



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. Overall, the City of Fort Worth will concentrate on five top-priority strategic goals for fiscal year 2013. This strategic goals report is intended to provide a clear and concise statement about where the City Council wants Fort Worth to go over 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.

Betsy Price, Mayor

Salvador Espino,
District 2

W. B. “Zim” Zimmerman,
District 3

Danny Scarth,
District 4

Frank Moss,
District 5

Jungus Jordan,
District 6

Dennis Shingleton,
District 7

Kelly Allen-Gray,
District 8

Joel Burns,
District 9

MANAGEMENT PLAN

Mission, Vision, Values, Management Priorities and Plan Core Objectives

The purpose of the management plan is to outline how the City is going to use available resources to accomplish the priorities identified by the community and City Council and report departmental performance throughout the year. Once priorities are set, departments build their budgets around these priorities and submit their budget for consideration.

A. Mission:

We strive to be a well-managed organization focusing on our future. Together we are building strong neighborhoods, developing a sound economy, fostering a healthy environment, and providing a safe community.

B. Vision:

By the year 2015, the City of Fort Worth will be commonly recognized as one of the best managed large cities in the country.

1. Citizens from all parts of Fort Worth will express a high degree of satisfaction with city services, as measured by the annual citizen survey. Fort Worth will rank among the top 10 percent of the country's large cities on overall citizen satisfaction.
2. Bond rating agencies will assign high ratings to Fort Worth in recognition of outstanding performance in the management of our economic, financial, and human resources.
3. City departments and employees will be recognized by their peers across the country for excellence in their fields.
4. The City will strive to employ a workforce that reflects at all levels the diversity of the community that we serve, and all of our employees will interact with their customers in a culturally competent manner.
5. Current and prospective employees will view Fort Worth city government as an employer of choice within the North Texas region.

C. Values:

1. Our highest value as City employees is the delivery of quality service to all our citizens.
2. To be worthy of the people's trust, each of us must consistently practice honesty and ethical behavior in the performance of our duties.
3. In both our service to the public and our interactions with one another, we shall always be guided by the principle of mutual respect.
4. We value the diversity in our community and organization; and we are committed to understanding and building upon our differences.

D. City Council Strategic Goals:

1. Make Fort Worth the nation's safest major city
2. Improve mobility and air quality
3. Create and maintain a clean, attractive city
4. Strengthen the economic base, develop the future workforce, and create quality job opportunities
5. Promote orderly and sustainable development

E. Management Priorities:

1. Ensure the long-term **financial health** of City government.
2. Attract, retain, and develop a **highly skilled, diverse workforce** for high quality customer service.
3. Conserve the City's financial and human resources by promoting **development that efficiently uses land, infrastructure, and public services**.

F. Management Plan Core Objectives:

1. Be a Well-Managed Organization:

- a. Improve **bond rating** status to yield cost-effective financing that meets the City's capital requirements, such as an AAA rating from Standards & Poor's and AAA from Moody's Investor Services for general obligation debt.
- b. Ensure the long-term financial affordability and competitiveness of **salaries and benefits** for all employees.
- c. Diversify **revenue sources** to improve cost recovery and supplement property and sales tax revenues.
- d. Invest in **technology** that makes City operations efficient, accountable and transparent.
- e. Promote the responsible and compliant management of City **records and information** to maximize efficiency, compliance and transparency of all operations and services.
- f. Promote **continuous improvement** of employee performance.
- g. Seek to employ people that reflect the **diversity** of the available labor pool, as determined by the Department of Labor (DOL).
- h. Improve **citizen satisfaction** by meeting or exceeding customer service standards.

2. Build Strong Neighborhoods:

- a. Add or rehabilitate quality affordable and market-rate residential units and support desirable commercial development within designated growth centers, urban villages, and central city neighborhoods.
- b. Implement the five-year capital improvement program as updated annually in the Comprehensive Plan.
- c. Nurture existing community partnerships and identify opportunities to form new partnerships with residents, community stakeholders, and other agencies.
- d. Implement programs that address the housing costs and after-school needs of low-income residents.

3. Develop a Sound Economy:

- a. Implement the City's economic development strategies to create and retain well-paying jobs and to increase taxable value.
- b. Create and implement a multimodal transportation plan.

4. Foster a Healthy Environment:

- a. Improve air quality by reducing energy consumption per capita.
- b. Improve water quality and supply.
- c. Improve land quality by reducing waste and pollutants and promoting redevelopment of brownfields.

5. Provide a Safe Community:

- a. Ensure adequate public safety services for existing and future residents.
- b. Ensure the safety of buildings and property to protect occupants and neighbors.

A. Budget Priorities

Budget priorities = Characteristics for rating City programs and services in order of importance for the annual budget.

Starting with budget preparation, all programs are rated on their degree of effectiveness in implementing the City Council strategic goals, management priorities, and management plan core objectives. The City Manager's Office evaluates and recommends improvement packages based on the budget priorities.



BUDGET FORMAT

The FY2013 adopted 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 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 continue to concentrate on five top-priority strategic goals for FY2013:

1. Make Fort Worth the nation's safest major city
2. Improve mobility and air quality
3. Create and maintain a clean, attractive city
4. Strengthen the economic base, develop the future workforce, and create quality job opportunities
5. Promote orderly and sustainable development

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:

City Attorney's Office	Human Resources
City Auditor's Office	Library
City Manager's Office	Municipal Court
City Secretary's Office	Non-Departmental
Code Compliance	Parks & Community Services
Financial Management Services	Planning & Development
Fire	Police
Housing & Economic Development	Transportation & Public Works

OTHER FUNDS

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

Enterprise Funds include:

Municipal Airport Fund	Solid Waste Management Fund
Municipal Golf Fund	Stormwater Utility Fund
Municipal Parking Fund	Water & Sewer Fund

Internal Service Funds include:

Capital Projects Service Fund	Office Services Fund
Equipment Services Fund	Temporary Labor Fund
Information Systems Fund	

Special Funds include:

Awarded Assets Funds	Lake Worth Trust Fund
Crime Control & Prevention District Fund	Red Light Enforcement Fund
Culture and Tourism Fund	Risk Management Fund
Environmental Protection Fund	Unemployment Compensation Fund
Group Health and Life Insurance Fund	Workers' Compensation 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 FY2011 unaudited actual expenditures, FY2012 adopted expenditures, FY2013 proposed and adopted expenditures. Expenditures are broken into five cost categories: personnel 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 provides 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 Budget Summary	Gray
Cash/Fund Balance	Gray
Fund Five-Year Forecast	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
Departmental Budget Summary Other Funding	Pink

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

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 Research Division establishes a budget schedule each year to enable the City Manager and their 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.

Below is a synopsis of each budget process phase as it pertains to FY2013 budget preparation:

Personnel Data (SBFS) Cleanup:

The annual budget preparation process takes place in early March when the Budget and Research Division 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.

Policy Issues:

Departments began the budget process by submitting policy issues that may impact departments in the immediate future. In general, policy issues are salient issues expected to impact the ways in which each department accomplishes its departmental mission over the next five years. Such issues tend to have budget implications. Moreover, they reflect broad trends, rather than specific departmental budget requests for additional authorized positions, equipment, and other major needs.

Budget Kickoff:

The "Budget Kickoff" meeting was held on April 19, 2012. During the meeting the Budget and Research Division distributed budget instructions and standard budget forms to departments. This also marked the opening of the BRASS Budget system for the departments to input their budget requests.

Multi-Year Financial Forecast:

The City Council is presented with the City's Multi-Year Financial Forecast (MYFF) for the General Fund. The intention was to give the Council a big-picture framework and long-term context in which to make annual budget decisions. The MYFF is updated to reflect the proposed budget and it is presented at that time. The forecast also serves to prepare the Council for any anticipated discrepancies between projected revenues and expenditures in future years.

On May 8, 2012, the Budget and Research Division presented a five-year financial forecast to the City Council. This comprehensive forecast was developed over the course of three months with the assistance of staff in Financial Management Services, Planning and Development, Human Resources, Housing and Economic Development, and other departments. It featured detailed projections for each expenditure account, including the following: general and civil service salaries; group health insurance; motor vehicle fuel cost as well as gas and electric utilities. Revenue accounts were projected with similar scrutiny. Property tax revenue was projected using permitting data and historical growth trends, sales tax revenue using historical analysis and the impact of the current economic environment as well as licenses, permits and fines based on an in-depth analysis by the associated departments. The forecast also included other assumptions, including no net increase in the size of the General Fund workforce through FY2017. The forecast projected expenditures to outpace revenues in each of the five years, with an average annual growth rate of 12%. Revenue is growing modestly at an annual average of 1.9% while expenditure is growing at an average of 3.8%. Personnel costs were projected to grow from 73% of

expenditures in FY2013 to 74% in FY2017, and property taxes – the largest single component of General Fund revenue – were projected to increase at a slower rate than prior years based on continuing concerns with the housing market and economic difficulty. The forecast showed that without a realignment of priorities and a streamlining of the City's operations, the City would continue to struggle to reach its General Fund reserve requirement of 10% of all operating costs. Another concern that was highlighted during the forecast was the volatility of sales tax revenues, which are heavily, influenced by prevailing economic conditions, individual consumer discretion and world events. Therefore forecast projected sales tax revenues to be about 4% higher as compared to FY2012.

Departmental Request Phase:

Departments prepared base budget requests to continue current services within a specified target figure. Any new programs a department considered were submitted as improvement/exception decision packages. The consequences of the failure to fund these items also had to be provided. The departmental budget request was comprised of a line-item expenditure request that is supplemented with detailed justifications. All requests for funding had to be related to specific program needs and had to be measurable in terms of effectiveness and/or indicators. This phase lasted until early May, when the BRASS Budget System was closed and departments were required to submit their requests for the next fiscal year.

Analyst Recommendation Phase:

The Analyst Recommendation Phase of the budget process began with careful Budget Analyst review of the budget requests submitted by their assigned departments. Based on analysis of historical spending patterns and careful consideration of Budgetary Supporting Detail and other information provided, the Budget Analyst made adjustments to a department's budget request. During that analysis process, some Budget Analysts returned to a department for clarification regarding budget requests. In that manner, Budget Analysts formulated their budget recommendations, which were then presented to the Budget Manager and subsequently to the Budget Officer responsible for the budget. Once budget recommendations were determined, each Budget Analyst drafted a Departmental Reconciliation sheet for each of their departments, which summarized recommended budget and authorized position levels, as well as all proposed major funding changes. Based on feedback from the Budget Manager and the Budget Officer, the Analysts made any necessary modifications to the budget recommendation for each department.

Proposed Budget Phase:

The City Manager, the Assistant City Managers and Budget Staff met to review budget submissions and to develop consensus-based recommendations and make any necessary adjustments. Budget staff implemented the final changes and began preparation of the City Manager's proposed budget document, entitled the Annual Budget and Program Objectives as Proposed by the City Manager.

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 will hold 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 and may result in City Council-directed modifications to the proposed budget. These study sessions result in the adoption of the budget at a City Council meeting in

mid-September after a minimum of two public hearings where citizen's comment has been received and considered by the City Council. The newly adopted budget becomes effective October 1.

Adopted Budget Phase:

In the Adopted Budget Phase, budget staff incorporates all budget changes agreed upon by the City Council into the budget document. 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, a five-year revenue and expenditure forecast and a summary of expenditure and staffing levels by cost center.

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.

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:

Personnel Services
Supplies
Contractual Services
Capital Outlays, and
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.

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.

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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. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. There are a few exceptions to this accounting treatment and they are:

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

2012 Schedule for Budgeting and Tax Collection
(Tax Rate Does Not Exceed Effective or Rollback Tax Rate)
 (September 18th Budget Adoption)

Date	Dept.	Event	Statute / Code	City Charter
May 1		Mailing of Notices of appraised value by Chief Appraiser to property owners “by May 1 or as soon thereafter as practicable.”	Tax Code 25.19(a)	
May 15		Deadline for Chief Appraiser to submit appraisal records to Appraisal Review Board (ARB) for determination of protests “by May 15 or as soon thereafter as practicable.”	Tax Code 25.22(a)	
May 22nd	CITY COUNCIL MEETING CANCELLED			
May 29th	CITY COUNCIL MEETING CANCELLED			
June 12 th CC Meeting 7:00 PM	BUDGET	Deadline for City Council to make changes to the residence homestead exemption –exemption must be adopted by the governing body of the taxing unit before July 1 in the manner provided by law for official action by the body. Note: Adoption of homestead exemption must be by ordinance (no CC meeting on June 19 th or 26 th)	Tax Code 11.13(n)	
June 19 th	CITY COUNCIL MEETING CANCELLED			
June 26th	CITY COUNCIL MEETING CANCELLED			
July 3 rd	CITY COUNCIL MEETING CANCELLED			
July 20		Deadline for ARB to approve appraisal records		
July 24 th	CITY SEC/BUDGET	IR on Notice Requirements and 2012 Budget Calendar	July 24 th	CITY SEC/BUDGET
July 25 th		Deadline for Chief Appraiser to certify rolls to taxing units.	Tax Code 26.01(a)	
July 31	CITY COUNCIL MEETING CANCELLED			

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Date	Dept.	Event	Statute / Code	City Charter
August 1 st	CITY SEC publishes	Prepare, review and send Notice of Public Hearings on budget to newspaper to be published on <u>AUGUST 4</u> [Notice of hearing on budget must be published 10 days before first budget hearing. If the proposed budget will require raising more revenue from property taxes than in the previous year, notice must contain statement set forth in LGC 102.005(b)]	LGC 102.005; 102.006; 102.0065	
August 2 nd	BUDGET; M&C CENTER TREASURY prepares; LAW reviews	Ensure budget presentation is on pre-council agenda for presentation of the budget on August 7 th Prepare IR for submission of appraisal roll to governing body and collector's certification of an estimate of the collection rate for the current year by August 1 or as soon thereafter as practicable. <i>NOTE: "If the collector certified an anticipated collection rate in the preceding year and the actual collection in that year exceeded the anticipated rate, the collector shall also certify the amount of debt taxes collected in excess of the anticipated amount in the preceding year."</i> Prepare IR for submission of effective and rollback tax rates by August 7 or as soon thereafter as practicable. <i>(Comptroller has prescribed forms)</i>		Ch X, Sec 1 Tax Code 26.04(b) Tax Code 26.04(e)
August 4 th	CITY SEC verifies	Publication of Notice of Budget Hearings in newspaper	LGC 102.0065(c)	
August 7 th Pre-Council Meeting 3:00 PM	TREASURY TREASURY TREASURY BUDGET	Submission of appraisal roll to governing body by IR, collector's certification of an estimate of the collection rate for the current year [26.04(b) "by August 1 or as soon thereafter as practicable . . ."]. Submission to Council of effective and rollback tax rates [26.04(e) "by August 7 or as soon thereafter as practicable . . ."] by IR Pre-Council briefing on effective and roll back tax rates, publication and notice requirements (if necessary) Proposed budget presented to City Council at the Pre-Council Meeting [On or before the 15th day of August , the manager shall submit to the Council a proposed budget for the ensuing fiscal year...]	Tax Code 26.04(b) 26.04(e)	Ch X, Sec 1

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Date	Dept.	Event	Statute / Code	City Charter
August 8 th	<p>TREASURY publishes; CITY SEC verifies</p> <p>BUDGET</p> <p>CITY SEC</p>	<p>Send effective and rollback tax rates, statement and schedules to newspaper for publication on <u>AUGUST 11</u> [26.04(e) “by August 7 or as soon thereafter as practicable”]</p> <p>Proposed budget filed with the municipal clerk [Budget officer shall file the proposed budget with the municipal clerk before the 30th day before the governing body makes its tax levy]</p> <p>If the proposed budget will require raising more revenue from property taxes than in the previous year, then the budget must contain a cover page statement as set forth in LGC 102.005(b)</p> <p>The proposed budget shall be made available for public inspection and posted to the City’s website</p>	<p>Tax Code 26.04(e)</p> <p>LGC 102.005(a)</p> <p>LGC 102.005(b)</p> <p>LGC 102.005(c)</p>	
<p>August 9th (verify upcoming agenda)</p>	<p>BUDGET</p> <p>BUDGET, TREASURY prepares; LAW reviews</p> <p>M&C CENTER; BUDGET; LAW</p>	<p>City Council Budget Work Session (Pre-Council)</p> <p>Prepare Appropriation Ordinance, Debt Service Ordinance, and Ad Valorem Tax Ordinance to be submitted to the M&C Center by August 9th</p> <p>Ensure Public Hearing and all ordinances are on the Council agenda for first reading at <u>AUGUST 14</u> CC meeting [full ordinance captions to be listed on the agenda]</p>		Ch X, Sec 2
August 10th	BUDGET	City Council Budget Work Session (Pre-Council)		
August 11th	CITY SEC	Verify Effective and Roll Back tax rates published in newspaper		
August 14 th CC MEETING 7:00 PM	CITY SEC reads into the record	<p>First reading of Appropriations Ordinance, Debt Service Ordinance and Ad Valorem Tax Ordinance at Council Meeting with Budget Hearing</p> <p>- Full ordinance captions to be listed on the agenda and read into the record</p> <p>- 1st Budget Hearing at Council meeting</p>		Ch. X , Sec 2
August 15 th	CITY SEC	<p>Send appropriation ordinance and debt service ordinance to newspaper for publication on <u>AUGUST 18</u> Note: Ordinances should be published in newspaper of general circulation following initial reading</p> <p>[Note: Publication should occur in standard publication time of 3 days or as soon thereafter as possible]</p>		Ch. X, Sec 2

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Date	Dept.	Event	Statute / Code	City Charter
August 16 th (verify upcoming agenda)	M&C CENTER; LAW BUDGET	Ensure Public Hearing and Appropriations Ordinance, Debt Service Ordinance and Ad Valorem Tax Ordinance are on agenda for 2 nd budget hearing City Council Budget Work Session (Pre-Council)		Ch X, Sec 2
August 18 th	CITY SEC	Verify appropriation ordinance and debt service ordinance are published in newspaper		Ch. X, Sec 2
August 21st CC MEETING 10:00 AM		2nd Budget Hearing on Appropriations Ordinance, Debt Service Ordinance, and Ad Valorem Tax Ordinance at Council Meeting Abbreviated captions of all ordinances on the agenda		Ch. X, Sec 2
August 23 rd	BUDGET	City Council Budget Work Session (if necessary)		
August 28 th	CITY COUNCIL MEETING CANCELLED			
August 30 th	BUDGET	City Council Budget Work Session (if necessary)		
September 4 th	CITY COUNCIL MEETING CANCELLED			
September 6 th (verify upcoming agenda)	M&C CENTER; LAW BUDGET TREASURY	Ensure Public Hearing and Appropriations Ordinance, Debt Service Ordinance and Ad Valorem Tax Ordinance are on agenda for 3 rd budget hearing City Council Budget Work Session (if necessary)	LGC 102.007(c)	Ch X, Sec 2
September 11 th CC MEETING 7:00 PM		3rd Budget Hearing on Appropriations Ordinance, Debt Service Ordinance, and Ad Valorem Tax Ordinance at Council Meeting Abbreviated captions of ordinances on agenda ----- FINAL DATE TO PROPOSE A HIGHER TAX RATE ----- Note: A proposal to adopt a tax rate higher than the proposed tax rate will trigger new posting requirements and special called meetings to comply with the Tax Code If CC wishes to propose a higher tax rate, a Resolution should be placed on the City Council agenda (as necessary) to adopt a tax rate higher than the proposed tax rate of \$0.08550	Tax Code 26.06	Ch. X, Sec 2

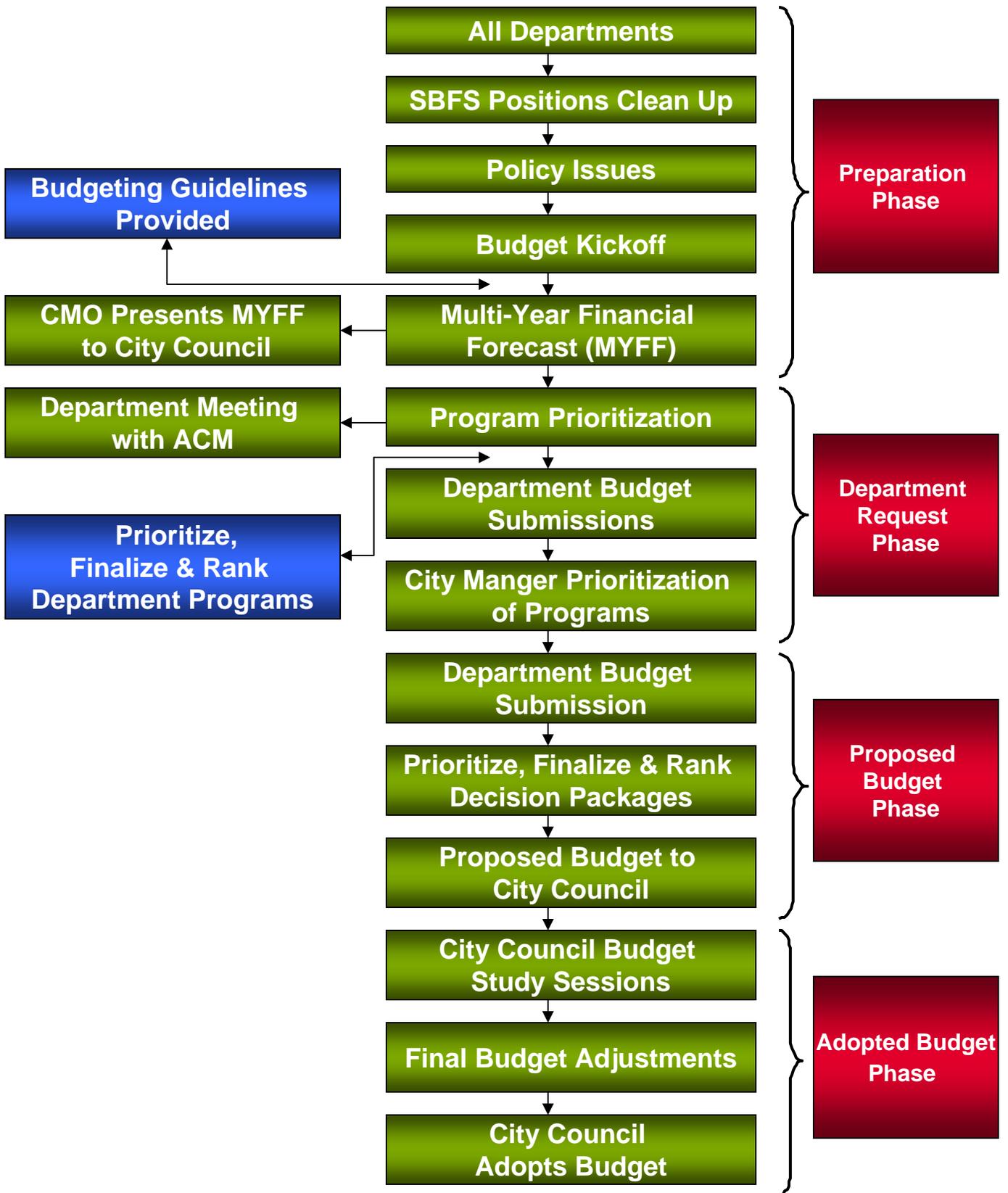
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Date	Dept.	Event	Statute / Code	City Charter
<p>September 13th</p> <p>(verify upcoming agenda)</p>	<p>M&C CENTER; LAW</p> <p>BUDGET prepares; LAW reviews; M&C CENTER verifies</p> <p>TREASURY</p>	<p>Ensure full caption of Appropriation Ordinance, Debt Service Ordinance and Ad Valorem Tax Ordinance (<u>in that order</u>) are on Council Agenda</p> <p>If taxes collected to fund Maintenance & Operations is more than last year, ensure appropriate language is included in tax levy ordinance [26.05(b)(1)].</p> <p>Ensure Resolution to ratify property tax revenue increase is on agenda to be considered at <u>September 18th</u> Council meeting</p> <p><i>Adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the governing body to ratify the property tax increase reflected in the budget.</i></p>	<p>Tax Code 26.05(b)(1)</p> <p>LGC 102.007(c)</p>	<p>Ch. X, Sec 2</p>
<p>September 18th</p> <p>CC MEETING 10:00 AM</p>	<p>M&C CENTER; CITY SEC</p>	<p>Second reading of Appropriations Ordinance, Debt Service Ordinance and Ad Valorem Tax Ordinance (full ordinance captions to be listed on the agenda and read into the record)</p> <p>4th Budget Hearing at Council Meeting; BUDGET ADOPTION</p> <ul style="list-style-type: none"> - Council adopts Appropriations Ordinance - Council adopts Debt Service Ordinance - Council adopts Ad Valorem Tax Ordinance <p>Council adopts Resolution ratifying property tax revenue increase</p>	<p>LCG 102.007(c)</p>	<p>Chapter X, Sec 2</p>
<p>September 19th or ASAP</p>	<p>BUDGET</p> <p>BUDGET/CITY SEC publishes and sends budget to webmaster</p>	<p>Budget officer files approved budget with City Secretary and County Clerk (City Sec is considered Municipal Clerk for purposes of this section)</p> <p>Send Appropriations Ordinance to newspaper for 2nd publication with schedule of changes made to original budget, and post budget on City website</p> <p>Send Debt Service Ordinance to newspaper for 2nd publication</p> <p>Publish Tax Levy Ordinance <u>twice</u> after passage</p> <p><u>Website Homepage Notice</u> is published after adoption of budget (must include statement that City adopted a tax rate that will raise more taxes for M&O than last year's rate if applicable)</p>	<p>LGC 102.008</p> <p>LCG 102.009(d)</p>	<p>Ch. X, Sec. 2</p> <p>Ch. XXV, Sec. 2</p> <p>Tax Code 26.05(b)(2)</p>

D-16

Date	Dept.	Event	Statute / Code	City Charter
September 20 th	TREASURY	Submit tax rate to the Tax Assessor Prepare and submit M&C for City Council to approve tax roll is on the agenda for Sept. 25 th or (ASAP)		
Sept 20-22	CITY COUNCIL	CITY COUNCIL TRIP TO GALVESTON		
September 22 nd	CITY SEC verifies	Appropriation Ordinance published in the newspaper; BUDGET BECOMES EFFECTIVE		Ch. X, Sec 2
Sept 25 th CC MEETING 10:00AM	TREASURY drafts; LAW reviews; BUDGET sends to webmaster	City Council approves M&C to approve Ad Valorem Tax Roll (Tax Assessor's calculation of taxes on each property using tax rate adopted)	Tax Code 26.09(e)	Sept 25 th CC MEETING 10:00AM
September 28 th	M&C CENTER; CITY SEC	DEADLINE TO ADOPT BUDGET (actual deadline is Sept 30 th) [special called meeting required] [The governing body shall adopt a tax rate for the current tax year and shall notify the assessor of the rate before the later of Sept 30 or the 60 th day after the date the certified appraisal roll is received. If rate is not adopted by this date, the rate becomes the lower of the effective tax rate or the tax rate adopted for the preceding tax year]	Tax Code 26.05(a) 26.05(c)	
Oct. 1 or ASAP		County Tax Assessor mails tax bills		

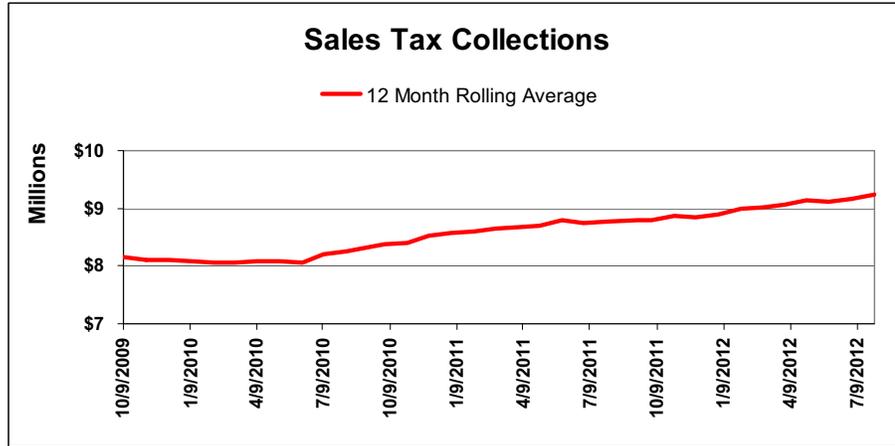
Annual Budget Process



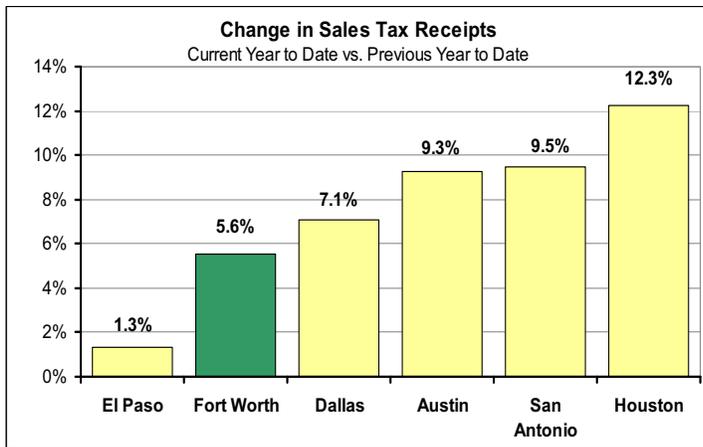
FORT WORTH’S ECONOMIC ENVIRONMENT

For the fourth quarter of FY2012, the economic outlook in Fort Worth remains consistent. Fort Worth continues to report above National average results on all economic fronts outlined in this report. Sales tax revenue continues to reach record setting rolling average highs, retail sales are headed upwards for the holidays; unemployment continues to trend downward in this last quarter of FY2012 and indications are that more hiring is on the horizon in the DFW area. The final quarter of FY2012 has some solid indicators that the economy has turned around in Fort Worth.

Sales tax revenue is continuing to be the rising star of the Fort Worth budget. The moving average for sales tax collections has shown tremendous year over year growth for the last two years. The rolling average set a new high in August, exceeding \$9.2 million for the first time. Right now, consumers

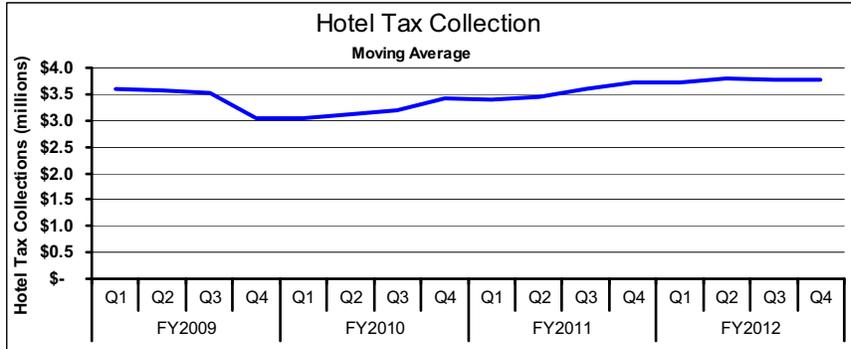


feel better about a rebounding stock market, but the uncertainty of the Presidential election outcome still has consumers watching their spending, according to the National Federation of Retail. Holiday sales beginning in October with Halloween are expected to rise 4.1%. The nation’s largest retail group says that sales from October to December are an important indicator that consumers are feeling better about the economy and increase consumer confidence.

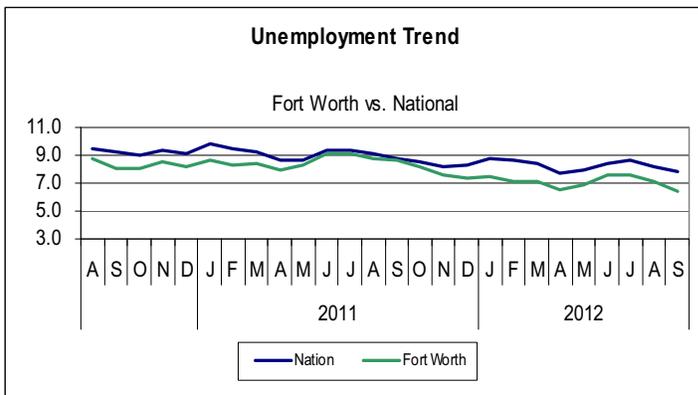


Year-to-date sales tax collections for Fort Worth through August were 5.6% higher than the same period last year. Among large Texas cities, El Paso had the lowest growth. Houston leads the state with YTD receipts up 12.3%. Higher food prices and gas prices add to consumers modest spending, however the last quarter in Fort Worth remained strong and with the projected holiday spending boost, retailers in Fort Worth could be in for a very good holiday 2012 season.

The report that hotel demand in Fort Worth continues to increase is true. The last quarter of FY2012 is right on track to exceed the 4th quarter revenue in FY2011. Hotel/Motel taxes (HOT) are consistently growing. This revenue is used for several purposes,



including supporting operations at the Will Rogers Memorial Center and Fort Worth Convention Center and funding efforts to promote the City nationally and internationally.

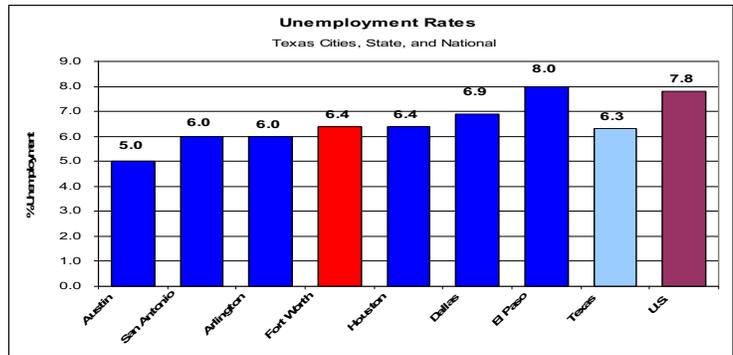


National unemployment has decreased, with the national unemployment rate at 7.8% in September. This is down from 8.8% in September 2011. This is good news during this election cycle for incumbent politicians. In this annual cycle, only April posted a lower rate.

Texas unemployment rate (unadjusted) has dropped to a new record low for the year at 6.3%. The state unemployment

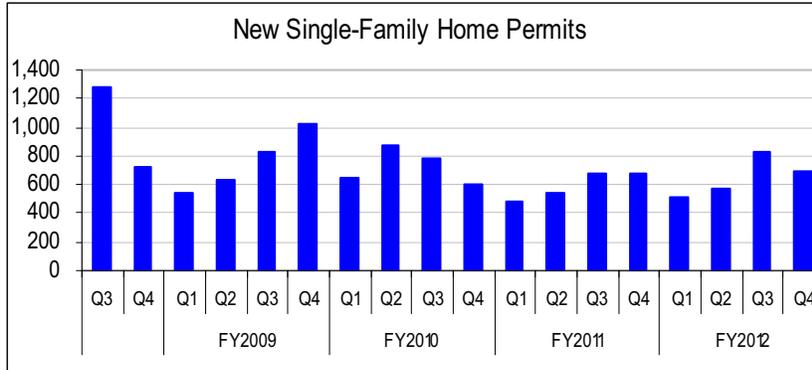
rate hasn't been this low since 2008. This is exceptional news for the state's overall economy. Texas is staying well below the National rate. Every major city saw a monthly decrease since last quarter. Austin continues to enjoy the lowest rate of the major Texas cities at 5.0% at the end of this quarter, while El Paso continues to have the highest at 8.0%.

The jobs outlook for DFW is "positive" in the final quarter of 2012 according to the US Department of Labor and Statistics. In a survey conducted by Manpower staffing company, about one out of five DFW employers say they expect to hire more employees in the final three months of 2012. North Texas is headed in a positive direction.



Manufacturing jobs are driving growth in local companies. In the four Fort Worth-Arlington metropolitan areas, the Bureau of Labor and Statistics reported that 6,400 jobs were added from July 2010 to July of 2012.

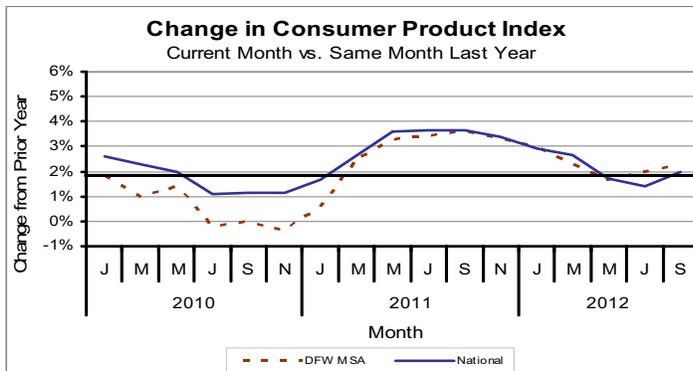
The State of Texas as a whole is doing slightly better than both DFW and the US. 20% of employers indicate they expect to hire workers and only 7% expect to reduce. This is a bright spot through the recession. US Department of Labor reported that 86,000 jobs in Texas were created in August.



In Fort Worth, new single family home permits are up 4% over the same quarter in FY2011. This is a good sign for the housing market. Building permits for the four quarters of FY2012 were 10% higher than the same period in FY2011 but still low compared to historical levels.

However, the housing recovery is real in DFW with increased demand and restricted supply, according to the Metro Study report. Home price appreciation has also re-emerged in the market. According to the Metro Study report, realtors are reporting multiple offers on houses and in isolated instances the prices getting bid are above the asking prices.

National and regional reports show US Home prices with consistent 12 month gains. According to Standard & Poor's/Case Shiller index, the last quarter of FY2012 saw home prices rise in comparison. The steadiness of the price increases is helping bolster a housing recovery that began early in the year. Between foreclosures hitting a 4 year low and builder confidence rising, more consumers will be inclined to put their houses up for sale. That could further energize the market, which was hampered by a low supply of available homes.



The Consumer Price Index (CPI) indicates the average price paid by households for a representative sample of goods and services. The most recent CPI for the D/FW Metroplex (recorded in September 2012) showed prices increasing by 2.29% over the same month last year. The national change in CPI for the same period was 1.98% over the prior year. Inflation is likely to be flat for the remainder of the year, as the

Fed announced an inflation target of 2% for the foreseeable future. For the second month in a row, the substantial increase in all items indexed was mostly a result of an increase in the gasoline index.

At the end of the first quarter the outlook in Fort Worth was neutral. Retail sales continued to support growth in sales tax revenue. Hotel/Motel taxes showed steady growth; and both of these trends had a direct, positive impact on City revenues. Over the last three quarters, that outlook

has improved drastically. Sales tax revenue saw unprecedented highs this year and was the rising star in the Fort Worth economic outlook. Unemployment started out high, but started trending downward in the second quarters. Jobs are beginning to grow; unemployment is continuing to come down. The real estate market is finally turning around and the incremental growth that Fort Worth is experiencing is having a positive impact on the entire region. Fort Worth is trending better in all areas than the nation and that's good news.

As we begin FY2013, we can only hope that the upward trends continue.

POLICY ISSUES

This section provides an overview of issues from Fiscal Year (FY) 2013 that are expected to result in some level of budgetary and/or operational impact over the next one to five years. The issues listed are often in the preliminary or problem identification stage, could pose significant resource allocation challenges in the near future and/or adequately addressing the issue 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 meet future or existing service needs or adjustments to service level expectations in the City of Fort Worth.

Aviation:

Aviation Leasing Policy and Minimum Standards – The Aviation Minimum Standards were last updated in 1992. The Department is in the process of updating this document, which establishes standards for tenants and users of the airports such as aircraft maintenance, flight training, aircraft fueling, etc. The standards are intended to assure a level playing field between airport tenants and that the basic needs of airport customers are being met. In regards to leasing, the Department has historically operated on a case by case basis for leasing airport property. The leasing policy will outline the parameters for leasing airport property and improvements with the objective of balancing the private sector interest of conducting a profitable business, with the City interest of managing scarce land resources and producing sufficient revenue to maintain the airports. The City Council is expected to consider adoption of these documents in the spring of 2013 along with changes to the Municipal Code.

Compatible Land Use and Height Zoning – This project is intended to protect the existing public airports in the City of Fort Worth. The project will establish compatible land use zones and height restriction zones around the five airports within the City of Fort Worth. The airports include Alliance, DFW, Fort Worth NAS-JRB, Meacham, and Spinks. The compatible land use zones will be a part of the City's land use plans and will ensure compatibility for noise and safety. There will also be Height Restriction Zones based upon the adopted Airport Layout Plans for each airport. The adoption of each of these zones will be through amendments to the Municipal Code. The Code amendments will relocate these items from the Aviation section of the Code to the Planning & Development section of the Code to provide better enforcement and oversight on these land use issues. The City Council is expected to consider these amendments to the Municipal Code in the summer of 2013.

City Attorney's Office:

Need to fill Vacant Attorney Positions – The City Attorney's Office will hold three positions open for FY2013. The open positions include a Section Chief for the Infrastructure and Environmental Section, a Senior Assistant City Attorney and a Prosecutor. The vacant Section Chief position leaves several attorneys without direct supervision and filling this position is essential for the reorganized office structure. All of these positions are vital to providing necessary legal service to the City and will need to be filled in FY2014.

Need for Additional Attorneys – Due to the growth and increasing complexity of the issues facing the Police Department, it is anticipated that there will be a need for an additional police legal advisor with experience and expertise. Additional prosecutors will also be needed over the next five years as the City's population grows and the number of courtrooms and cases filed in

Municipal Court increases. Funding for succession planning will be crucial as several senior lawyers will be eligible for retirement in the near future.

Need for Paralegals - During the 2010 reorganization of the City Attorney's Office, two overage paralegal positions were authorized, but due to budget constraints these positions were not filled and subsequently were part of the City Attorney's Office reduction program for FY2011. The continued lack of paralegals creates time management and work productivity issues for the attorneys and this should be reexamined if the City's financial condition improves.

Existing Salary Inequities and Mid-Range Attorney Salary Deficiencies – Support staff salaries are almost 13% under the market average and compensation inequities exist between current support staff with comparable experience. These factors make it difficult to retain and recruit experienced support staff. Based on responses from City Attorneys across the country, starting salaries for attorneys appear to be competitive but the lack of promotional opportunities and merit increases have put midrange attorney salaries behind other comparable cities. Salary issues will have to be addressed to avoid the loss of expertise, diversity and strong performers within the Department.

Case Management Software - Pursuant to the City Council's direction to become more technology driven, the City Attorney's Office needs to purchase case management software in the near future which will benefit both litigation and transactional attorneys. Case management software will allow the organization and automation of cases, provide for a central repository for litigation documents and research, standardize case creation and tracking, provide deadline tracking, scheduling, reminders and manage electronic discovery. Cost estimates for the initial software purchase is unknown at this time and \$20,000 in annual operating funds is the estimated need for an adequate number of user licenses, annual updates and maintenance fees.

Conference Room Space – The City Attorney's Office has existing available conference rooms, however, none are large enough to support upgraded audio and visual equipment as well as attendees. Unutilized space in the City Attorney's Office, which was previously used as a law library, is sufficient for a larger and technology enhanced conference room, however, the Department lacks the necessary funds for such a conversion.

City Manager's Office:

Reliance on Federal Funding – The U.S. Equal Employment Opportunity (EEOC) and the U.S. Department of Housing and Urban Development's Fair Housing Assistance Program (FHAP) provide funding for the City's fair employment, fair housing, landlord and tenant counseling. Fluctuations and decreases in EEOC and FHAP funding will impact staffing levels requiring the Department to secure local funds to continue enforcement of the City's anti-discrimination in employment laws, enforcement of fair housing laws and provision of the same level of service to neighborhoods, landlords, tenants and housing providers. The reliance on federal funding is classified as near term due to the fact that municipalities are typically impacted by challenges in the federal budget and potential federal budget cuts.

City Secretary's Office:

Enterprise Information Management System (EIMS) and Staffing – In FY2012 the City's IT Solutions Department identified reserve funds that provided for the purchase of software and

professional services for the Laserfiche Electronic Document Management system for the City Secretary's Office. Initial funding for the system included the acquisition of 200 licenses that will provide use of the system by the City Secretary's Office, Water, Police, Library and Human Resources Departments; however, continued funding is required for the eventual enterprise-wide deployment and continued support of the system. Incremental funding of approximately \$300,000 annually, for a total of \$1.2 million, for the next four years would be required to provide for a systematic funding and implementation process throughout all City departments. The expanded use of the system will necessitate the hiring of one additional Records Information Management (RIM) position to handle the increasing volume of electronic records that will be part of the EIMS system. This person will oversee the retention and disposition of the electronic records to ensure they are properly managed. This enterprise-wide coordination will greatly enhance information and process management, efficiency and collaboration across the organization.

Restoration of City Council Minute Books – Approximately 70 to 80 historical minute books need to be restored. Cost estimate for this project is \$120,000, which includes restoration of covers, de-acidification of pages and imaging of books. While imaging of the books is vital for research purposes, it would be in the best interest of the City to have the handwritten minutes transcribed into typed documents to make them searchable by City staff and interested residents.

Conversion of Part-Time Customer Service Representative (CSR) II Position to Full-Time Position – With the initial funding received for EIMS, the conversion of this position from part-time to full-time would allow for one employee to be primarily responsible for records management of the City's official documents maintained in the City Secretary's Office (CSO). The CSO currently manages and stores over 70,000 documents in the form of resolutions, ordinances, bonds, deeds and contracts and has oversight of the City's Public Information Act (PIA) Response Program. The PIA Response Program processes nearly 8,000 requests annually which involve 22 departments utilizing the City's online request portal. This employee would also provide on-going department and community support of the PIA Response Program by assisting the Records and Information Management Office on a daily basis.

Granicus VoteCast for the Council Chamber – Funding of this initiative would provide for an electronic voting system for the City Council and various boards, commissions and committees. This system would enhance the City's video streaming endeavor by providing for transparency in the voting process and will also include the MinutesMaker software that provides automatic annotation into the Council minutes, decreasing transcription challenges and increasing accuracy. The automatic flow of information will help improve process efficiency and allow for the unquestionable credibility of the public record.

Scanning Official Documents – Additional funds are necessary for the scanning of official documents by a vendor to make them easily accessible while reducing the volume of paper documents maintained on- and off-site. This initiative would eventually eliminate the need to lease separate facilities to store the physical records, currently being 673 inactive record boxes. Contracting with a vendor is significantly less than microfilming costs and funding would be divided evenly over a three (3) year period for \$30,000 each year.

Code Compliance:

Code Compliance Staffing – With continued growth and expansion of the city, the Department has identified specific staffing and equipment needs to address increased code compliance related issues. This would require the addition of staff, specifically a total of 18 full-time-equivalents (FTE) including: expansion of the Rental Registration Section (6 FTE) to concentrate on the inspection of rental structures having 1 or 2 units; Tire Enforcement Team (2 FTE) to monitor tire shop manifests, the transport and legal disposal of used tires; expansion of Code Field Operations (7 FTE) to create a central city Code District; expansion of Building Standards Division (2 FTE) to increase the number of Category I demolitions to be adjudicated through the Building Standards Commission each month; Training Officer (1 FTE) to provide consistency in training regarding interpretation, application and enforcement of City ordinances and provide ongoing training, testing and proper documentation to maintain officer state certification.

Animal Shelter Operations – With an intake of approximately 20,000 animals annually, the City's animal shelter facility is consistently at or beyond its capacity. During peak seasons, there is a critical need for expanded capacity. A second shelter located in the northern section of the City (to compliment the current shelter located in far southeast Fort Worth) has been included in the Department's capital project needs listing. Staffing dedicated to the care of animals, cleaning of the shelter, and the provision of customer service continue to significantly lag national standards based on the number of animals housed at the shelter. With continuing enhancements to animal welfare initiatives, the ability to sustain quality service is compromised by staffing shortages.

Mosquito Surveillance and Response – The City has not funded mosquito surveillance and/or response capacity for several years. With the unprecedented levels of West Nile Virus reported in Fort Worth, Tarrant County and the metroplex during 2012, there is a need to develop a plan for surveillance, prevention education, larviciding and adulticiding (spraying) should this level of disease return next year or in subsequent years.

Health Inspection Staffing – Recent staffing reductions due to budgetary limitations has resulted in an inability to inspect every permitted facility according to recommended frequency schedules. Prioritization allows for high and medium risk facility inspections on schedule, but some lower risk facilities aren't being inspected annually. The addition of at least one authorized position is needed to meet the current recommended frequency for inspection.

Revenue Billing and Collection – The Code Compliance Department currently has several legacy systems that inefficiently track accounts receivable for high weeds and grass, demolitions, boarding/securing, and nuisance abatements. This data will need a review for accuracy prior to the conversion to PeopleSoft (ERP Phase II) and interfaces with existing work order systems will need to be created. The end goal is to increase efficiency of accounts receivable, to reduce delinquent accounts and ensure receivables are properly tracked.

Code Compliance/ Solid Waste Fund:

Review and Renewal of Fort Worth's Solid Waste Management Program – In March 2013 the current 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 last few months preceding this end date, the City will be

concluding its efforts 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.

Addition of Two Drop-off Stations – The City currently operates three drop-off stations where residents can dispose of trash, brush and recyclables. The existing stations are located at 2400 Brennan Avenue on the near north side, 5150 Martin Luther King Freeway in southeast Fort Worth and 6260 Old Hemphill Road in south Fort Worth. One additional drop-off station is proposed to serve residents in the Alliance corridor area of far north Fort Worth and construction will start in FY2013. Future plans include construction of drop-off stations west of Loop 820 for west Fort Worth and an additional drop-off station in far east Fort Worth.

Comprehensive Long Range Solid Waste Management Plan – The practice of solid waste management in the United States has significantly changed over the past 20 years. In many cases it has caught up with or in some cases exceeded the forward thinking program that Fort Worth implemented in 2003. A long range management plan is needed to determine where Fort Worth needs to advance over the next 20 – 30 years to handle the waste generated by one of the fastest growing major cities in the United States in a sustainable manner.

Storm Debris Management Plan – In conjunction with the Emergency Management Office, a formalized storm debris management plan needs to be developed. Handling debris following a significant storm event is very resource intensive (equipment, personnel and time) as well as extremely costly. A properly written Storm Debris Management Plan will help the City successfully navigate future debris collection, processing and disposal episodes efficiently and in a cost effective manner.

One Call Customer Service System Staffing – A One Call system, such as 311 or designated and promoted single 10-digit telephone number to connect with the City Call Center will need research and analyses to determine how and when the City can move to this type of system. As the Information Technology Solutions Department continues to work on a plan for incorporating such a system into the City's customer service operations, once implemented, additional staffing needs in the City Call Center may also accompany this new service system.

Equipment Services:

Expansion of the Water Service Center – The Water Service Center was constructed in 1969 with 10 service bays which are only adequate for providing support to a fleet of 200 pieces of equipment. Currently, 826 pieces of equipment are serviced by the Water Service Center. The recommendation from the City Manager's Office is that this expansion be paid for as a Water Capital Project with an estimated cost of \$2.5 million. The expansion of the Water Service Center includes the addition of 11 bays, much needed improvements to existing buildings, electrical upgrades and the resurfacing of all parking areas and driveways. The expansion would require an additional 9 FTE to maintain acceptable service levels that are already strained by limited space and age of the City fleet and to possibly provide for a second shift to respond to after hours' repairs.

Fuel Management System Conversion – The Equipment Services currently uses multiple outdated fuel management systems. It has become increasingly difficult to support multiple

systems both operationally and technically. The conversion of the multiple systems into one cohesive system that utilizes up-to-date technologies will dramatically improve operations. This system is needed to replace the manual, Megatronics, and Ohio Pattern Works (OPW) systems. The cost for a cohesive replacement system is unknown.

Financial Management Services:

Enterprise Resource Planning System (ERP Phase II) – The City's current financial system, MARS, is a legacy mainframe application that has been in use beyond normal life expectancy. While this system continues to service all City departments, the future business needs of the City will not be met without investing in newer, integrated systems known as the Enterprise Resources Planning Phase II (ERP Phase II). ERP systems integrate all facets of Finance, Budget, Payroll, and Human Resources systems and combine them together into an integrated business management system running off a single database, enabling various departments to share information and communicate with each other more easily. ERP systems are now built for use via the intranet, further reducing operational complexity and eliminating redundant systems and processes. ERP systems are complex, costly, and difficult to implement but the benefits to the City are enormous and include: uniform processes, task automation, greater access to data for decision makers, ability to track actual costs, on-demand reporting, activity-based costing, single point of data entry, and the ability to integrate with other key systems. The City is moving forward with its ERP Phase II project, and has hired Salvaggio, Teal & Associates (STA) to give the City expert guidance through the process. Ciber has been engaged for implementation services. Upon go-live, the first facet of Phase II will be placed into production, and a support organization must be established to provide ongoing maintenance and support.

Governmental Accounting Standards Board (GASB) – The City records financial activity according to standards established by the Governmental Accounting Standards Board (GASB). It is the practice of GASB to issue periodic pronouncements and standards that can have varying levels of impact on the City's practices. These pronouncements generally go into effect for a specified amount of time after being announced, leaving the City's staff in a constant state of preparing for new pronouncements to go into effect. When the impact upon current operations is significant enough, the new pronouncement can not only affect the cost of ongoing operations through a higher level of required resources but there will likely be implementation costs as well. This higher level of resources could be in the form of consultants, human resources, or technology.

Strategic Sourcing Initiative – The Financial Management Services (FMS) department is currently working with the Budget Division of the City Manager's Office to investigate the possibility of implementing a strategic sourcing initiative. This refers to a different method of purchasing, or sourcing, certain goods or services for the City. While such a method is projected to provide material net savings to the City overall, it would require additional resources to implement and operate.

Fire:

2nd Fire Company for Stations North of the Loop – The City has nine fire stations in the area North of Loop 820 and 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 the existing remaining seven north fire stations.

Walsh Ranch Fire Station – Walsh Ranch, in far west Fort Worth, is expected to see the first phase of development in the next two years. With response times from existing fire stations to the development ranging from 9 - 16 minutes, a station in the development will be needed by 2015. For planning purposes the station design/construction cost is \$5 million. An additional \$750,000 for fire apparatus is needed. The annual cost to staff and operate the station will be approximately \$1.4 million.

Housing and Economic Development:

Reduction in Federal Grant Funds – In the last two years from FY2011 to FY2013 the City has received a reduction in entitlement grant funds from the Department of Housing and Urban Development (HUD) totaling \$2,729,856. For the Community Development Block Grant (CDBG) funding has been reduced by \$1,501,088, or 20%, from \$7,331,207 to \$5,830,119. For the HOME Investment Partnerships Program (HOME) funding has been reduced by \$1,228,768 or 38%, from \$3,201,937 to \$1,973,169. The impact of these reductions not only decreases the amount of financial support available for programs and projects but also impacts staffing levels as 20% of CDBG funds and 10% of HOME funds are used to support administration and personnel expenses. In FY2013 this decrease in federal support impacts seven positions in addition to program reductions. If further reductions in federal grant funds continue, additional positions and programs may be reduced or an alternative source of funding will be needed to continue carrying out the Department's programs.

Human Resources:

Meet and Confer and Collective Bargaining – New contracts will be implemented in FY2013 with the Fort Worth Police Officers Association and in FY2014 with the Fort Worth Professional Firefighters Association, IAFF Local 440. These contracts will result in additional costs for the terms of the contracts and beyond. Additional resources may be required to monitor the contracts and respond to any grievances or litigation that may result from the implementation of the contracts.

Information Technology Solutions:

Enterprise Resource Planning (ERP) Phase I – The current software upgrade for HR/Payroll system was performed beginning in FY2012 by two consulting companies for a total of \$1.9 million and 11,152 hours. IT fund balance was used to support this initiative in FY2012. However, another major software upgrade of PeopleSoft Human Resource/Payroll and Financials will be required in FY2015, as well as ongoing software licensing. This is part of the normal maintenance and use process of the software, which must be maintained and upgraded about every three years to stay on a version that is supported by the vendor.

Customer Relationship Management (CRM) System – A CRM system, such as 311/ single number or similar call system will need further research and analyses soon, along with its electronic version via social media, web site and other applications. This focuses a new emphasis on customer service, especially to provide citizens an easy to remember number when calling the City for assistance. CRM also includes on-line and new media methods of communicating with City government, which again is a new focus of management. The cost

estimate for this program is \$2 million to \$5 million over several years and will positively impact the service provision for numerous City departments and operations.

Disaster Recovery for Critical Systems – A disaster recovery system enables recovery from a natural disaster much more quickly and focuses on the highest priority systems to be recovered first to enable the City to still operate effectively even as other systems are being brought back online. Disaster recovery has long been an underfunded need. Over the past several years due to operational or project savings, there has been a minimal investment made, but there are significant gaps. As more and more of the City's operations depend on information system, the ability to enable the City's technology infrastructure to continue operations during a disaster is crucial. This long overdue function has been highlighted in a few instances (as an example a neighboring county's data center was flooded by a water line break) in governments that didn't have disaster recovery capabilities.

Replacement/New Technologies – Public Safety will need software licensing upgrades such as for Call Recording, Ticket Writers, and Fire Station Alerting systems. A preliminary cost estimate is over \$1 million to complete a replacement/new technologies program.

Replacement Radio System – The City Council approved a system purchase agreement with Motorola Solutions for the upgrade of the City's public safety and public works communications system that supports City departments and all critical communication for emergency responders. The upgrade to a current generation digital system will more effectively meet the requirements of first responders and fulfill state and federal objectives for interoperability among the region's similar agencies. This system will replace the City's current system acquired in 1992, which is no longer supported by the manufacturer. Although project financing is secured by tax notes and dedicated funding from Crime Control and Prevention District (CCPD), ongoing maintenance will be required beginning in FY2015. Maintenance for the existing system is provided by City staff. The new system will require software maintenance/support that doesn't exist in the current system. Additionally manufacturer support will likely be required for hardware maintenance on the new system. A preliminary cost for the required maintenance to meet Federal compliance and regulations is estimated to be \$1 million to \$3 million annually or more.

Library:

Collections Demands – As Fort Worth continues to grow, the demand for up-to-date materials that are available in a variety of formats grows. Funds for material collections have not increased to meet this demand. As residents acquire smart phones, tablets and e-readers, the demand for downloadable books, music and video has increases dramatically.

Facilities/Maintenance Needs – While structurally sound, existing Library facilities continue to have ongoing maintenance, repair and renovation needs. A number of the branch libraries are badly in need of re-carpeting, painting and other cosmetic maintenance. Signage is inadequate. Parking lots at some locations need to be resurfaced. Older facilities have significant problems with mechanical systems and inadequate electrical, telecommunication and network capabilities, which hamper the Library's transition to 21st century library services.

Central Library Utilization – Although in a good location, the Central Library is underutilized due to its poor street presence, perceived inadequate parking and space layout. It is a large facility and basic maintenance items such as carpet replacement are expensive. As the local

neighborhood library for downtown workers, businesses and residents, it needs to make its most highly used services and materials more visible to those entering the facility. Recommendations from Downtown Fort Worth Inc.'s unfunded 3rd St. Plan address some of the street presence issues. The Library System Master Plan, 20/20 Vision, as recommended to the Council for consideration and approval by the Library Advisory Board, outlines recommended changes and estimated costs.

Municipal Court:

Addition of a Bond Window at 350 Belknap Jail Location – Current jail operations are contracted with the City of Mansfield. One issue that has remained problematic is the inability to provide a bond window at the 350 Belknap location for defendants in custody to be released on bond or payment prior to being taken to the Mansfield Law Enforcement Center. This results in additional costs to the City and extended time in jail for defendants. The addition of a bond window staffed by Municipal Court personnel at this location would help expedite the release of prisoners and the collection of funds within the direct care and control of the City of Fort Worth.

Lake Worth Patrol – The Lake Worth Trust Fund revenue has decreased, due to the loss of lease opportunities resulting from the sale of properties around the Lake, to the point where it no longer supports the lake patrol operations of 6 Marshals and vehicles. Due to the reduced funding, staffing levels were reduced to 3 Marshals for FY2012. Upcoming dredging operations at Lake Worth will pose additional demands on lake patrol operations. Several options have been explored, including giving operational control to the Police Department, however increased cost associated with staffing the lake patrol with Police Officers rather than Marshals is thought to be cost prohibitive. Funding for continued lake patrol may need to be identified in the Municipal Court operating funds if public safety response at Lake Worth and the surrounding park area will continue to be provided by City Marshalls.

Enhanced Accessibility (Virtual Court and web enhancement)

The Court is currently exploring two technology related enhancements to provide greater accessibility for citizens to resolve their citations. The first initiative utilizes the courts webpage to provide defendants the ability to submit an online request for their violation(s) such as defensive driving, probation, and bench/jury trials. This would replace the need for a defendant to walk into court or mail their citation. The second initiative is what is known as "Video Court".

The concept is currently being utilized in the City of San Antonio and involves the use of a remotely located kiosk, with audio and video screen capability, to provide real time capability to contact a clerk and judge at a current court location. The defendant would be able to speak to a clerk and judge to resolve their citations without having to travel to a courthouse. These two initiatives have the potential to reduce foot traffic and mail at the current public service locations while providing increased convenient access to Court services.

Revision of City Wide Security Policy

A revision of the citywide security policy is required including a comprehensive study of access authorizations and prioritization when access is appropriate. It has been many years since a comprehensive study of access authorizations for employees was conducted and an updated study is now necessary to ascertain appropriateness of certain types of employee access. However, the focus of the study will be affected by many influences including prevailing threats and vulnerabilities, architectural challenges, service needs, and a changing staffing dynamic. Access control requires a great deal of resources on a technological and staff basis with a growing number of City facilities now requiring some regulation of access by employees and

visitors alike. Placing deputy marshals at these facilities is prohibitively expensive, but utilizing the existing building integration system is an effective alternative for access control. While most employees do not require 24/7 access to their respective work areas, access to certain areas should be based on individual need during specific hours of operation.

Facility Management (4th Floor Courtroom).

Construction of the 4th floor of the Public Safety & Courts Building is needed to accommodate an additional courtroom, a jury deliberation room, and a hearing room. The renovation project will enable the department to expand to meet increasing demands. It involves relocation of existing offices and selective demolition of existing walls to maximize floor space. The design will accommodate the schematic layout of all the various proposed offices. The additional space is needed to allow the scheduling of additional jury trials and administrative hearings.

Parks and Community Services:

Growth and Annexation Impacts – 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. This dynamic will continue to increase the need for funding and facilities.

Increases in Park Units and Acreage – As a result of the 2000 Neighborhood and Community Park Dedication Policy, fully developed parks are coming online requiring immediate services in developing areas. Since 2000 the City has acquired over 1,462 acres of new parkland. Due to city growth over the last decade, there will be a continued need for both neighborhood and community parks in underserved areas in accordance with the Park, Recreation and Open Space Master Plan. Additional park acreage annual maintenance is currently estimated at \$3,000 to \$5,000 per acre for undeveloped/developed parkland resulting in a need to increase total operating expenses accordingly. 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 an approximate 30-minute drive to reach. Although contract maintenance is the primary source for the delivery of new services, to be fully effective, a diversified operations and management strategy is necessary including the use of various internal staff hired to address these needs.

Contractual Zoo Management – The renewal agreement with the Fort Worth Zoological Association for the provision of management services and oversight of the operations of the Zoo approved May 4, 2010, includes incremental increases to the base contract amount for the first five years of the agreement plus annual adjustment for the Consumer Price Index (C.P.I.). The remaining incremental increases for FY2014 and FY2015 are \$1 million in each year. The contract has a 20 year term, beginning October 1, 2010 and expiring September 30, 2030.

City of Fort Worth Aquatics Program – In accordance with the City-wide Aquatic Master Plan amended in March 2012, the ground work for a long term comprehensive approach to replace existing facilities which have exhausted their useful life has been laid. The 5-10 year plan calls for construction of five (5) Enhanced Neighborhood Family Aquatic Centers, one in each sector of the city. These contemporary designed facilities would encompass 25,000 square feet of full service facilities in an accelerated manner. Capital funds for design and construction require allocation and, once complete, operating dollars will be necessary to service and program these

facilities which most likely will rely on a subsidy for sustainability and affordability. In addition, demolition of the remaining five (5) pools, ranging in age of 53 to 87 years is a critical element of the master plan.

Addition of Community Centers – The 2004 CIP allocated \$7.5 million for the design and construction of three community centers. The Northpark Community Center was constructed in partnership with the YMCA and opened in 2008. It is located in the northern area of the City and is operated under contract with the YMCA. The facility to be located in the far southwest area, now known as the Chisholm Trail Community Center, is targeted for completion in FY2013 and operating dollars for that center are included in the adopted FY2013 budget. The south central area of the city has been designated for the third center which is scheduled to come online in FY2014. The remaining facility will require funding for initial costs to open including furniture, supplies and equipment and thereafter, on-going costs to maintain programs and operations.

Parks and Community Services/Golf Fund:

Golf Fund Sustainability – The Parks and Community Services Department will continue to monitor the golf program and analyze the affect the closure of Z. Boaz Golf Course has on the remaining four courses. Staff will continue to evaluate the daily operations and implement actions which will streamline operations to further address the future sustainability of the golf system without compromising the quality of both the golf courses and customer service.

Rockwood Golf Course Infrastructure – Rockwood Golf Course which was built in 1938 has exceeded its useful life. The aging infrastructure puts the course at a considerable disadvantage and course conditions have become exceedingly uneconomical to maintain due to outdated turf grasses, inadequate drainage systems and an inefficient irrigation system. The resulting conditions are not conducive to providing the acceptable level of product which is expected in today's competitive market.

Planning and Development:

Planning and Development Activities – Several years ago the City experienced a period of unprecedented growth and staff was unable to adequately service the demand. Service delivery times were high for customer service, inspections and plan review. However, following input from the development community, the Development Division underwent a series of changes in an attempt to improve the quality and speed of its service delivery. These changes included office renovations, implementation of many new policies and practices, and an increase in the number of approved positions assigned to various Development sections. The net result has been a reduction in service delivery times. At the same time these improvements were being made, national and local development activity waned due to the national economic difficulties. During this economic downturn, development activities and revenues decreased and subsequently severe cuts were made to the Department's budget and staffing. As development activity stabilizes with the slow economic recovery, additional resources will need to be allocated to insure timely responses to citizens and developers. During the past year the Department has continued to work with stakeholders to improve and enhance development process improvements and customer service delivery. The department is analyzing the feasibility of becoming an enterprise fund which would allow 100% of the expenses necessary to provide services to be recuperated via fees charged to the customers receiving those services. In essence the growth that is continuing to occur in the City would fund itself through fees for the planning and development services needed to support that growth.

Transportation Utility Funding – Fort Worth is the fastest growing major city in the United States and the demands for City services, especially transportation infrastructure, have grown dramatically while the General Fund per capita revenue has not kept pace with inflation. Since 1995, infrastructure funding has suffered because of competing demands between general municipal services, infrastructure needs, a concerted effort to reduce the overall tax rate, 53% growth in the City's population and the economic downturn resulting in declines in property values and sales tax receipts in the recent past. Although tax receipts and property values are beginning to show a slow recovery, today, the City of Fort Worth anticipates \$2 billion in transportation infrastructure needs over the next 5-10 years. The current debt funding model, including a one-time allocation of \$15 million in 2009 of mineral lease revenue and anticipated transportation impact fees received from developers, only yields \$995 million in funding for existing and future needs, leaving a billion dollar gap. The Mayor's Task Force on Infrastructure Funding has concluded that a combination of funding sources is required to mitigate the current serious underfunding of transportation infrastructure and recommended the creation of a Transportation Utility composed of four funding sources: Retain the current General Fund allocation to street maintenance, initiate a "Transportation Service Charge" to enable the City to pay for existing capacity deficiencies and optimal street maintenance, increase the "Transportation Impact Fees" to better reflect the costs of infrastructure development, and most importantly reallocate four cents of the Property Tax Rate from operations and maintenance to debt service for transportation infrastructure by shifting one cent each year from FY2012 through FY2015 which will create a more appropriate level of capital funding for infrastructure. Both the FY2012 and FY2013 adopted budgets included one penny each of the proposed four cent total shift from operations and maintenance to debt service, leaving two additional cents for consideration in FY2014 and FY2015.

Police:

Civil Service Transition Plan –The Crime Control Prevention District (CCPD) Board and City Council have expressed a mutual commitment to begin transferring ongoing CCPD personnel cost to the General Fund. This transition will allow for a more focused acquisition of crime prevention equipment, technology and community initiatives, but also creates the need to identify additional General Fund support for such initiatives.

Pending Police Services Gaps – Fort Worth is the fastest growing city in Texas and the Planning and Development Department is projecting a population in 2030 of 1,060,000. As the population increases, the ratio of police officers is diminishing which in turn could start unfavorably impacting crime rates in addition to increasing response times and queues during peak hours. The considerable strides made in crime reduction could be eroded if civil service staffing does not keep pace with the needs of the city. In addition, without sufficient police staffing levels, the ability to attract new businesses and residents will have adverse consequences. With the increasing population, it is necessary for the department to continue to grow and meet the new demands of the city. The Police Department needs to focus on continuing to provide adequate funding to recruit and train new officers to meet the needs of the city and keep up with attrition.

Additional Sixth Division Facility – Due to the recent growth that the City has experienced, the Department is evaluating the need to create a Sixth Division to service the City.

Transportation and Public Works:

Traffic Safety Infrastructure Management – Current funding levels are insufficient for establishing adequate preventive maintenance programs to keep the City's traffic safety infrastructure (streetlights, traffic signals, traffic signs, pavement markings, railroad crossing safety devices, and intelligent transportation systems) performing at industry standards. To replace pavement markings on an eight-year cycle, a proactive Contract Pavement Marking Program was recommended. The program is being phased in over six years starting with FY2011 funding of \$170,000, and increasing in annual increments of approximately \$125,000 to \$920,000 for full program implementation in FY2017. Additionally, \$350,000 is needed annually for retaining a contractor to perform preventative maintenance on traffic signals. The contractor would inspect and test each traffic signal for proper operation and prepare reports including recommendations regarding annual preventive maintenance. Another \$150,000 is needed annually for retaining an engineering consultant to assist with traffic signal timing studies and implementing traffic signal optimization improvements associated with citizen requests.

Street Infrastructure Performance – The goal of the Major Street Maintenance Program is to maintain the street network at a service level of Pavement Quality Index 7, on a scale of 0 (poor) to 10 (excellent). This requires \$24M annually. The current budget of \$17.9M leaves a \$6.1M funding gap. The goal of the Bridge Program is to maintain bridges at a rating of 6 on a scale of 0 (Poor) to 9 (Excellent). To achieve this goal, \$2.5M is needed annually. The current budget of \$2.2M leaves a funding gap of \$300,000. In FY2014, \$2.2M in additional funding will be needed to add one concrete crew and one bridge maintenance crew.

Transportation and Public Works/Environmental Protection Fund:

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 existing 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 tactics to limit or reduce ozone precursor emission production. Costs associated with these new requirements cannot 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 organization's 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 in addition to required state and federal resource conservation and preservation rules, increased 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.

Transportation and Public Works/ Parking Fund:

Municipal Parking Commercial Loading Zones –This parking service enhancement entails converting 60 existing loading zones in the Central Business District (CDB) to commercial loading zones. The change in designation clearly identifies what is a commercial delivery vehicle and thus excludes motor vehicles that are not involved in the business of delivery or loading and unloading of commercial goods and merchandise. This change also promotes more efficient use of the spaces within the zones, encourages non-commercial users to use metered parking and creates a safer and more predictable commercial loading zone process.

Municipal Parking Pay and Display Technology – The Transportation and Public Works Department has implemented the use of pay-and-display technology as part of the downtown parking meter system and continues to look for opportunities where this type of technology can provided an enhanced customer service experience. A pilot study was completed in FY2010, actual implementation of the program started in January 2012 and was completed in February 2012. Eighty five units have been deployed across the Central Business District and this deployment has replaced over 400 single and multi-spaced parking meters. As the Department continues to address additional technology improvements to parking services in the future, there will be a need for additional funding.

Transportation and Public Works/Stormwater Utility:

Capability increase for Studies, Project Planning and Funding – There is over \$1 billion in needed capital improvements throughout the City to address severe drainage problems. Stormwater Utility revenue, and the debt capacity afforded through it, creates limitations in the number and scope of capital improvements and the rate at which improvements can be made. Additional funding sources will need to be identified to maintain ongoing program objectives or to increase the rate of completion for capital improvement projects.

Work Order/Asset Management System (WOAMS) – The Stormwater Utility is in the process of implementing a Work Order/Asset Management system to improve program management capabilities. Rollout of the new WOAMS will allow advanced techniques for the collection, compilation and reporting of key data needed to effectively and efficiently plan and execute day-to-day infrastructure maintenance and repair activity, and strategically evaluate future capital projects. The implementation includes multiple business process revisions to incorporate best management practices into the maintenance and repair processes and to integrate advanced techniques such as asset criticality determination and maintenance management strategies. It also includes the development and documentation of maintenance history to enable and facilitate asset management features such as effective prioritization of routine and emergency maintenance as well as the switch from reactive to predictive maintenance. Rollout is scheduled for late summer of FY2013. While costs are not extraordinary, there will be ongoing budget requirements from year to year to ensure full system utilization and maximization of efficiencies.

Large Capital Needs – Correcting flooding problems in the numerous older, fully developed sections of the city is going to be cost prohibitive using current standards and conventional construction (individual projects can cost \$50 - \$100 million). The Stormwater Utility is in the process of developing a strategy for approaching such issues to utilize as a guide for the prioritization of projects and a framework for developing implementable solutions.

Northside Operations Facility – The Stormwater is collaborating with other City departments to construct a multi-departmental facility to house field operations in north Fort Worth. This facility will reduce operational inefficiency by reducing extended travel periods to and from existing facilities and work locations.

Water Department:

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 for 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% of capacity; Stage 2 would be triggered when water supply is at 60% and Stage 3 would be triggered when water supply is at 45%. 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. Stage 1 was entered on August 29, 2011. 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.