.)

Audit: A comprehensive examination as to the manner in which the government's resources were actually utilized, concluding in a written report. A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's appropriations. A performance audit consists of a review of how well the government met its stated goals.

B

Balance Sheet: A financial statement that discloses the assets, liabilities, and equity of a specific governmental fund as of a specific date.

Bond: An interest-bearing certificate of debt; a written contract by an issuer to pay to the lender a fixed principal amount on a stated future date, and a series of interest payments on the principal amount until it is paid in full.

Budget: A financial plan for a specified period of time (fiscal year) that includes all planned expenditures for various municipal services and the proposed methods of financing them.

Budget Calendar: The schedule of key dates or milestones, which the City departments follow in preparation, adoption, and administration of the budget.

Budget Document: The official plan showing how the City finances all of its services.

Budget Message: The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the previous fiscal year, and recommendations of the City Manager. This section is also referred to as the City Manager's transmittal letter.

Budgetary Control: The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

C

Capital Equipment Budget: The portion of the annual budget that appropriates money for the purchase of capital equipment. This is different from expenditures for salaries, utilities

and office supplies. Examples include vehicles, furniture, machinery, building improvements, microcomputers, and special tools. The definition of capital varies according to the policy established by each jurisdiction. For the City of Fort Worth, capital is defined as items with a value of at least \$5,000 and a useful life of three years.

Capital Improvement Program: A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a fixed period of several future years. This is the way major streets and bridges are repaired and municipal buildings, including libraries and jails, are built. In addition, debt financing distributes the burden of the cost of items with long life spans over more generations of users.

Capital Improvement Program Budget: A Capital Improvement Program (CIP) Budget is a separate budget from the operating budget that identifies planned capital improvement projects for the upcoming year.

Cash Accounting: A basis of accounting in which transactions are recorded when cash is either received or expended for goods and services. See “accrual accounting” for the definition of an alternative to cash accounting.

Cash Management: The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

Center: A numerical code that shows which department or section is responsible for specific revenues and expenditures.

Character: The method of classifying expenditures. The five major characters used by the City are personal services-01, supplies-02, contractual services-03, capital outlays-04, and debt service-05.

Current Taxes: Taxes that are levied and due within one year.

D

Debt Service: The City’s obligation to pay the principal and interest on all bonds and other debt instruments according to a payment schedule.

Delinquent Taxes: Taxes that remain unpaid after the date on which a penalty for nonpayment is attached.

Department: A major administrative division of the City that indicates overall management responsibility for an operation or group of related operations within a functional area.

Depreciation: The process of estimating and recording the loss of usefulness/value of equipment over a period of time. Depreciation is shown as an expense and is reflected in the reduced overall value of the City’s existing assets each year.

Designation: Designations are the desired uses of fund balance which are discretionary in nature in that the requested items were not budgeted in the prior year. To be a valid designation request, the department must not have spent to their prior year budget (i.e., have savings), and must provide justification for the request approved by the appropriate Assistant City Manager.

Disbursement: The release of funds as payment for goods and services.

E

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Enterprise Fund: A fund used to account for operations that are financed and operated like a private company, where the goal is to recover the cost of providing goods by charging user fees. Enterprise funds are established in the City of Fort Worth for services such as water, sewer, parking facilities, airports, solid waste management, and golf courses.

Estimated Revenue: The amount of revenue expected to be collected during the year.

Expenditure: A decrease in available financial resources other than from transfers from one City fund to another. Expenditures are made in order to purchase goods and to pay for services.

Expenses: The obligation of funds during a specific period of time for the delivery or production of goods, rendering of services, or carrying out of other municipal activities.

F

Fiscal Year: The twelve-month period to which the annual operating budget applies. The fiscal year for the City of Fort Worth coincides with the federal fiscal year, which begins on October 1 and ends on September 30.

Fixed Asset: Assets that are intended to be held or used over an extended period of time, such as land, buildings, machinery, furniture, and other equipment.

Fund: A fiscal and accounting entity with a balancing set of accounts that records all financial transactions for specific activities of government functions. Seven major fund types and two account groups are commonly used: general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, general fixed asset account group, and general long-term debt account group.

Fund Balance: Fund balance is the difference between a fund's assets and liabilities.

Full Faith and Credit: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

G

General Fund: The largest fund within the City that accounts for a large portion of financial resources. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. Most of the basic operating services, such as fire and police protection, finance, data processing, park and recreation, libraries, public works, and general administration, are supported by this fund.

General Ledger: A file that contains a listing of the various accounts necessary to show the financial position and results of City operations.

General Obligation Bonds: Bonds that finance a variety of public projects such as streets, buildings, and capital improvements. The repayment of these bonds is usually made from the General Fund. The full faith and credit of the City back such bonds.

Grant: A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block, depending upon the instructions of the grantor.

I

Interfund Transfers: Amounts transferred from one fund to another.

Intergovernmental Revenue: Revenue received from another government for a specified purpose. The City of Fort Worth receives intergovernmental revenue from county, state, and federal sources.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to another department on a cost reimbursement basis. Examples in the City Fort Worth include the Office Services Fund, the Equipment Services Fund, the Temporary Labor Fund, the Information Systems Fund, and the Engineering Fund.

Inventory: A detailed listing of property currently held by the government showing quantities, descriptions, and values of the property, including units of measure and unit prices.

L

Levy: To impose taxes, special assessments, or service charges for the support of City activities.

Line-Item Budget: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately along with the dollar amount budgeted for each specified category.

Long-Term Debt: Any un-matured debt with a maturity of more than one year that is not a fund liability in the current fiscal year.

M

Modified Accrual Accounting: A bookkeeping system in which revenues are recognized in the accounting period in which they become available, while expenditures are recorded in the accounting period that they are incurred. Because this is a conservative financial approach, it is recommended as the standard for most governmental funds. The City of Fort Worth employs this system.

O

Operating Budget: The portion of the budget that relates to daily operations that provide basic City services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, fuel, and the proposed means of financing each expenditure.

P

Performance Budget: A budget that focuses upon activities rather than line items. Workload and unit cost data are involved to gauge the efficiency of services. Typical data that is analyzed includes miles of streets paved per year, costs of paved streets per mile, tons of garbage collected per employee hour, and cost per employee hour of garbage collection.

Performance Measures: Specific quantitative and qualitative measures of work performed as an objective of a City department.

Program Budget: A budget that focuses upon the goals and objectives of the City rather than how it is organized and how it spends its money.

Property Tax: A legislated payment to be paid by property owners of real estate and

personal property, as determined by the property's assessed valuation and the current tax rate.

R

Reconciliation: A detailed analysis of changes in actual revenue or expenditure balances within a fund.

Requisition: A written request from a department to the Purchasing Division for specific goods or services. This action precedes the authorization of a purchase order.

Reserve: An account used to indicate the portion of a fund's balance that is legally restricted for a specific purpose and is, therefore, not available for general appropriations.

Revenue: An increase in the assets of any of the City's funds resulting from tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income. Refunds, equity transfers, and contributions of capital such as equipment and buildings are not considered revenue.

Revenue Bonds: Bonds usually sold for constructing a project that produces revenue for the City. All or part of the revenue is used to pay the principal and interest of the bond. These bonds are backed by the ability of the enterprise fund to generate income. Revenue bonds are commonly issued by the Water Department, for example, to make infrastructure improvements in the City's water delivery system.

Risk Management: An organized effort to protect the City's assets against loss, utilizing the most economical methods of prevention and insurance protection.

Rollover: Rollovers are the desired uses of fund balance for the purpose of meeting prior year commitments. Rollovers may be requested for items that, a) were budgeted in the prior fiscal year, b) are from departments that did not spend to their appropriated budget the prior year (i.e., have savings), and c) can demonstrate that the funds were encumbered for the purpose identified in the rollover request.

S

Source of Revenue: An identification of the place from which revenues originate. Common examples include sales tax, property tax, and interest income.

U

Unencumbered Balance: The amount of an appropriation that is neither spent nor set aside for a specific use. It is essentially the amount of money still available for future purchases.

V

Voucher: A document showing that a transaction has occurred or is intended to occur.

FORT WORTH

