

Budget Overview

City of Fort Worth

Goals

1. Share information about the City of Fort Worth
2. Discuss the Financial Management/Budget Policies/Philosophies
3. Discuss the Budget Process
4. Discuss the Context for the upcoming Fiscal Year Budget

City Overview: Multiple Businesses

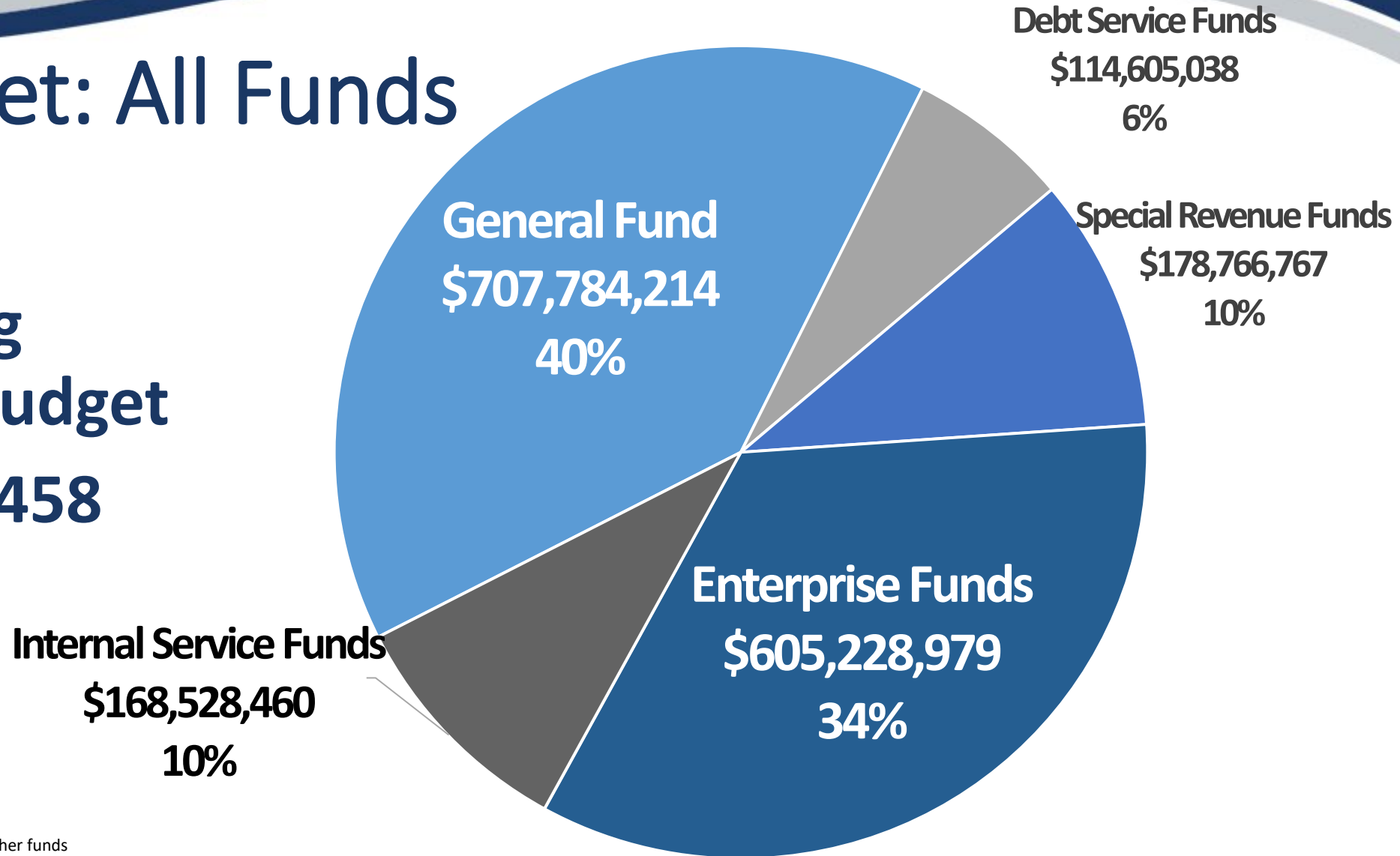
- Regional Water & Sewer Utility
- 3 General Aviation Airports
- Convention Center and Will Rogers Complex
- Golf Courses
- Stormwater Utility
- Parking Facilities
- Solid Waste Collection and Landfill

General Fund Businesses

- Parks and Recreation
- Libraries
- Municipal Court
- Communications & Public Engagement
- Police
- Fire
- Code Enforcement
- Neighborhood Services
- Development Services
- Diversity & Inclusion
- Planning & Data Analytics
- Economic Development
- Transportation & Public Works

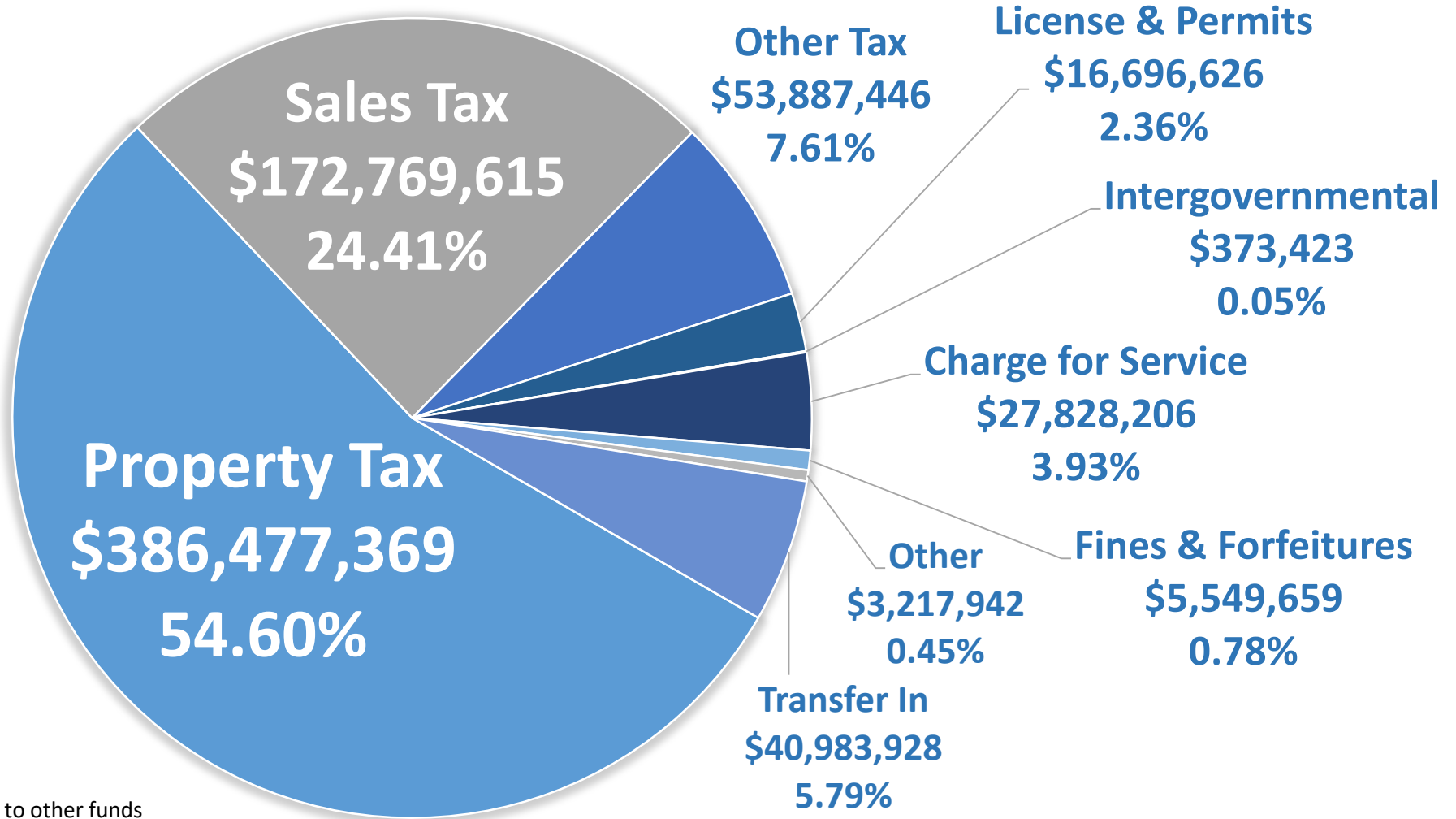
FY2020 Budget: All Funds

**Operating
Expenditure Budget
\$1,774,913,458**



Notes:
General Fund excludes PAYGO/Capital Transfers & IT Charges to other funds
Debt service excludes debt service accounted as transfers in other funds
Excludes contributions to fund balance/net position

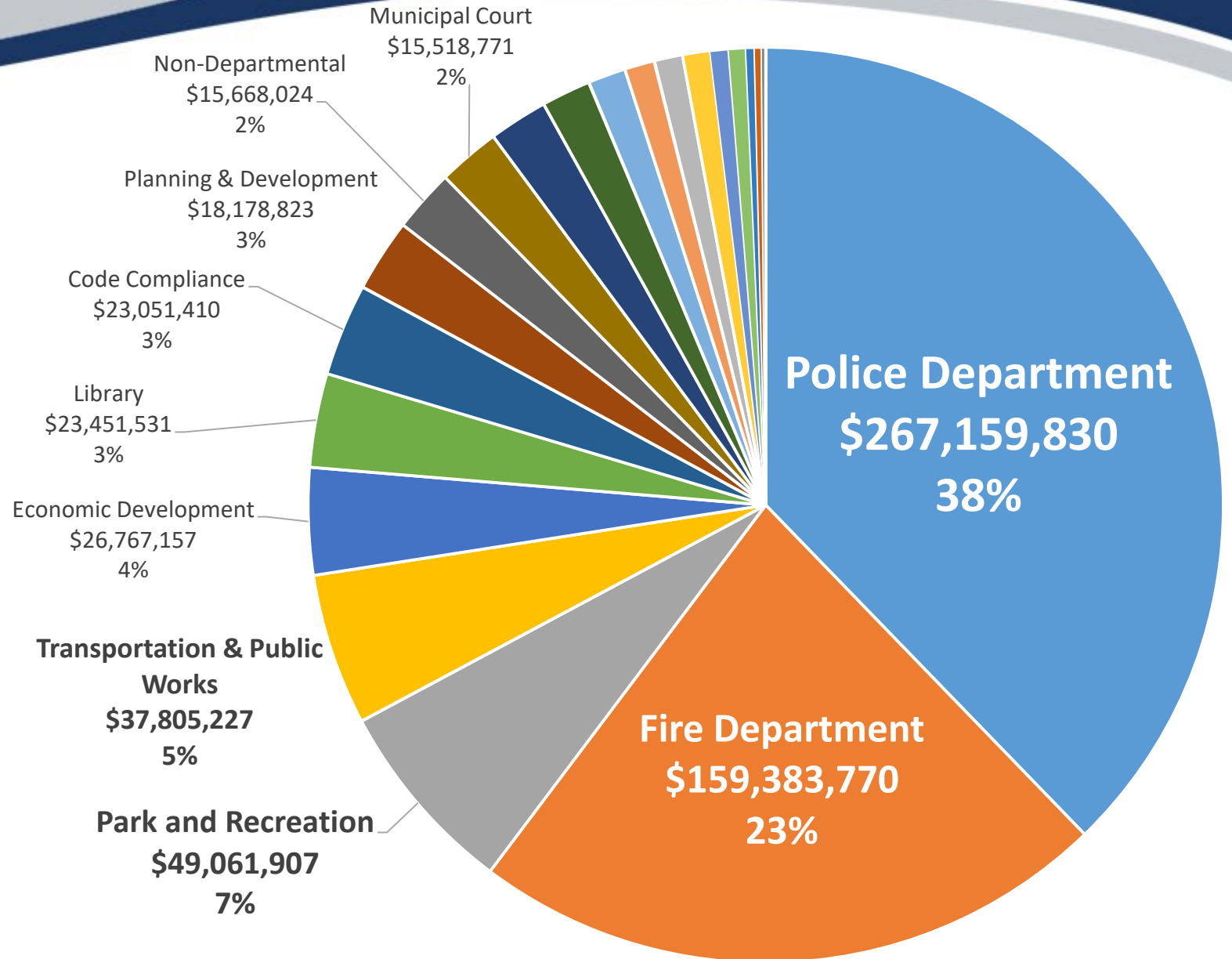
FY2020 Budget: General Fund Revenues **\$707,784,214**



* Notes:
 General Fund excludes PAYGO/Capital Transfers & IT Charges to other funds

FY2020 Budget: General Fund Expenditures

\$707,784,214



* Notes:
General Fund excludes PAYGO/Capital Transfers & IT Charges to other funds





Budget Policies/Philosophy

- Keep a long-term perspective
- Maintain the property tax rate or reduce the property tax rate
- Continued emphasis on infrastructure investment and maintenance of existing infrastructure
- No use of reserves for operations
- Capital Plan drives the operating budget
- Data Driven Decisions
- In the General Fund, everything competes with everything
- Resources are finite. Choices and trade-offs are required.

City Council Planning Retreat (Each February)



- Present Upcoming Budget Forecast
- Understand Future Commitments
- Preliminary Budget Discussions
 - General Fund Forecast
 - CCPD Fund Forecast
 - Solid Waste Fund Sustainability
 - New State Law/Property Tax Revenue Cap

Tax Rate Allocations

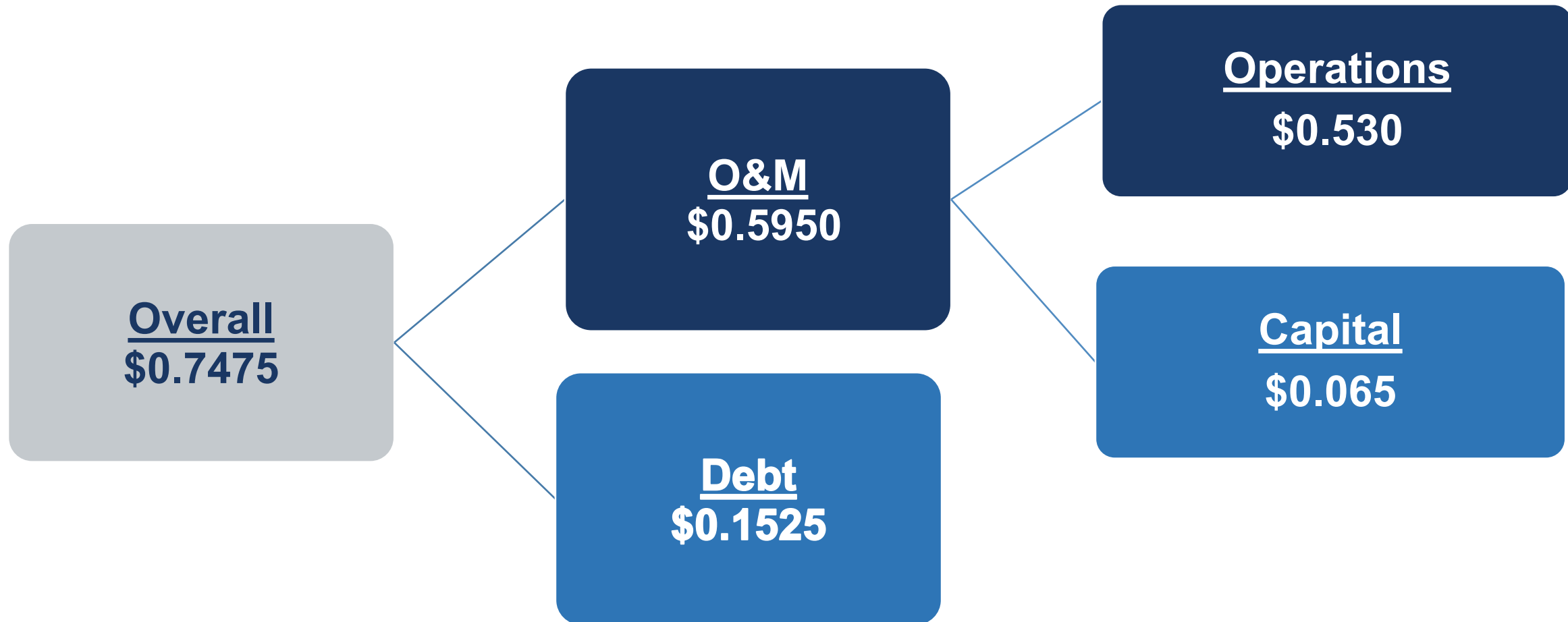
		Fiscal Year										Trend
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
in Cents	O&M	71.09	70.09	68.59	67.59	63.79	62.84	59.65	57.65	56.50	53.00	
	PAYG					3.80	4.75	6.50	6.50	6.50	6.50	
	Debt	14.41	15.41	16.91	17.91	17.91	17.91	17.35	16.35	15.50	15.25	
	Total	85.50	85.50	85.50	85.50	85.50	85.50	83.50	80.50	78.50	74.75	

2014
Bond
Referenda
\$292M

2018
Bond
Referenda
\$399.5M

Debt & PAYG as a % of Total Tax Rate	16.85%	18.02%	19.78%	20.95%	25.39%	26.50%	28.56%	28.39%	28.03%	29.10%	
PAYG as a % of Capital					17.50%	20.96%	27.25%	28.45%	29.55%	29.89%	

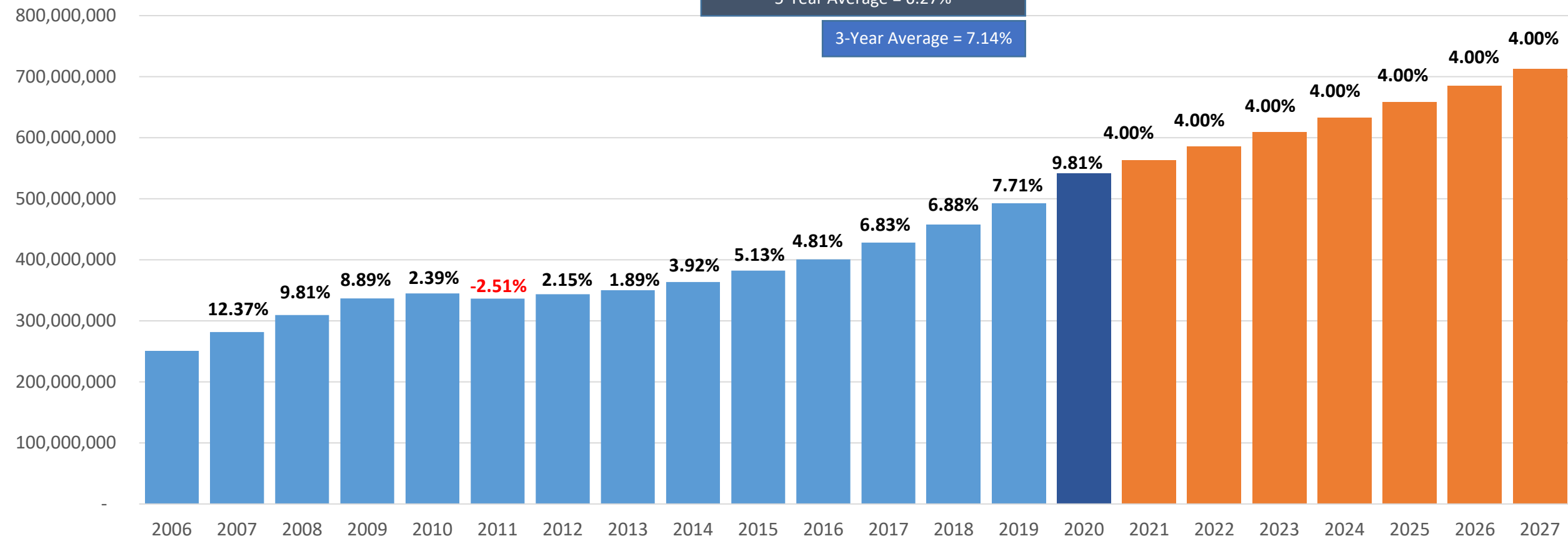
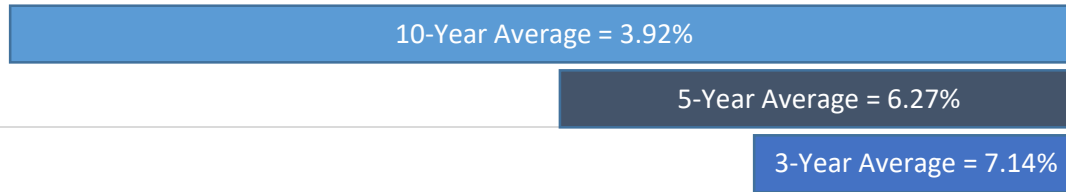
FY2020 Tax Rate Allocations



Property Tax Revenue

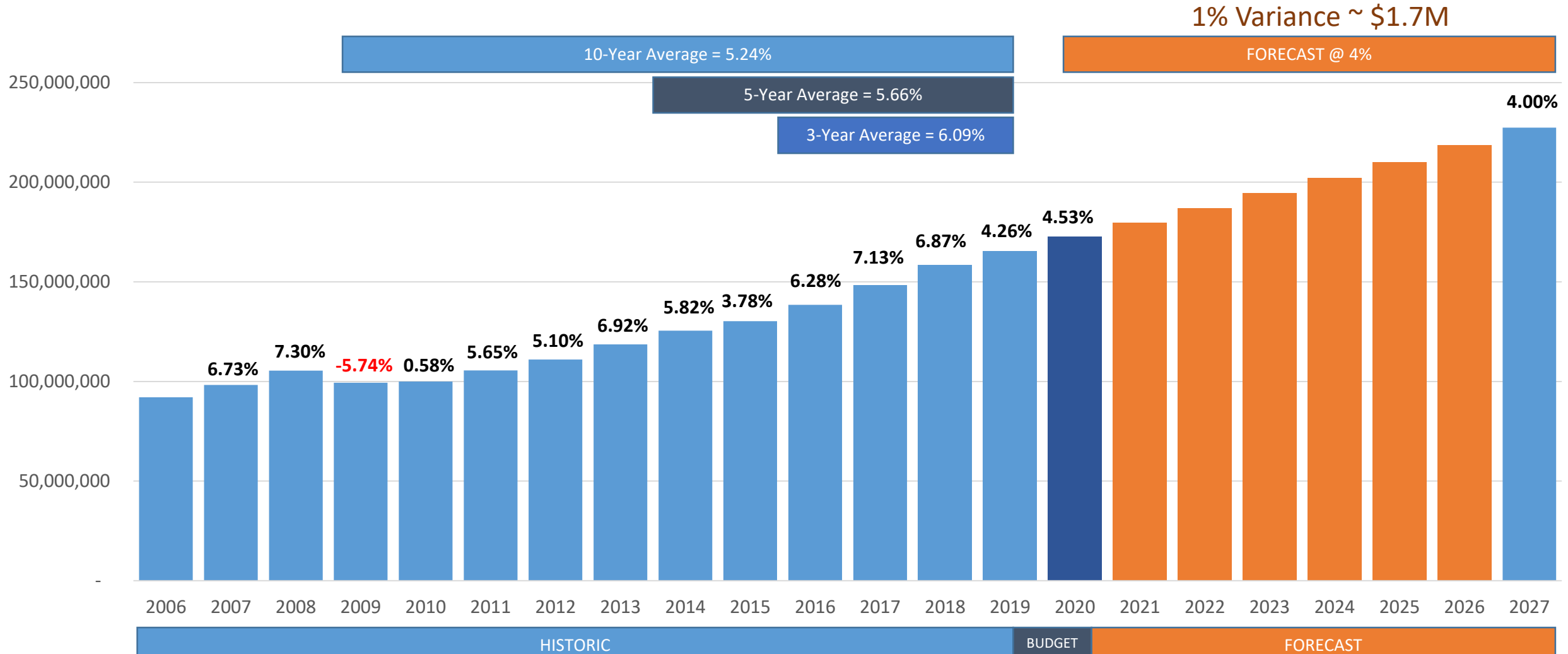
General & Debt Service Funds

1% Variance ~ \$4.3 M



HISTORIC BUDGET FORECAST

Sales Tax Revenue



Capital, Operating Impacts of Capital & Other Obligations

Additional Operating Costs	Fiscal Year						
	2021	2022	2023	2024	2025	2026	2027
Race & Culture Implementation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pension (Add'l 1.5%+)	-	4,600,000	4,738,000	-	-	-	-
PD Staffing Implementation	4,088,635	-	-	-	-	-	-
Retiree Health Insurance	608,067	1,043,849	1,096,042	1,150,844	1,208,386	1,268,805	1,332,245
Health Insurance	1,287,834	2,210,782	2,321,321	2,437,387	2,559,256	2,687,219	2,821,580
Pay for Performance	5,237,652	5,483,429	5,685,860	5,856,436	6,032,129	6,213,093	6,399,486
Police Wage/Benefits	5,007,075	5,145,302	5,299,662	5,458,651	5,622,411	5,791,083	5,964,815
Fire Wage/Benefits	4,561,749	4,797,482	3,742,035	3,854,297	3,969,925	4,089,024	4,211,694
Fort Worth Zoo CPI	195,391	303,887	340,630	350,849	361,375	372,216	383,382
Legislative Funding	354,193	(354,193)	354,193	(354,193)	354,193	(354,193)	(354,193)
380 Agreements	1,760,000	2,160,000	4,520,000	1,860,000	1,380,000	-	-
Parks Add'l Maint & Support	26,717	-	-	-	-	-	-
Botanic Garden Transition	260,300	93,783	105,122	108,276	111,524	114,870	118,316
1x Operating Costs	(330,000)	-	-	-	-	-	-
Stormwater Rate Increase	37,700	-	-	-	-	-	-
2018 Bond Est. Operating Costs	-	-	-	-	-	-	-
Fire Station 45	1,285,000	-	-	-	-	-	-
North Animal Shelter	1,600,833	-	-	-	-	-	-
South Police Patrol	289,000	(435,000)	-	-	-	-	-
Far Southwest Library	1,233,000	-	-	-	-	-	-
Diamond Hill CC	-	173,000	-	-	-	-	-
Northwest CC	-	518,000	-	-	-	-	-
Parks & Trails	214,000	613,000	175,000	-	-	-	-
Total Additional Costs	\$ 27,717,147	\$ 26,353,321	\$ 28,377,865	\$ 20,722,547	\$ 21,599,199	\$ 20,182,117	\$ 20,877,325

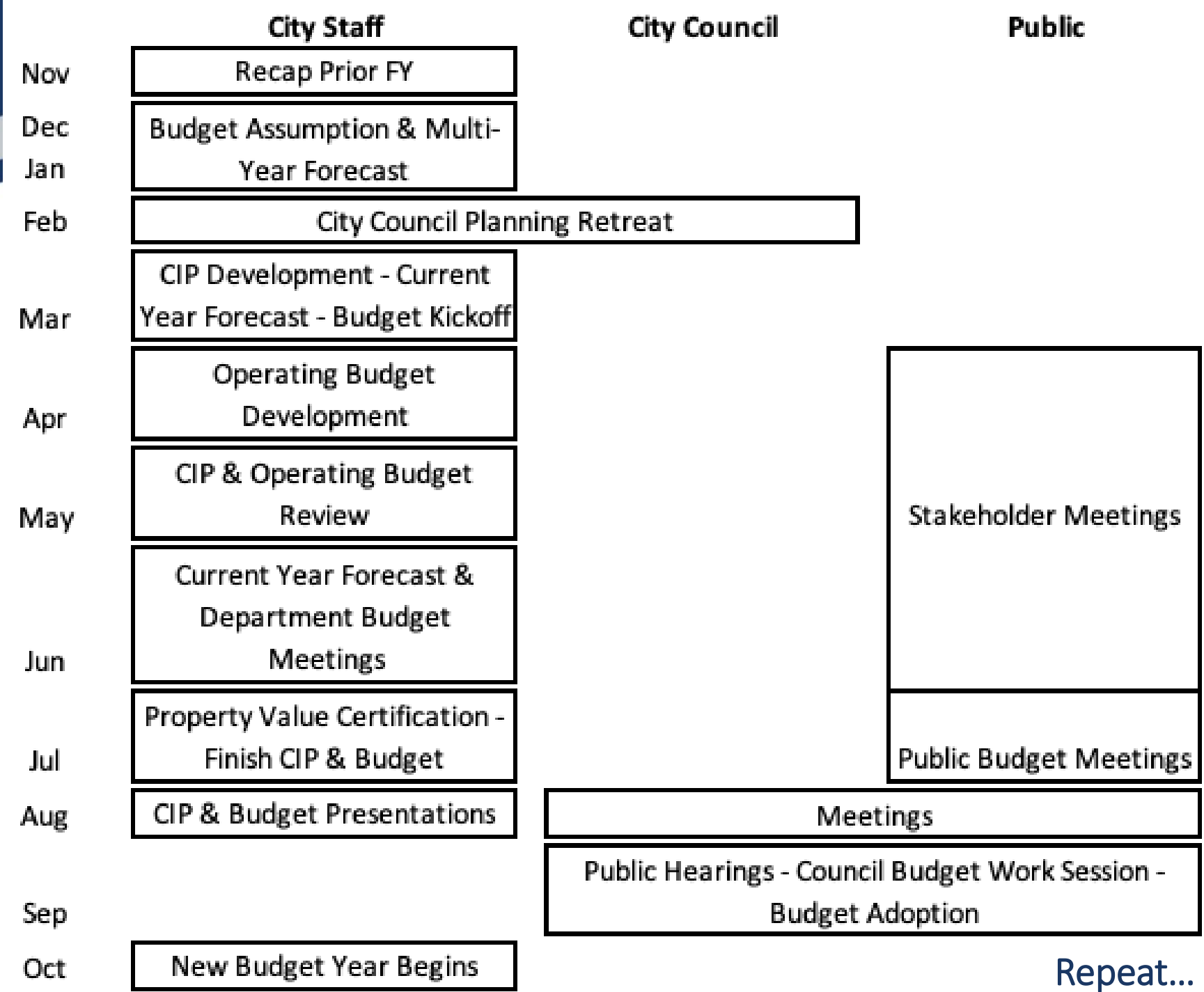
General Fund Operating Forecast

4% Property & Sales Tax Growth

	Fiscal Year						
	2021	2022	2023	2024	2025	2026	2027
Operating Revenues	\$ 745,999,090	\$ 771,043,519	\$ 797,038,872	\$ 824,023,694	\$ 852,035,787	\$ 881,116,254	\$ 911,307,153
<i>Less Operating Expenditures</i>							
Salaries & Benefits	\$ 560,519,020	\$ 584,559,657	\$ 608,818,501	\$ 631,832,671	\$ 650,590,286	\$ 669,982,393	\$ 690,031,617
M&O	154,541,695	158,001,454	160,095,931	165,459,626	167,424,558	169,631,650	169,764,543
Capital & Obligation Impacts	27,717,147	26,353,321	28,377,865	20,722,547	21,599,199	20,182,117	20,877,325
Total Operating Expenditures	\$ 742,777,862	\$ 768,914,433	\$ 797,292,298	\$ 818,014,845	\$ 839,614,044	\$ 859,796,161	\$ 880,673,486
Revenues Over/(Under)							
Expenditures	\$ 3,221,228	\$ 2,129,087	\$ (253,426)	\$ 6,008,850	\$ 12,421,744	\$ 21,320,094	\$ 30,633,668



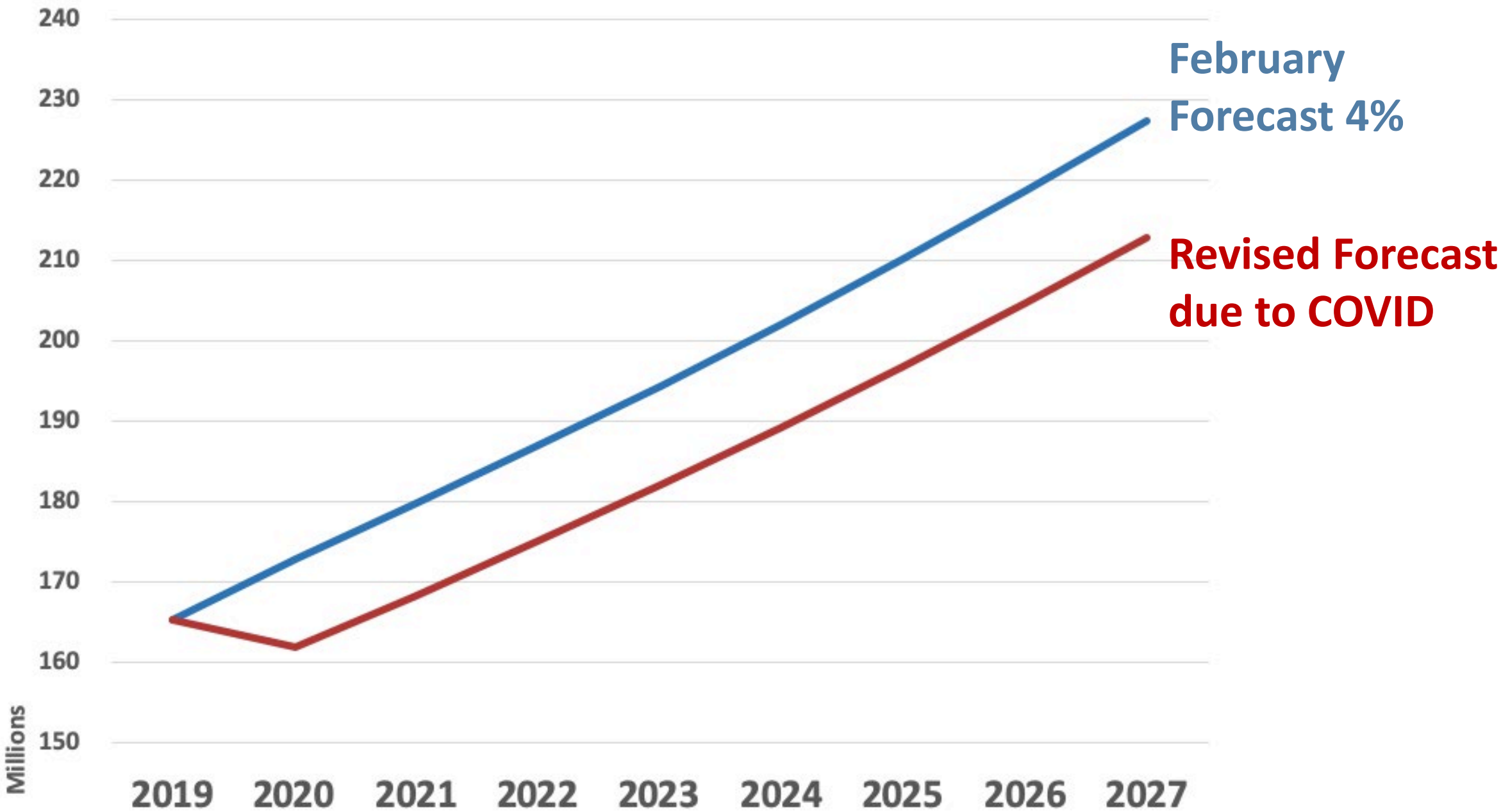
Budget Process



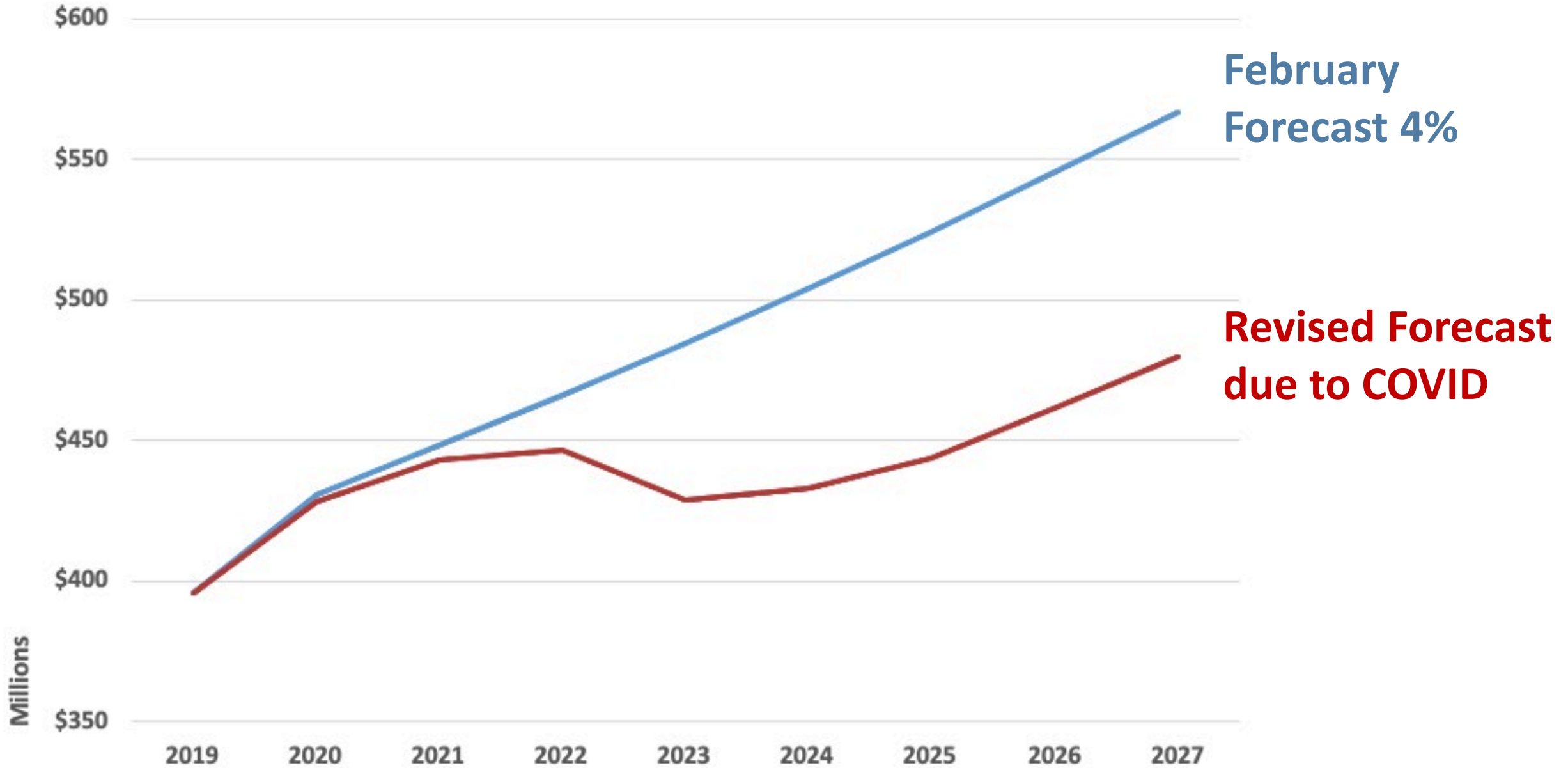
FY2021 Budget: Things Have Changed...

- Sales Tax Revenue – Hotel Tax Revenue
- Property Tax Revenue

Sales Tax Revenues (General Fund)



Property Tax Revenues (General Fund)



FY2021 Budget: Things Have Changed Since February

- Hiring freeze has been in place since March
- FY2021 Budget will be \$18 million short of February forecast
- We will have a smaller work force in FY2021 and FY2022
- Recommended Capital Budget and Property Tax Rate: August 4
- Recommended Operating Budget: August 11

FY2021 Budget: Public Involvement

Date	Meeting	Time	Location
July 31	Budget Informational Meeting	10 a.m.	City Hall & Online
August 4	Capital Budget presented to Council	3 p.m.	City Hall & Online
August 11	Budget presented to Council	3 p.m.	City Hall & Online
Aug-Sep	Virtual Town Hall Meetings	TBD	Virtual
Aug 20, 21 Sep 3,4	City Council Budget Work Sessions	TBD	City Hall & Online
Sep 1, 15, 22	Budget Hearings	7 p.m.	City Hall & Online

Anticipated Budget Adoption – September 22

Questions