



## An Open Letter to the Citizens of Fort Worth

### Creating a Vision for the Future

Fort Worth City Council in June of every year begins priority planning – a process to deal proactively with the many opportunities and challenges facing the community. This planning will help guide the activities of citizens, council and staff for the next five years. From this a guide has been developed that we call the “Fort Worth Strategic Goals.”

The strategic goals will enable the City Council to:

- Better understand Fort Worth’s cultural heritage
- Have a consensus on values, vision and a mission for the future
- Translate the vision into an action plan
- Prioritize the use of limited city resources
- Support staff and community groups in focusing efforts on the vision and priorities

City Council will refine and adjust the strategic plan, as circumstances change. In fact, recognizing the significance of mobility and air quality, the Council decided to heighten the importance of this issue by adding a seventh strategic goal focused on improving mobility and air quality. This strategic goals report is intended to provide a clear and concise statement about where the City Council wants Fort Worth to go the next five years and to stimulate broader discussion of the important issues facing Fort Worth now and in the future. A number of ongoing administrative and community processes will make the goals reality.

The strategic goals describe:

- What City Council desires to be accomplished over the next five years
- What Council would like Fort Worth to be doing differently
- What the impact will be to the citizens
- What challenges and opportunities must be addressed
- How the City’s efforts will be measured

In Fort Worth, the City continues to take a lead role in identifying and addressing community needs. As in the business sector, the role of government is evolving. The City of Fort Worth will continue to address community problems through the most appropriate methods possible, including partnership arrangements, brokering of services from agencies, contracting for services and other solutions. Success will require the assistance, support and partnership of the entire community.

Mike Moncrief, Mayor

Sal Espino, District 2

Chuck Silcox, District 3

Danny Scarth, District 4

Donavan Wheatfall, District 5

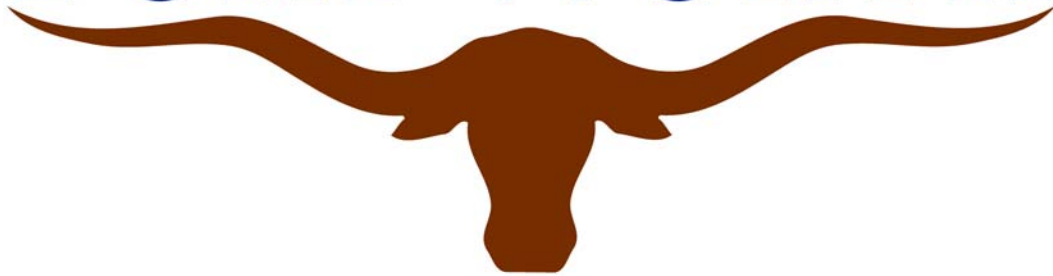
Jungus Jordan, District 6

Carter Burdette, District 7

Kathleen Hicks, District 8

Wendy Davis, District 9

**FORT WORTH**



## BUDGET FORMAT

The FY2006-07 proposed budget document for the City of Fort Worth provides historical, present, and future comparisons of revenues and expenditures; planned allocations of resources - both fiscal and personnel; and brief descriptions of the anticipated annual accomplishments of City programs outlined in each department's approved business plan.

### **FUND STRUCTURE**

Operating budgets are divided into several different funds. Activities supported by tax dollars are included in the General Fund. Enterprise Funds are those that are funded on a fee-for-service basis, such as the Water and Sewer Fund and the Municipal Airports Fund. Services that are provided internally by City departments on a fee-for-service basis for other City departments, such as the Equipment Services Fund, are specified as Internal Service Funds. Finally, Special Funds are financial accounts for special revenue sources. An example is the Workers' Compensation Fund, which administers revenue collected in the form of contributions from City departments that incur workers' compensation claim expenses. Each of these fund types is included in the City of Fort Worth adopted budget.

### **BUDGET DOCUMENT STRUCTURE**

The budget document itself is divided into several sections. The document begins with an overview of the City's adopted budget in the City Manager's message. It is followed by introductory information and summaries of revenues and expenditures, including tax base and rate data. The next sections describe personnel resources by department and finally, a calendar of budget milestones is included.

### **CITY STRATEGIC GOALS FOR CITY DEPARTMENTS**

Fort Worth City Council conducted a priority planning process to deal proactively with the many opportunities and challenges facing the Fort Worth community. This process was very influential in guiding the activities of citizens, council and staff for the next five years. Overall, the City of Fort Worth will concentrate on seven top-priority strategic goals for fiscal years 2003-2007:

- 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
- Promote orderly development in growing areas
- Promote efficient, user-friendly government.

The intention of these strategic goals is to provide a clear and concise statement about where the City Council wants Fort Worth to go in the next five years and to stimulate broader discussion of the important issues facing Fort Worth now and in the future. These strategic goals are interrelated and all departments strive toward the achievement and realization of these goals. Departments that comprise the General Fund are listed in an alphabetical order in the budget document. General Fund departments include:

Budget and Management Services	Law
City Manager's Office	Library

## D-4

City Secretary	Mayor and Council
Code Compliance	Municipal Court
Community Relations	Non-Departmental
Development	Parks & Community Services
Economic and Community Development	Planning
Environmental Management	Police
Finance	Public Events
Fire	Public Health
Housing	Transportation & Public Works
Human Resources	Zoo
Internal Audit	

### **OTHER FUNDS**

The remaining sections are divided into the Enterprise Funds, Internal Services Funds, and Special Funds.

#### **Enterprise Funds include:**

Water and Sewer Fund	Municipal Airports Fund
Solid Waste Management Fund	Municipal Parking Fund
Municipal Golf Courses Fund	Storm Water Utility Fund

#### **Internal Service Funds include:**

Equipment Services Fund	Office Services Fund
Information Systems Fund	Temporary Labor Fund
Engineering Services Fund	

#### **Special Funds include:**

Risk Management Fund	Awarded Assets Funds
Workers' Compensation Fund	Lake Worth Trust Fund
Group Health and Life Insurance Fund	Cable Communications Fund

Unemployment Compensation Fund

Special Projects Trust Fund

Culture and Tourism Fund

Crime Control and Prevention District Fund

Environmental Management Fund

**DEPARTMENTAL BUDGET PAGES**

Each departmental budget is comprised of different summary forms. The *departmental/fund budget summary* pages provide a description of departmental/fund responsibilities and consolidation of departmental expenditures and staff levels. These resource allocations are provided for FY2002-03 actual expenditures, FY2003-04 adopted expenditures, FY2004-05 proposed expenditures and FY2004-05 adopted expenditures. Expenditures are broken into five cost categories: personal services, supplies, contractual services, capital outlays, and debt service. Staffing levels, chain of command, and major functions are depicted through an *organizational chart*. The *departmental objectives and measures* page explains the annual departmental objectives and provides program measures. The *departmental summary by center* pages provide a summary of each departmental center's past, present, and future expenditure and personnel allocations.

The budget document is color-coded to allow the reader to reference specific pages more easily. The City Manager's Message and all other descriptive pages in the introductory section are printed on white unless otherwise noted in the following color-coding chart. This chart indicates the page color for each type of recurring page in this document.

**PAGE TITLE**

**PAGE COLOR**

Fund Statement	Ivory
Fund Summary	Gray
Comparison of Expenditures	Yellow
Comparison of Revenues	Tan
Departmental/Fund Budget Summary	White
Organizational Chart	White
Significant Budget Changes	Green
Departmental Objectives and Measures	Gray
Departmental Summary by Center	Blue

A glossary is included near the end of the document to assist the reader with unfamiliar terminology.

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## **BUDGET PROCEDURE, BASIS AND PHILOSOPHY**

### **PROCEDURE**

The Fort Worth City Charter provides that on or before August 15 each year, the City Manager must submit to the City Council a proposed budget that provides a complete financial plan for all City funds and activities for the ensuing year. With this requirement in mind, the Budget and Management Services Department establishes a budget schedule each year to enable the City Manager and his or her staff to prepare a proposed budget that will meet all provisions of the City Charter, and provide the City Council with a thorough, informative description of the level of municipal services being proposed and their costs.

As a preview to consideration of the proposed budget, the City Council is presented with the City's Long-Range Financial Forecast. This document, which provides a projection of expenditures and revenues for the upcoming five years, gives the Council a big-picture framework and long-term context in which to make annual budget decisions. The forecast also serves to prepare the Council for any anticipated discrepancies between projected revenues and expenditures in future years. The forecast also reviews alternative financing strategies for Council to consider in balancing future budgets.

The first step in the annual budget preparation process takes place in early March when the Budget and Management Services Department opens the Budget Reporting and Analysis Support System (BRASS) Budget software to the departments to start the salary and benefits adjustment/clean up process. The personnel data cleanup allows departments to make any necessary corrections to personnel information from the previous fiscal year, to ensure that the appropriate amount of funding is budgeted for salaries and related personnel costs in the following fiscal year. This will be followed by the commencement of the "Budget Kickoff" ceremony where the Budget and Management Services Department distributes budget instructions and standard budget forms to departments, and the opening of the BRASS Budget system to the departments again to input their budget requests. Departments prepare base budget requests to continue current services within a specified target figure. Any new programs a department wants considered are submitted as improvement decision packages. The consequences of the failure to fund these items must also be provided. A departmental budget request is comprised of a line-item expenditure request that is supplemented with detailed justifications. All requests for funding must be related to specific program needs and must be measurable in terms of effectiveness and/or indicators. This phase, referred to as the departmental request phase, lasts until mid-April, when the BRASS Budget System is closed and departments are required to submit their requests for the next fiscal year.

The next phase of the budget process begins with Budget staff members visiting their assigned departments, carefully reviewing their requests, and making adjustments as deemed appropriate. Throughout the spring and summer, the City Manager and City staff discuss the development of the budget and elicit policy direction from the Council through several budget workshops, which further frames the Proposed Budget.

The Budget and Management Services Department then compiles the recommendations for each department, making adjustments to recommendations as needed, and provides preliminary recommendations to the City Manager and staff. Final modifications are made, and the City Manager submits the Proposed Budget to the Council on or before August 15.

The budget document is divided into separate sections for each of the City's funds, and each fund is subdivided into departments. Supplementary data is provided for each department, including a departmental summary that explains the primary purpose of the department and lists the expenditure and staffing data, an organization chart outlining the various functional divisions of the department, a listing of departmental objectives and corresponding program measures, and a summary of expenditure and staffing levels by cost center.

The Proposed Budget document is supplemented with a book that contains copies of funded and unfunded program improvement packages, as well as program reduction packages. While improvement packages represent expanded or new programs, reduction packages represent a department's proposal for potential programs or items to be cut from the budget, should the City Council determine that budget reductions are necessary. These improvement and reduction packages are reviewed as part of the budget process. The City Council is advised to use the decision package book as a means to evaluate various service levels within existing budget parameters. The decision packages allow the Council to compare the needs in a system-wide perspective with clear, programmatic consequences of funding decisions.

Once the City Manager's Proposed Budget is presented to the City Council, the City Council deliberation phase begins. In this phase, the City Council holds a number of budget study sessions in which the departmental budgets are presented to Council members for their review and input. These budget study sessions occur over a one-month period. These study sessions result in the adoption of the budget at a City Council meeting in mid-September. The newly adopted budget becomes effective October 1.

## **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 mea-



sure 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.

### **BASIS OF BUDGETING**

The City adopts an annual budget for the General Fund for which the level of expenditure may not legally exceed appropriations for each department or fund classified in the following categories:

- 1) Personnel
- 2) Supplies
- 3) Contractual Services
- 4) Capital Outlays, and
- 5) Debt Service

Proposed expenditure appropriations for all departments and operations of the City are prepared under the direction of the City Manager. The City Manager may not amend appropriations within the above-mentioned categories for a department without seeking City Council approval. The City Council may increase, decrease or reject any item in the budget submitted by the City Manager taking into consideration the recommendation of the City Manager.

Each year the Budget and Management Services Department projects revenues (income) for the ensuing five years as part of the long range financial plan. The first year of the five-year projection is used as the basis for the annual operating budget. The annual operating budget balances operating expenditures with operating revenues, provides for adequate funding of city retirement systems, provides for adequate maintenance of capital, plant and equipment, with timely replacement, and maintains an insurance fund.

The City budgets for governmental funds, which include the General Fund and Debt Service based on the modified accrual basis of accounting. Under this method, revenues (income) are recognized in the period they become measurable and available to finance expenditures of the same period and expenditures (expenses) are recorded when incurred.

Exceptions to the modified accrual basis of accounting are as follows:

- Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.
- Grants are considered to be revenue when awarded, not when earned.
- Sales and use taxes are considered to be revenue when received rather than when earned.

The budgets for all proprietary funds, which include Enterprise Funds, Internal Service Funds, and Special funds, are prepared using the accrual basis of accounting, with exceptions listed below. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

- Capital outlay is budgeted as expenditure in the year purchased.

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- Depreciation is not budgeted.
- Principal payments are shown as expenditures rather than reductions of the liability.
- Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.

Operating expenditures are controlled at the department level for General Fund and the fund level for other funds and may not exceed appropriations at those levels. Budget transfers within a department may be made with administrative approval, provided that the transfer is within the same fund. Transfers between departments within the same fund require City Council approval by resolution. Transfers between funds require City Council approval by resolution or ordinance. Increases in total appropriations require City Council approval by ordinance. Since expenditures may not legally exceed budget appropriations, amendments to the budget are sometimes required. A budget amendment is accomplished via a supplemental appropriation, which requires City Council approval by ordinance.

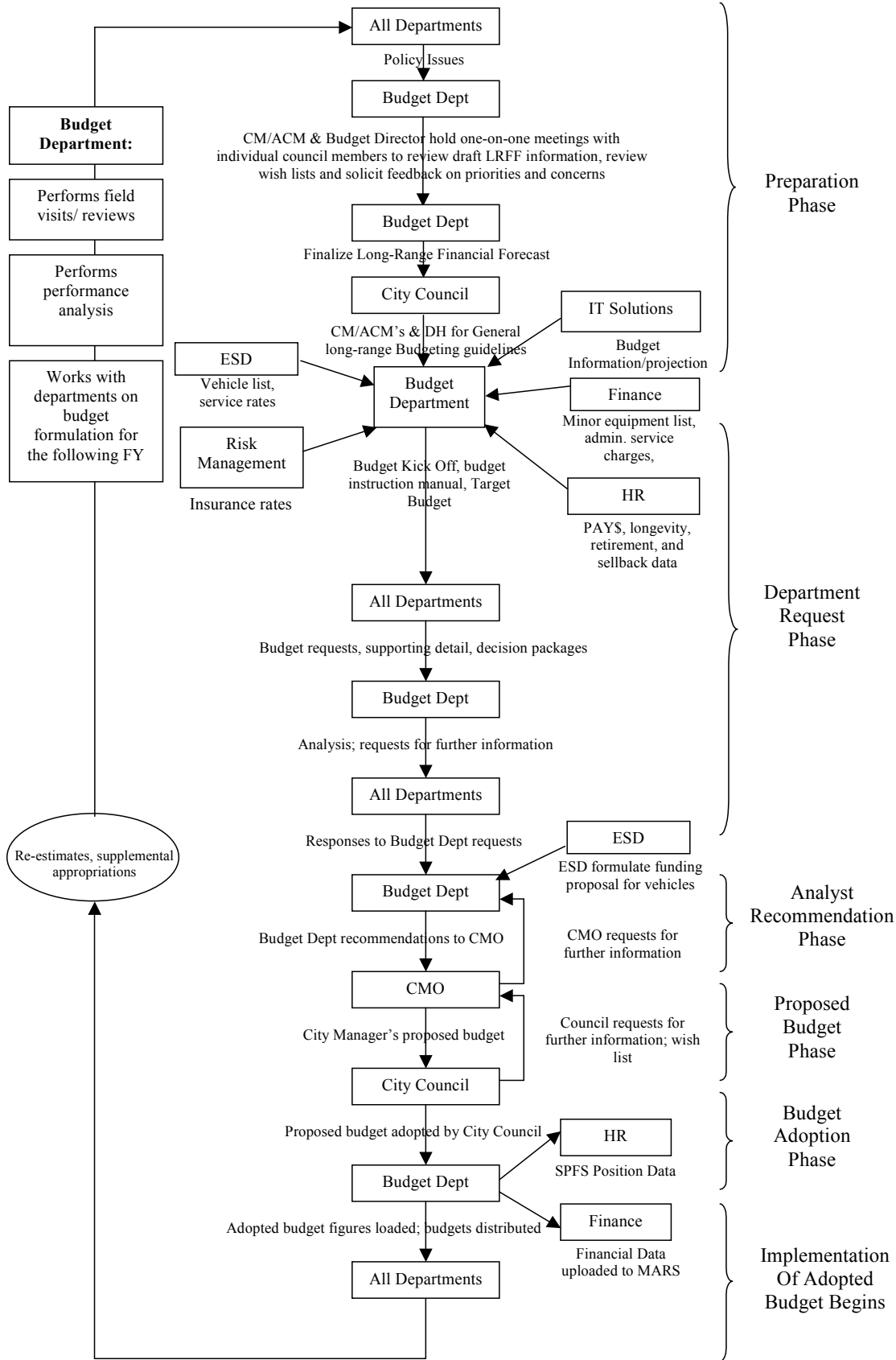
**SUGGESTED SCHEDULE  
FOR  
CONSIDERATION OF THE 2006-07 PROPOSED BUDGET**

July, 10, 2006	Certification of anticipated collection rate by collector.
July 25, 2006	Chief Appraiser certifies the approved appraisal roll and submits it to the taxing units.
By August 1, 2006, or as soon thereafter as practicable	Designated officer or employee of taxing unit calculates balances, publicizes balances, effective and rollback tax rates, and, statement and schedules; submits rate to governing body.
August 4, 2006	72 Hour Notice for Submission of Proposed budget (Open Meetings Notice).
August 8, 2006	City Manager submits proposed budget and budget message to the City Council on or before August 15.
August 8, 2006	1st reading of proposed annual appropriations ordinance is introduced to the City Council and ad valorem tax levy ordinance is introduced.
August 8, 2006	City Council holds 1st public hearing on appropriations ordinance and ad valorem tax levy ordinance and adopts resolution setting public hearing(s) on proposed tax increase, if required. Hearing required if proposed tax levy exceeds last year's levy in total dollars.
August 15, 2006	Notice of Public Hearing - City Secretary publishes appropriations ordinance in official newspaper. At least 10 days must elapse from publication of notice to passage of appropriations ordinance on 2nd reading. Publish "Notice of Public Hearing on Tax Increase" in newspaper, TV, and website 7 days before hearing.
August 18, 2006	72 Hour Notice for Public Hearing and Notice of Vote on Tax Rate (Open Meetings Notice).
August 22, 2006	1st Public Hearing.
August 22, 2006	City Secretary publishes notice of 2nd Public Hearing on proposed tax increase (at least 7 days notice of hearing required).
August 25, 2006	72 Hour Notice for 2nd Public Hearing and 1st Notice of Vote on Tax Rate (Open Meetings Notice).
August 29, 2006	2nd Public Hearing; schedule and announce meeting to adopt tax rate 7-14 days from this date.
September 5, 2006	2nd Notice of Vote on Tax Rate published before meeting to adopt tax rate.
September 8, 2006	72 Hour Notice for meeting which governing body will adopt tax rate (Open Meetings Notice).
Every Tuesday, August 8-September 12, 2006	City Council holds public hearing on appropriations ordinance and tax levy ordinance.

**SUGGESTED SCHEDULE  
FOR  
CONSIDERATION OF THE 2006-07 PROPOSED BUDGET**

Tuesday, September 12, 2006	City Council votes and adopts proposed tax rate, adopts ordinance setting tax rate, and adopts appropriations ordinance on 2nd reading. [Failure to act by the latter date requires re-publication of notice of meeting where City Council will vote on proposed tax increase. Meeting is 7 to 14 days after 2nd Public Hearing.
Thursday, September 8, 2005	City Secretary publishes notice of meeting where City Council will vote on proposed tax increases (Sec. 26.06 (d), Tax Code - meeting must be held no sooner than three (3) but no later than fourteen (14) days after public hearing where time to vote on tax rate is set).
As soon as possible after Tuesday, September 12, 2006	City Secretary publishes appropriations ordinance once in official newspaper with schedule of changes made by Council to City Manager's originally proposed budget. Designated Officer or employee notifies Tax Assessor that tax rate has been adopted. If the proposed tax rate adopted by the City Council exceeds the rollback tax rate, 7% of the qualified voters may petition for an election to reduce the tax rate to the rollback tax rate calculated.
As soon as possible after Tuesday, September 12, 2006	On receipt of notice of the adopted tax rate, the Tax Assessor calculates the taxes on each property and returns the roll to the City Council for approval.
By October 1, 2006, or as soon thereafter as practicable.	County Tax Assessor mails tax bills.

# City of Fort Worth Budget Process



**FORT WORTH**



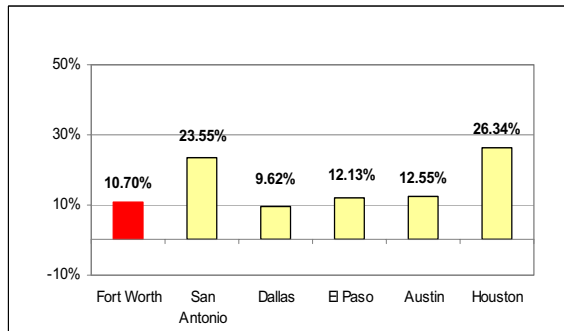
## FORT WORTH'S ECONOMIC ENVIRONMENT

The City of Fort Worth began its FY2006-07 budget process in January 2006 in a stable economic climate. The standard economic indicators, such as, unemployment, consumer spending, and new construction, had stabilized with some improvement.

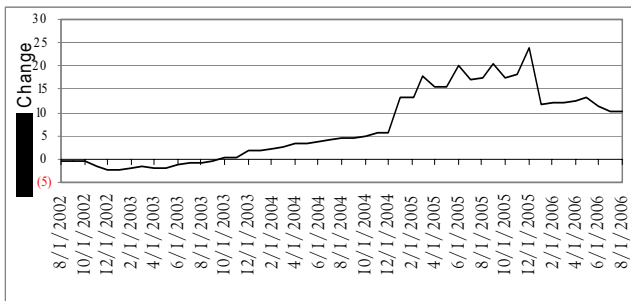
Each year the City of Fort Worth budget process begins with a thorough analysis that attempts to predict and evaluate how economic, financial and population trends will affect available resources and demands of the City of Fort Worth. This information is provided to policymakers to assist them in making the best possible decisions during the budget evaluation process. This year, the local economic picture has been hopeful with increase property tax and sales tax projections. The City of Fort Worth depends greatly on both revenue bases.

Although the City tries to maintain a diverse tax base, **Sales Tax** revenue remains an important indicator of the City's economic condition and must be closely monitored throughout the fiscal year. Since mid-2003, Fort Worth's actual sales tax revenue collections have been positive.

**Sales Tax Benchmark**  
Fiscal-Year-to-Date 2006 Compared to Fiscal-Year-to-Date 2005



**SALES TAX REVENUE TREND**  
(CHANGE IN 12-MONTH MOVING AVERAGE)

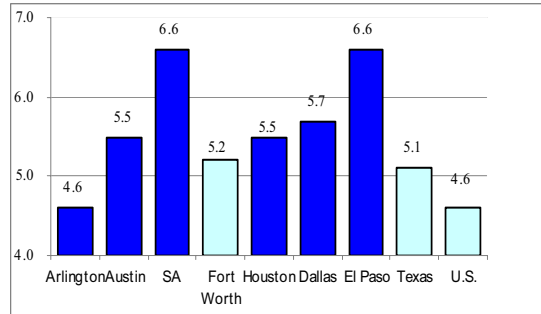


The actual sales tax collection year-to-date in August 2006 was approximately 10.70% higher than the year-to-date as of the same month last year. The most recent 12-month moving average was approximately 10.26% higher than the previous 12 month moving average.

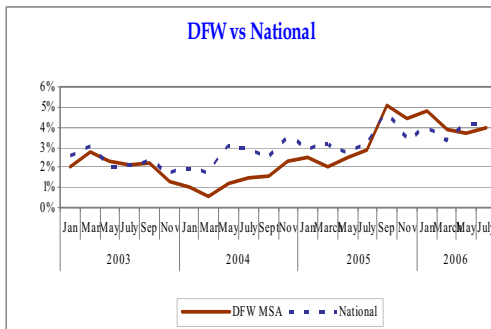
## FORT WORTH'S ECONOMIC ENVIRONMENT

The City's **Unemployment Rate** comes in at 5.2%, which is slightly higher than that of the Texas average at 5.1%. Additionally, Fort Worth's unemployment rate for August 2006 is slightly higher than the national average of 4.6%, as does the Texas rate. The continual decrease in the national unemployment rate may be an indicator that the local environment can expect a decrease in the future. It gives the perception that somehow if the national average is that low, rebounding efforts are the least gaining ground. Last report in July, Fort Worth's unemployment rate was also 5.6%. If the local economy continues to rebound, this downward trend should be expected to continue or get better. The unemployment rates in other Texas cities have decreased slightly also.

Unemployment Benchmarks (August, 2006)

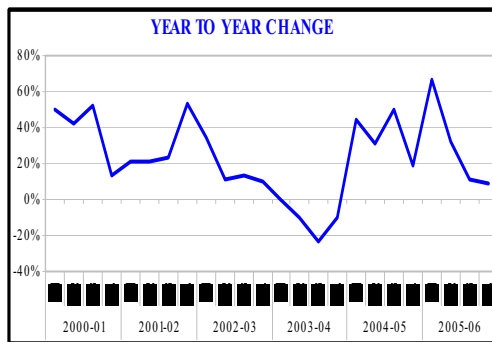


### National & Local Inflationary Trends



The local **Consumer Price Index (CPI)** recorded in July 2006, rose approximately 1.11% from the previous year. The change from previous year on the national CPI was a positive 0.98%. This statistic measures the average change in prices, over time, of goods and services purchased by households. Slow changes in the CPI are the most favorable outcomes.

### New Housing Starts (% Change in Number of Permits From Same Quarter in Previous Year)



The City of Fort Worth Development Department is reporting an increase in **Single-Family Building Permits**. The fourth quarter numbers for FY05-06 show an increase of 9.14% over the same quarter last year. Furthermore, the number of single-family homes built has increased over the last couple years. Accordingly, the increase

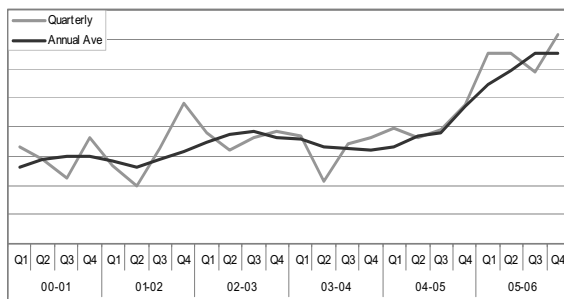


## FORT WORTH'S ECONOMIC ENVIRONMENT

of the number of permits is an indicator of the growth the City of Fort Worth is experiencing. It is expected that more families moving to the area should further stimulate the economy. The value of all single-family permits issued in the fourth quarter of FY05-06 was 20.90% higher than in the same quarter in FY04-05. Residential construction continues to provide a stable stream of revenue for the City. The total single-family permits for the fiscal year, thus far, have a total value of \$1.5 billion; which is 36.53% higher than this time last year.

### Hotel/Motel Tax Revenue

Quarterly and Smoothed Annual Average

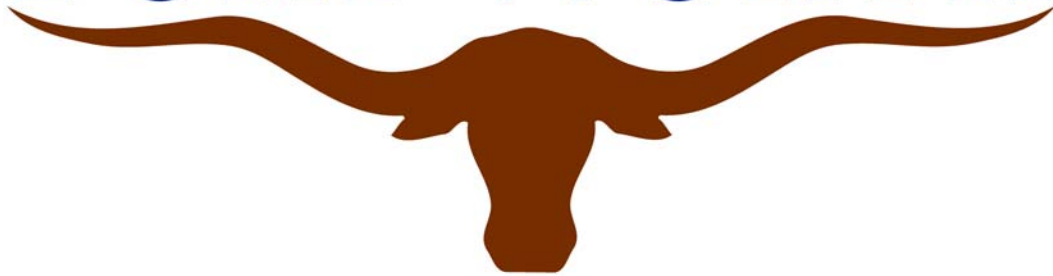


The **Hotel/Motel Revenue Collections** are showing improvement. The fourth quarter collections are 10% higher than the preceding quarter. Furthermore, the last quarter was 20.52% higher than the previous year's same quarter. As the Public Events Department continues to proactively book events

and the City continues to be a premier place to visit, the hotel/motel revenues should continue to increase.

The aforementioned economic indicators give a broad view of how the City of Fort Worth's economy is performing. As been made evident, the numbers can and will change from time to time. Nevertheless, for the City to continue to grow and prosper, all areas of the local economy must be relatively positive. As watchful consideration is given to each indicator, the City should continue to manage its budget with continued caution.

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**Significant Issues With Budgetary Impact:**

This section is intended to provide an overview of issues that will most likely result in some level of budgetary impact over the next one to five years. These issues are often in the preliminary, problem identification stage, but could be expected to pose significant resource allocation challenges in the near future. This year, the issues submitted by departments have been grouped into three broad categories -- Near Term (addressed next budget year), Mid Term (addressed year 2 through year 4), and Long Term (addressed year 5 or later) issues. They are then subdivided into Service Level Enhancements, Process Improvements, Technology, and Facilities and Infrastructure. In order to adequately address the issues, some sort of City Council action/decision is required. While some of the issues may result in requests for funding, others may require broader policy decisions to address future service needs in the City of Fort Worth.

**Near Term Issues:**

***Service Level Enhancements:***

*Grant Funds (Community Relations, Housing, Planning, Economic and Community Development, Parks and Community Services Departments)*

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. Despite the increasing costs associated with enforcement of the City's anti-discrimination in employment laws, the EEOC's reimbursement rate slightly increased once over the last decade and the Community Relations Department requires additional funding to maintain staffing levels necessary to provide effective facilitated resolution and investigative services. Similarly, fluctuations and decreases in FHAP and CDBG funding will impact the staffing levels in the department's neighborhood and community outreach division and the services provided to neighborhoods, landlords, tenants and housing providers.

In the past two years the City of Fort Worth has seen a significant reduction in funding for the CDBG. In 2005 the City received a 5% cut or \$404,350 in funding and for the 2006 grant year (June 1, 2006 - May 31, 2007), the city experienced a 10% cut in funding or \$728,000. In order to continue providing these vital housing and social service programs at the same level of service, financial support from the General Fund was increased in fiscal year 2007. Staff anticipates that the decrease in grants funds will continue into the future.

Low-Income Home Energy Assistance Program (LIHEAP) (Parks and Community Services Department)

- The City of Fort Worth administers the Comprehensive Energy Assistance Program (CEAP) utilizing Low Income Home Energy Assistance Program (LIHEAP) funds. For the past three years, Congress has failed to completely reauthorize a number of programs, including Low Income Home Energy Assistance Program (LIHEAP). If additional funding is not identified 2.85 Authorized Positions (Community Action Partners Staff) would be cut. Additionally, the General Fund would need to absorb 2.5 Authorized Positions to offset salaries for Community Center Coordinators and Administrative staff that are partially funded by CEAP.

Community Services Block Grant Program (CSBG) (Parks and Community Services Department) - The

City of Fort Worth, through Community Action Partners, is the Community Action Agency (CAA) for Tarrant County. For the past three years, Congress decreased funding for a number of programs, including CSBG. If this program is not reauthorized, at a minimum, the current level, resources will have to be secured from other funding streams to continue providing these services. If additional funding is not identified programs such as, homeless intervention, water/garbage fee assistance and Cowboy Santa's programs will cease operation for lack of staff. The City would be forced to lay off 15.25 CAP staff and the General Fund would absorb 4.05 Authorized Positions to offset salaries for Community Center Coordinators and Administrative staff that are partially funded by CSBG.

Prosecuting Attorney Position (Law Department) -Add one prosecuting attorney position to Municipal Court. This position would staff the sixth courtroom, which has been proposed by the municipal courts. Creation of that proposed court would require the addition of a separate prosecutor.

5 Year Annexation Plan (Multiple Departments) - The Planning Department will work with other City departments to update the five-year annexation program as part of the annual update of the Comprehensive Plan. In considering areas for annexation, City staff will need to determine whether the City is able to provide municipal services upon annexation in accordance with State law, without negatively impacting service provision within the city. Staff will need to consider available resources for any capital improvements that would be required upon annexation.

***Process Improvements:***

Implementation of Performance Review Recommendations (Finance Department) - Implementation of recommendations resulting from a department performance overview to include: Independent verification/validation of implementation progress and development of a detailed master calendar of accounting activities; comprehensive policy and procedures manual, quality assurance program and cyclical internal controls review process; internal controls training for the department, follow-up research and analysis of all areas of identified potential control weaknesses.

Creation of an Audit & Finance Advisory Committee (Finance Department)- The City Council on October 3, 2006, adopted a Resolution designating the Audit and Finance Advisory Committee. The Committee will provide oversight for financial reporting, internal controls and auditing activities. The Committee will also provide advice to the City Council and the City Manager with respect to such matters. The initial members were appointed on the same day and their first meeting was held on October 24, 2006.

Meet and Confer (Police Department) -Current state legislation allows Chapter 143 cities of our size to enter into "meet and confer" discussions with fire and police associations. If Meet and Confer eventually passes, there will be additional cost to fund multi-year agreements. Meet and Confer will result in the need to hire an external negotiator and additional staff to provide the necessary research and analysis in preparation for and during negotiations.

Continuation of Restoration of Historical Minute Books (City Secretary's Office) - The City Secretary's Office maintains the collection of minute books for the City of Fort Worth dating back to the mid-1800's. To ensure these historical and important documents are kept in good condition and the books and minute papers do not further deteriorate, a process of de-acidification needs to be completed on the pages of these documents and new binders purchased. Funds are required to complete the process and purchase of new binders until the entire collection has been restored.

Post Employment Retirement Benefits (Human Resources Department) - The General Accounting Standards Board (GASB) recently instituted an accounting rule (GASB 45) requiring municipalities to account for current and future retiree medical benefits costs on an accrual basis (based on a 30-year period) and disclose the liabilities in its annual financial report. GASB 45 requires the City's current and future retiree medical benefits to be recognized in an organization's financial statement when earned by employees, rather than when paid out. A consultant completed a valuation, which indicates that the Actuarial Accrued Liability (AAL) for the medical benefits is \$772,427,000 based on a 30-year period. The City may "pre-fund" the AAL by making an Annual Required Contribution (ARC) of \$83,296,000 to the Health Benefit Plan or implement other funding and plan design strategies that will reduce the liability.

Workers' Compensation (Human Resources Department) -The 79<sup>th</sup> Texas Legislature recently passed House Bill 7 (HB 7), which abolishes the Texas Workers' Compensation Commission (TWCC) and transferred all of its functions to the newly created Division of Workers' Compensation (Division) at the Texas Department of Insurance (TDI). Consequently, the City will have to incur the costs. This may ultimately be a cost savings but initially may be a cost addition of \$200K - \$300K annually of administrative costs.

Total Compensation (Multiple Departments) -The City Council has stated that reaching the goal on Total Compensation is a priority and the greatest cost in achieving the goal on Total Compensation is employee salaries.

Our Total Compensation guidelines include:

- Reach market median in total compensation when economically feasible
- Once market median is achieved, attempt to exceed the median by 3% to 5% when economically feasible
- Provide benefits that employees value and flexibility of choice when feasible
- Identify the total cost of all benefits and the long term liability posed to the City for these benefits
- Provide equivalent and fair benefits to all employee groups when possible
- Keep employees informed and involved with the structure of their Total Compensation

In order to achieve Total Compensation in one fiscal year it costs \$35M. Through a Council resolution, the City Council has committed to eliminating the estimated compensation lag over a two year period beginning with the FY 2007-08 budget. In the next fiscal year, the approximate amount to accomplish the estimated 1.5% lag is \$4.1M.

***Facilities and Infrastructure:***

Ella Mae Shamblee Branch Library (Library Department) – Grand opening of the E. M. Shamblee Branch Library is anticipated for the fall of 2007. The additional 2007 annual budgetary impact for the E. M. Shamblee Branch Library is projected at \$450,000.

Enhanced Community Facility Agreement Funding (Multiple Departments) - The approved 2004 Capital Improvements Program provides for a total of \$8,670,000 for Enhanced Community Facility Agreements (ECFAs) and Urban Development projects: \$6,670,000 for unspecified Enhanced Community Facility Agreements (ECFAs) and \$2,000,000 for Urban Development projects under Proposition One (Street and Storm Sewer Improvements). Since the inception of the Bond Program in May 2004, the City has committed 76% of the Enhanced CFA Bond funds, leaving a balance of \$1,630,694.39 and less than 1% of the Urban Development Bond funds, leaving a balance of \$1,920,000 for the remainder of the six-year Bond Program. The funds will leverage over \$166 million in new private investment in the Central

City. The need to upgrade obsolete infrastructure, particularly storm drainage facilities, in the Central City underpins the strong demand and impact of the Program. Staff provided a briefing on the status of the ECFA program and future funding options at the Spring 2006 Central City Revitalization and Economic Development Committee meeting. The funding of this program is to be addressed in the short term.

Premature Streets Failure (*Transportation and Public Works Department*) - \$16 million in repairs is required to address the premature street failures. If supplemental funding to deal with premature failure of new streets is not addressed, those same streets will be added to the current backlog for street improvements.

Transportation Grants (*Transportation and Public Works Department*) -The Transportation Grant Match Program through the North Central Texas Council of Governments consists of a six-year funding cycle. This year, 2006, is the last year to leverage funds for transportation projects within this cycle. The federal grant funding requests submitted to NCTCOG's call for Projects in November 2005 totaled \$63.3 million with the City's local match totaling \$10.7 million. Projects included freeway interchange/bottle-necks, arterial streets, arterial intersections, traffic signal reconstructions and Intelligent Transportation Systems.

Traffic Signals (*Transportation and Public Works Department*) -Staff is projecting \$2.25 million per year in new/reconstructed traffic signal needs. The department will be seeking funding to leverage grant funds for reconstructing the City's aging traffic signals system.

Mobility and Air Quality Plan (*Transportation and Public Works Department*) -The Mobility and Air Quality Plan (MAQ) is currently in Phase II and should be completed by the end of 2006. Phase III will include the development of cost and funding strategies for implementing transportation alternatives and programs.

Neighborhood Traffic Management Program (*Transportation and Public Works Department*) -Additional levels of funding are needed to address high volume of requests for construction involving unique traffic calming treatments; a variety of traffic treatments, in addition to speed humps to enhance the safety of entire neighborhoods.

Library Facilities (*Library Department*) - The rapid growth of our communities demands new library facilities to replace the old ones. Branches built 45 years ago do not meet the current needs, traffic and technological expectations our citizens have for them. Replacement and relocation of the East Berry, Meadowbrook, Northside, Ridglea, Riverside, Seminary, and Wedgwood buildings will address current necessities and handle future technological advancements. Our library service will be brought to par with others in the North Texas area.

Lake Worth Trust Fund (*Engineering Department*) -The Lake Worth Trust Funds are diminishing and several operational items will need to be funded from the General Fund or other sources. These include items include the Marshal Lake Patrol operation and the maintenance of park land, including mowing and litter collection of rights-of-ways around Lake Worth.

Oil and Gas Drilling Revenues (*Parks and Community Services Department*)- -To date the Parks and Community Services Department has collected \$1,582,093 in bonuses and \$792,452 in royalties. The bonus money is dedicated to development of the park from which the bonus money was received. One-

third of the royalty money has been set aside in an interest bearing account as an endowment fund, the other two-thirds is to fund the Parks and Community Services Department's Capital Improvement fund. The PACSD expects to expend \$1,500,000 in improvements next fiscal year. As these improvements are completed, the operating budget of the Department will need to be increased to provide ongoing care and maintenance of these new facilities.

Storm Water Management Utility (*Transportation and Public Works Department*) -The City recently adopted a Storm Water Management Utility which generates revenue for Storm Water Management infrastructure projects. The current known requirement is approximately \$550 million, however a complete assessment will almost certainly cause this estimate to grow. The near term program focus will be on transitioning existing minor and major drainage projects to the Storm Water Fund, and implementing the departmental staff and organizational changes necessary to get the new capital projects underway.

Urban Village Development Program (*Planning Department*) -One of the City's strategies for developing mixed-use urban villages is to construct capital improvements that leverage private investment and enhance pedestrian and transit access. In accordance with the City Council's direction, City staff proposes to use \$2 million in 2004 bond funds as local match to leverage grant funds and private funds for urban design and streetscape improvements in the villages. The goal is to utilize the \$2 million in bond funds to leverage \$8 million, equaling a total of \$10 million over the next six years for streetscape improvements. In FY 2004, FY 2005, and FY 2006 federal appropriations bills, the City received earmarks totaling \$6.5 million for transportation-related improvements in the urban villages. These funds require no local match. In November 2005, the Texas Department of Transportation issued a call for projects for the allocation of federal funds through the Statewide Transportation Enhancement Program (STEP). Staff proposes to use a portion of the \$2 million in bond funds as the required local match for federal funds being sought through STEP.

New / Expanded Facilities (*Public Health Department*) – During FY2008, two new public health facility projects are scheduled for completion. A new Public Health Facility and a Spay and Neuter Clinic is being added to the existing Animal Care and Control Facility, located on Martin St. in southeast Fort Worth.

Water and Sewer Fund (*Water Department*) - Infrastructure needs are the primary factor driving cost increases. The costs to expand, upgrade, repair and replace infrastructure within the City's water and wastewater systems will necessitate continued increases in rates charged for water and sewer services.

**Medium Term Issues:** The following are the issues that are expected to have an impact and need to be addressed in years two through three of the five-year time period:

***Service Level Enhancements:***

Staffing for New Fire Stations / Investigations (*Fire Department*) - A total of 14 new positions will be needed for permanent Fire Station 41 (287 area) and 14 for Fire Station 11. Assuming land for both locations can be acquired by May 2006, both stations can be completed by March 2008. Funds for a trainee class and six months civil service salaries will be needed in FY 2007-08 for the new positions.

Sendera Ranch Fire Station (*Fire Department*) – Due to growth of the city through annexation, the Sendera Ranch Fire Station may become operational in 2009-10. At that time, temporary fire station 41 will be closed and the fire crews moved to the Sendera Ranch station. No new personnel funds will be

needed, however, additional station operational funds of about \$400,000 will be required.

Substandard Housing (Code Compliance Department) -The condition of a house can generally be related to the age of the house. It is also a given, that without proper maintenance, older homes may likely be in very run-down condition. As of March 2005, the Department has identified 528 structures in danger of collapse, 1,045 being substandard, and another 2,600 with code violations. To address the growing number of substandard and derelict buildings that may negatively impact the health, welfare and safety of the general public the Department will need increased staffing. The additional staffing would provide for the processing and abatement of these properties by ordinance amendment, utilizing the Building Standards Commission, other legal remedies, and public education.

Electronic Waste Disposal (Environmental Management Department) - The EPA estimates that waste electronics (computers and televisions) comprise approximately 1-4 percent of the municipal solid waste stream. It is also commonly estimated that many more consumers are holding on to old electronics because they are not sure what to do with these used products. Fort Worth currently has a program to address waste computers but not televisions.

Electronic equipment contains metals and other materials that can be hazardous to human health and the environment if they are not properly managed. It is still not clear that these hazardous materials will not leach out of old electronics buried in municipal solid waste landfills. Disposal of waste electronics can be expensive. In the absence of federal guidance, local entities lack the direction and resources to adequately address this issue. A source to fund the collection and disposal of televisions, at a cost of approximately \$35.00 per set, will be required.

Growth (Fire Department) - Increased city growth translates into increased number of schools and commercial development. This means additional fire inspectors, fire educators, operations personnel, as well as facilities and training staff. The Fire Department has identified a current need for 4 public educators, 7 fire instructors, and 4 fire inspectors at a first year cost of \$1.6 million.

Centralized Management/Organization of Call Centers (Multiple Departments) - The City of Fort Worth currently has Call Center / Customer Contact Center functionality spread across numerous individual departments. The list of departments includes but is not limited to: Community Relations, Environmental Management, Animal Control, Public Health, Transportation/Public Works, Water, Code Compliance, IT Solutions, Development, Library, Police, Police non-emergency, Fire, Fire non-emergency, Medical, and Municipal Courts. Many of these departments use different processes, a multitude of unique, application-specific of tools for call tracking, monitoring and reporting, and different Interactive Voice Response (IVR) and or Customer Relationship Management (CRM) systems.

One of the most widely accepted tools for improvement of Customer (Citizen) Relation Management (CRM) by government is the implementation of a single call number for citizen's to use to access. The three primary reasons for implementing a 311 solution are: for non-emergency fire/police/medical calls to reduce 911 call loads for city services, to improve customer service/ relations for City Services, and for consolidating call centers to avoid duplication. Positive by-products include:

- Refined business practices across all departments,
- Faster response times to customers needs,
- Improved citizen relations,



- Improved departmental efficiency,
- Technological and business standards for the entire enterprise, and
- Better overall constituent approval

Library Materials Collection (Library Department) - The Texas State Library's Texas Public Library Enhanced Standards require libraries serving populations over 200,000 to provide 3 items per capita. The Fort Worth Public Library's current holdings are 1.8 per capita. The Library's Long Range Services Plan places high priority on providing the books and other materials needed by Fort Worth residents. The City's Comprehensive Plan calls for the Library to provide materials that respond to users' needs and that allow timely retrieval of accurate information. However, an aging collection, changing demographics, high use, and a proliferation of new types of materials are making demands on the library collection that challenge the current library materials budget.

Of library materials in date-critical areas such as health, science, law, personal finance, technology, travel, and careers 43% of these materials remain outdated at over 10 years. Fort Worth's Hispanic community accounts for 30% of the City's population, yet less than 4% of the library's collection is in Spanish. Over 40,000 children's picture books, easy readers, board books, and award-winners have been in the collection over 5 years. Library customers expect to find materials in a wide variety of print and non-print formats. The Library would need an additional \$5 million over 5 years to purchase these additional materials.

***Process Improvements:***

Marketing Program (Parks and Community Services Department) - The Marketing Program is responsible for the development and implementation of an integrated marketing strategy to promote Fort Worth Parks and Community Services Department (PACSD) and generate revenue for the City of Fort Worth. An increased presence in coordination with public and private groups in funding and operational capacities is needed to expand PACSD marketing efforts PACSD will explore new partnership opportunities with other service providers and the private sector for development and financing of future community service and recreational programs. PACSD will also explore ways to increase public awareness through advertising campaigns, Internet, Cable Office and presentations to civic, social and faith based groups, universities and area school districts. PACSD diverse marketing plan includes promoting ethnic communities, preserving uniqueness, and pride that add quality of life in Fort Worth. It is expected that \$100,000 marketing budget is needed to promote programs and facilities.

Succession Planning (Multiple Departments) – Human Resources Department has identified a number of critical positions with incumbents eligible to retire within the next 5 years. Additionally, there hasn't been a concerted effort or a comprehensive approach to address succession planning for the City of Fort Worth. Although this budget year was targeted to develop a plan for succession planning, this will be an on-going process. The anticipated budgetary impact will ultimately depend upon the succession planning process that's implemented. If positions are overfilled to allow the successor to work side by side the incumbent there may be additional cost. If specific training is needed for the successor, there may be a budgetary impact. The lack of effective succession planning will result in unnecessary external recruitment costs in some situations and/or the lack of viable candidates to step into positions when the retirement or any other departure type occurs.

Physical Ability Program for Public Safety (Police Department) - In previous budget requests the physi-

cal ability issue was presented as a concern that the physical ability test used by the Police Department, to process entry-level police officers, needed validation. The current exam has been in use for over 15 years and there is no valid data to support the use of this exam as a selection device. At City Council's request this issue grew to include the consideration of physical ability testing for incumbent police officers. For test validation and the development of a physical ability test for incumbent officers the Human Resources Department recommends securing a consultant to perform this task. If the consultant is not funded the issue will continue of validity and uncertainty of the physical ability of our police officers. Officers may be hired who are not physically capable of successfully performing all of the essential job functions.

***Technology:***

Enterprise Resource Planning (ERP) (Multiple Departments) - Anticipate the completion within the next few years of an accounting system adequate to provide all of the data needed for timely preparation of financial statements. City Council approved \$1 million in the FY2006-07 budget to begin the implementation a fully-integrated Human Resources /Financial software system. A new system will increase the amount of managerial information available to City management and decrease the redundancy of administrative effort required to develop, record and use human resource and financial information. The costs of an ERP system vary widely based upon the complexity and features of the software and its supporting work processes. A municipality the size of the City should expect to spend \$15 to \$30 million for the acquisition and implementation of a new financial/HR ERP. A proposed financing plan for \$20 million utilizing either tax notes or lease/purchase agreement could be adopted that would minimize the annual cost for the first 3 years (interest only of \$672,000) of a 10 year debt retirement schedule. This would allow initial acquisition and implementation costs to be delayed until the annual operational costs of the computer mainframe could be eliminated (by migration of all mainframe products to a server environment).

Technology Initiatives (Library Department) - Major General Fund expenditures resulting from the Library's overall Technology Plan includes 45 additional public access PCs and the primary database server supporting the Library's integrated library system will be 5 years old. Other related servers will be 4 years old. Server warranties expire in 2007 and 2008. Six Horizon servers will need to be replaced by 2009 with a projected cost of \$129,100.

Mini-General Ledger (Finance Department) – MARS is a legacy system that is rapidly failing and it is possible that this failure could be for an extended period of time. Month-end and year-end financial processes continue to decline. In anticipation of the general ledger failing, the Finance Department proposes to search for and, if appropriate, implement a mini-General Ledger. This system will not be the complete Enterprise Resource Planning system, but a stopgap measure until a new Enterprise Resource Planning project is approved. The objectives of this procurement and installation are to reduce operating expenses of the GL by 50%, reduce the time required to produce month-end reports by 50%, be proactive in the search for a GL replacement, improve customer service by having a fall back General Ledger, and improve the timeliness and accuracy of the General Ledger and month-end reporting. This project would include research, request for bids, a team assessment of the top responding vendors, selection of the best fit, and implementation of the selected product. The estimated cost range is \$50,000 to \$200,000.

Contracts Management System (Multiple Departments) – This system will be used to clarify and improve control of the lifecycle management of the City's contracts, through means of dedicated software and

systems. Objectives include intellectual control, performance and compliance monitoring, renewal and amendments management of City contracts. The preferred system will be maintained by a central manager, such as in the City Secretary's Office, but will allow for departmental, remote electronic access. The estimated cost for a basic system is \$40,000.

WiFi – (Information Technology Solutions Department) There is an opportunity to implement a technology that will allow visiting patrons at specific city venues the ability to connect to the Internet, access e-mail, and get the information needed to conduct business. One way to enhance the visiting public's experience in Fort Worth is to provide economical and easy to use wireless access. There are many providers who are willing to partner with the City to offer these types of services with little or no capital investment from the city. Depending on the venue and revenue opportunities these arrangements can often be profit sharing endeavors between the City and the service provider. Not moving forward with this technology could result in lost business and tourism revenue for the Fort Worth Convention Center and Will Rogers Memorial Center.

TriTech Computer Aided Dispatch (CAD) Implementation (Fire Department) – The T-1 circuit supporting the CAD to CAD interface line from the MedStar emergency response facility can be replaced with a dedicated fiber link. Recently, there has been connectivity issues on the T-1 circuit that have not been seen on the fiber supporting CAD redundancy and fall over between the Bolt Street Public Safety Answering Point (PSAP) and the alternate PSAP. Should the Fire Department implement a CAD separately from the Police Department, this link should support a Fire Department to MedStar as well as a Police Department to MedStar interface.

Police and Citywide Fleet Automatic Vehicle Location (AVL) (Police, IT Departments) – The Information Technology Solutions Department is investigating what is required to implement AVL for the Police Department and possibly the entire City fleet. Implementing AVL will require upgrades to the Real Time Mapping system, up to and including potential replacement with Maverick Mapping. This decision would have a ripple effect through the Computer Aided Dispatch system, the Positron LifeLine equipment, and the Geographical Information Systems geocode. The Mobile Data Computers implemented for the Police Department were chosen with a view to implement at a minimum AVL and magnetic strip readers. The estimated cost of this project is in the millions of dollars.

***Facilities and Infrastructure:***

Sixth Field Operations Division Facility (Police Department) Growth projections in the northwest quadrant area of the City indicate within ten to fifteen years, an additional 100,000 residents may move to that area. As this northwest area develops, the Police Department will need a sixth division headquarters in the northwest corridor of the City to provide customer service to its citizens.

Uniform Traffic Control Devices (Transportation and Public Works Department) -The Manual of Uniform Traffic Control Devices (MUTCD) sign change out and preventive maintenance program are under way as a result of the implementation of the first year of a phased three-year program. The new MUTCD is the first complete manual rewrite in over 20 years and included significant changes in the requirements for street name signs, pedestrian crosswalk and school zone signs. The changes involve increasing the sign size, material type and/or reflectivity of the sign material. Implementation of Phase II and III of this program needs funding to continue in order to stay on track to meet the 2012 federal mandate.

Street Lights (Transportation and Public Works Department) -The city's street light system has a sus-

tained average growth of 1,000 new streetlights per year over the last 4 years. With the rapid growth and aging infrastructure, maintenance of the City's arterial and residential streetlights system will continue to be a challenge. The department's five-year vision is to become an organization that meets or exceeds industry standards for designing, operating and maintaining traffic control and safety systems and to improve maintenance service delivery for the street light infrastructure. Although funding was allocated in FY2005-06, staff anticipates additional operating and maintenance material budget is necessary in this area in the near future.

Technology Enhancements (*Transportation and Public Works Department*) - Departments need to be empowered through provision of resources to engage in multi-departmental information technology projects to allow them to obtain comprehensive, integrated systems that enhance the efficiency and effectiveness of their business practices. Numerous stand-alone systems that do not interface with other relevant City systems are ultimately more expensive to implement and maintain and frequently less powerful than integrated systems. Major technology investments citywide and particularly in the Transportation and Public Works Department require significant resource allocations and process reengineering. The result, however, will be a much more effective and efficient workforce providing an enhanced level of service to customers and citizens.

Facilities Upgrades and Replacements (*Multiple Departments*) - There are numerous facilities within the city system that are aging, out-dated and/or offer insufficient office space for staff. The age and resulting condition of city facilities is important to departmental operations because such factors frequently hinder optimum service delivery. Facilities such as the Meacham Airport terminal and the Municipal Court building are aging, expensive to maintain and increasingly do not provide for the necessary accommodation of new staff, technology or other improvements. During FY2005-06 the City completed a Facilities Master Plan that defined and prioritized the City's short, medium, and long range needs for facility upgrades. This plan will be the foundation for the facilities portion of future Capital Improvement Programs. It will also provide the objective data needed to initiate projects for the most urgent facilities needs when opportunities arrive to finance projects using non-traditional means (e.g. build-to-suit, lease-to-purchase, and grants development agreements).

Disaster Recovery (*Information Technology Solutions Department*) - A comprehensive disaster recovery study needs to be undertaken and a plan needs to be developed to address what technology functions are required in the event of a disaster. Cost is estimated at millions of dollars. This includes establishing and maintaining Emergency Communication Systems capable of supporting emergency operations under foreseeable conditions, including issuing frequencies and call numbers to appropriate officials and employees. Coordinate use of communication systems, except RACES, during emergencies. Provide training in disaster response to IT Solution employees. Provide records of emergency response activities, including cost records. Safe guard City of Fort Worth electronic data and vital records.

Aquatic Facilities (*Parks and Community Services Department*) - Aquatic facilities have not been added to the City's inventory since the 1960s. The newest pools are now 50 years old and the Forest Park Pool, the city's first public pool, is nearing the century mark. Each year, cracks appear in the bottom of the pools causing them to lose water, increasing the expense for water consumption and sanitizing chemicals. To insure compliance with state regulations for residual chlorine requirements in the pools, structural improvements will be necessary. Fort Worth's swimming pools are in urgent need of a feasibility study to determine the extent of infrastructure problems. Through this study, staff could make recommendations for repair and determine feasibility of continuing operation of each pool as well as examine trends in Aquatic Recreation for strategic planning of future capital improvements. The study is esti-

mated at \$300,000.

Crime Lab (Police Department) - The requirement for a cost effective, economical delivery of crime laboratory services has been an issue of discussion for several years. The current facility situated on the 4<sup>th</sup> floor of the Police Department Headquarters, although suitable in the past, is rife with risks affecting the quality of service and security of evidence. The current facility cannot meet the needs for expansion into the near or long term future and the necessity to work effectively with Crime Scene staff. There is a need to either renovate and expand the existing facility or relocate the Crime Laboratory in a newly constructed or renovated facility.

Helicopter (Police Department) - Established in 1972, the current heliport, originally designed for smaller piston helicopters, has been expanded and new pads poured to allow for the move to the current Bell Jet Ranger models. The heliport building is on the levee and over the years the ground has sunk more than three feet. The facility will not accommodate any larger helicopter models. As the City grows and the mission expands a new facility will be needed to support both the expansion of the mission and helicopters. Construction or lease of a new hanger facility to support a greater number of larger aircraft and the expanding mission will serve the City well into the 21<sup>st</sup> century. Ideally, the new hanger facility will be at a regional airport central to the City for shortened response times.

Training Facility (Police, Fire Departments) - The Police–Fire Department Training Center, a joint use training center, is an adequate facility that serves the current needs of the department. However, the facility is at risk of being relocated by the Trinity River Vision Project and may eventually result in the need to relocate the facility to a state-of-the-art training center that would serve the needs of a progressive police department. In-Service and recruit training is a vital element for the advancement of a department that serves the needs of the community.

Water Reuse (Water Department) - In 2005, the City was awarded a partial grant from the Texas Water Development Board to develop a water reuse priority and implementation plan. This plan will help prioritize water reuse projects in order to expand the water reuse system to wholesale and retail customers. The advantages of an expanded water reuse system include reduction in potable water and raw water demands and providing a reliable, drought-proof, and inexpensive source of water to our customers. The Water Department is currently working on finalizing the priority and implementation plan, developing water reuse policies and procedures, standard rates, and performing required permitting to support an expanded reuse system. Staff will be returning to the City Council in the future to approve funding for water reuse infrastructure.

Sanitary Sewer Overflow (SSO) Initiative (Water Department) - In March 2005, the Texas Commission on Environmental Quality (TCEQ) initiated a voluntary program to assist utilities with compliance issues related to overflows from sanitary sewer collection systems. The SSO initiative is intended to focus on SSOs due to aging sewer collection systems. The goal of the SSO initiative is not eliminate all overflows, but to rehabilitate the collection system to ensure a reduction of risk to the public health and the environment. Participation in the program will provide deferred enforcement action for future SSOs so long as the utility maintains compliance with the provisions to the negotiated agreement.

Staff recommends that the City enter into a negotiated agreement with the TCEQ to defer enforcement and fines for overflows from the sewer collection system. The term of the agreement cannot exceed ten (10) years. Participation in the SSO initiative will require submitting a detailed plan with milestones and

schedules for collection system improvements. Staff has identified approximately \$100 million in capital needs to address sanitary sewer overflows in the City. Additional resources will also be required to inventory, evaluate and develop plans to maintain this element of Fort Worth's infrastructure. Staff will be coming back to Council with a plan and recommendations for funding the necessary improvements to the collection system.

Northwest Branch Library (Library Department) – The northwest area of the city is growing and necessitates a new library branch to meet customer demands. The Northwest Branch Library is projected to open in FY2008. The projected cost for the new library will be approximately \$881,758.

**Long Term Issues:**

LONG-TERM: The following are issues that are expected to have an impact and need to be addressed in year four and beyond:

***Process Improvements:***

Ordinance Recodification (Multiple Departments) – The City of Fort Worth's Code of Ordinance Book has not been recodified since 1986, which is almost 20 years ago. A recodification needs to occur at least every ten to 15 years to keep this important document viable and useful. Therefore, within the next three to five years, this project should be undertaken and the estimated cost of this project is expected to be approximately \$25,000 to \$40,000. As part of this recodification project, it is also recommended that a new paralegal staff position be approved to monitor and verify that the Code Book is being amended properly when ordinances are being presented to the City Council.

Dedicated Vehicle Replacement Funding Source (Multiple Departments) – Current funding levels have not been sufficient to fund all vehicle and equipment replacements within the City. If these vehicles are not replaced in a timely manner, the City incurs increasing maintenance charges as the equipment ages. One option to fund the needed replacements is a dedicated equipment replacement fund. Such a fund would allow for vehicle replacements based on need rather than competing funding priorities.

Renewal Strategies for Crime Control and Prevention District (CCPD) – Phase IV of the Crime Control and Prevention District renewal election will be held in 2010. All previous phases have had favorable voter response in favor of the CCPD. The special election held on Feb. 5, 2005, for the Crime Control & Prevention District's half-cent sales tax and five-year continuation were both approved by more than 90 percent of the voters (9,931 For & 1,081 Against). The CCPD provides valuable Police services to the community in the crime prevention, intervention and enforcement arena. These Police CCPD resources work to keep children safe and secure, provide advanced technology for police officers, combat violent crime and gang activity, and provide Neighborhood Police Officers to work with citizens to solve crime problems in their community. Due to the importance the CCPD has on the community, renewal strategies will need to be addressed in the upcoming 2010 election. These will include campaign costs to solidify the citywide efforts to ensure a successful renewal to benefit the City of Fort Worth.

Air Quality Attainment (Environmental Management Department) – Based on its National Ambient Air Quality Standards (NAAQS), the Environmental Protection Agency (EPA) has designated the Fort Worth/Dallas metroplex as a serious non-attainment area for Ozone. This region is transitioning between the 1-hour and 8-hour standard and, as such, compliance dates have not been identified. Whenever those dates are, if the City does not meet the established reduction target, highway and/or other federal funds

could be jeopardized, permitting baselines will be reduced, and economic development will be severely crippled. The City and its citizens must work to ensure attainment and maintenance of the standard. The Texas Commission on Environmental Quality (TCEQ) has determined that a major portion of the ozone forming pollution comes from automobiles; therefore, individuals can play an important role by making better commuter choices, altering their driving habits, etc. Also needed to reach attainment is a tremendous amount of regional cooperation, teamwork and partnership development. As part of this partnership, the City may be looked upon to involve itself in corporate purchases of cleaner burning vehicles, both on and off-road, change development standards to green building protocol, environmental preferable purchasing protocols, and provide a preferential purchase to green or zero emission electricity.

***Facilities and Infrastructure:***

Fire Station Improvements (*Fire Department*) – Several fire stations are in need of funding for complete refurbishment and/or rebuilding. And the following stations are in greatest need of attention:

Fire Station 5 (1000 Evans Avenue) – This station was built in 1965 to serve the Short Southside. The station is unable to be expanded to properly accommodate a female restroom; considering the age and maintenance cost, the building has outlived its usefulness.

Fire Station 15 (3100 Azle Avenue) – Fire Station 15 was built in 1966. The installation of a female restroom in this station would be cost prohibitive and not fiscally responsible when its age is taken into account. Relocating this station should help improve response times to that growing area of the City.

Fire Station 16 (5933 Geddes) – This station was built in 1965. Due to a lack of space, this fire station will not accommodate a female restroom; its age is also a factor in requesting its replacement.

Fire Station 26 (6124 South Hulen) – Station 26 was built in 1968; its size will not allow the inclusion of a female restroom. Traffic flow on South Hulen creates a safety issue for both firefighters and citizens when apparatus leave or return to the station. With the growth in the area relocating the fire station would improve response times.

Fire Station 37 (4721 Ray White Road) – Fire Station 27 was built as a temporary fire station and opened in December 1998. It was determined that a fire station was needed in this area of the City, but the unknown growth pattern indicated that a temporary station should be built. With the current growth in the area, a location for a permanent station can now be identified.

Fire Station 40 (8510 Spring Street) – This station was originally an Eagle Mountain Volunteer Fire Department station the City acquired during the Lake Country annexation. The station became an active Fort Worth Fire Department station in January 2000. Although the station has served the department well, relocating the station would better serve this growth area. Additionally, the station does not meet the standards for the Fire Department; for example, the apparatus building had to be extended in order for our apparatus to fit in the bays. Even with the extension, the building is marginal at best.

Bridge Maintenance (*Transportation and Public Works Department*) – The City has 277 major bridges, of

which 86 are more than 40 years old. Many are showing the effects of age, particularly in the form of deteriorating bridge decks. The FY2005-06 Adopted Budget provided \$154,451 for bridge inspections and the development of a 5-year bridge maintenance plan. Funds are needed to implement the 5-year plan with particular emphasis on a preventive maintenance program for bridge decks.

Northside Animal Shelter Facility (*Public Health Department*) – With the City expanding significantly to the north and northwest, and a large percentage of service calls originating on the north side, it is becoming increasingly inefficient, time consuming and costly to operate an Animal Care and Control program with only one animal shelter facility located in the southeast part of the city. With every field operations vehicle beginning and ending each day at the southeast center location, travel time and expenses are increasing. At some point, consideration is requested to construct a second animal shelter facility on the north side in order to reduce the program's operating costs. The division has poor response times to the north and northwest due to location and residents in these areas must travel long distances to seek lost pets, borrow live traps or conduct other business with the division. Many of these residents opt to adopt animals from shelters in other cities closer to their homes.