

## FUND STATEMENT

**FUND:**

### STORMWATER UTILITY FUND

Stormwater is the rainfall runoff that comes from impervious surfaces, such as parking lots and rooftops, and flows into the City's streams and rivers via storm drains and drainage system infrastructure. In addition to adding pollutants to stormwater, urban development increases the quantity and velocity of runoff, so that downstream properties become more susceptible to flooding, erosion increases in channels and streams, and the land's natural beauty and habitats are lost.

Municipal governments in Texas are empowered to establish stormwater utilities and adopt a stormwater service fee under Section 552 of the Texas Local Government Code. Stormwater utility fees have been adopted in hundreds of communities nationally to pay for stormwater management programs and to fund specific stormwater functions and facilities.

Fort Worth's Stormwater Utility Fund was established in FY2006 to address runoff issues, reduce the risk of flooding in Fort Worth, preserve streams, minimize water pollution, and to more effectively operate the stormwater system in compliance with state and federal regulatory requirements. This is to be accomplished by improved master planning, enhanced coordination with developers, increased development reviews, initiating watershed studies and capital projects, more aggressive attention to infrastructure maintenance and reconstruction, and increased public education and outreach.

The Stormwater Utility Fund is an Enterprise Fund with the responsibility for providing stormwater management to approximately 200,000 residential, commercial and industrial customers. In 2014, it served approximately 777,560 residents in Fort Worth. Stormwater management is a vital issue in Fort Worth, and staff has identified over \$1.0 billion of capital projects necessary to address life safety issues, flooding, and infrastructure damage.

The Stormwater Utility rates are structured based on impervious surface area as the measure of each property's contribution to stormwater runoff, and the applicable fee is billed monthly. Impervious surface is quantified into an Equivalent Residential Unit (ERU). The City's current "per ERU rate" of \$5.40 has been effective since January 1, 2012.

Operations are completely financed through fees for service. Additionally, major capital projects are funded by long-term debt allowing the Fund to program and implement system expansions related to the City's growth and to replace aging infrastructure in older portions of the system in an orderly manner.

The Stormwater Utility utilizes a Stakeholder Advisory Group to review and offer community comment on the Utility's programs, budget and rates. The members of the Stakeholder Group represent the industrial business community, commercial business community, residential community, independent school districts, and major ratepayers. The Stakeholder Group concluded the FY2015 budget is consistent with continued progress toward realizing the vision set when the Utility was established, but emphasized care must be taken to ensure Stormwater Utility funds are focused on flood mitigation measures. The Stakeholder group members recommended that any fee increases in the future be phased in over a number of years in predictable amounts as opposed to periodic, very large increases, enabling both residents and large commercial property rate payers to better anticipate and adjust to future budget requirements.

**FORT WORTH**



**STORMWATER FUND BUDGET SUMMARY  
FY2015**

**REVENUES:**

Utility Fees	\$35,796,581
Interest on Investments	200,000
Salvage Sales Revenue	12,000
Miscellaneous Revenues	<u>3,000</u>

**TOTAL REVENUE** \$36,011,581

Uses/(Source) of Fund Balance \$0

**TOTAL REVENUE SOURCES** \$36,011,581

**EXPENDITURES:**

Personnel Services	\$8,117,447
Supplies	1,374,268
Contractual Services	<u>14,161,374</u>

**TOTAL RECURRING EXPENSES** \$23,653,089

**DEBT SERVICE AND CAPITAL OUTLAY:**

Capital Outlay	\$964,500
Debt Service	<u>11,393,992</u>

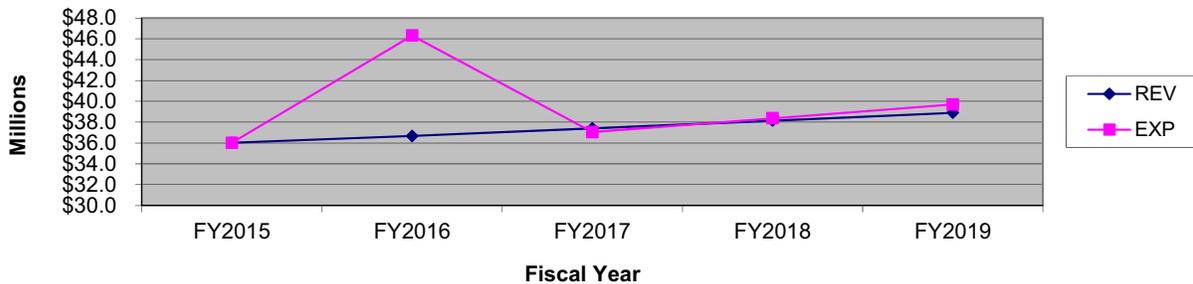
**TOTAL DEBT SERVICE AND CAPITAL OUTLAY** \$12,358,492

**TOTAL EXPENDITURES** \$36,011,581

**STORMWATER UTILITY FUND FIVE YEAR FORECAST  
FISCAL YEAR 2015 THROUGH 2019**

	<b>FY2015 Adopted</b>	<b>FY2016 Projected</b>	<b>FY2017 Projected</b>	<b>FY2018 Projected</b>	<b>FY2019 Projected</b>
<b>Beginning Cash Balance</b>	\$19,311,509	\$19,311,509	\$9,671,266	\$10,030,118	\$9,807,166
<b>Revenues*</b>					
Interest	\$200,000	\$138,547	\$138,547	\$138,547	\$138,547
Utility Income	\$35,796,581	\$36,512,513	\$37,242,763	\$37,987,618	\$38,747,370
Other Revenue	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
<b>Total Revenue</b>	<b>\$36,011,581</b>	<b>\$36,666,060</b>	<b>\$37,396,310</b>	<b>\$38,141,165</b>	<b>\$38,900,917</b>
<b>Total Resources</b>	<b>\$55,323,090</b>	<b>\$55,977,569</b>	<b>\$47,067,576</b>	<b>\$48,171,283</b>	<b>\$48,708,084</b>
<b>Expenditures</b>					
Personnel Services	\$8,117,447	\$8,246,063	\$8,287,294	\$8,328,730	\$8,370,374
Supplies	\$1,374,268	\$1,338,625	\$1,372,090	\$1,406,393	\$1,441,552
Contractual	\$14,161,374	\$13,526,895	\$14,740,067	\$15,958,569	\$17,182,533
Capital	\$964,500	\$10,532,363	\$750,672	\$769,438	\$788,674
Debt Service	\$11,393,992	\$12,662,357	\$11,887,336	\$11,900,986	\$11,901,005
<b>Total Expenditures</b>	<b>\$36,011,581</b>	<b>\$46,306,302</b>	<b>\$37,037,459</b>	<b>\$38,364,116</b>	<b>\$39,684,137</b>
Projected Variance	\$0	(\$9,640,243)	\$358,851	(\$222,951)	(\$783,220)
Projected Cash Balance	\$19,311,509	\$9,671,266	\$10,030,118	\$9,807,166	\$9,023,946
Reserve Requirement (20%)	\$4,730,618	\$4,622,316	\$4,879,890	\$5,138,738	\$5,398,892
Excess/(Deficit)	\$14,580,891	\$5,048,950	\$5,150,228	\$4,668,428	\$3,625,055

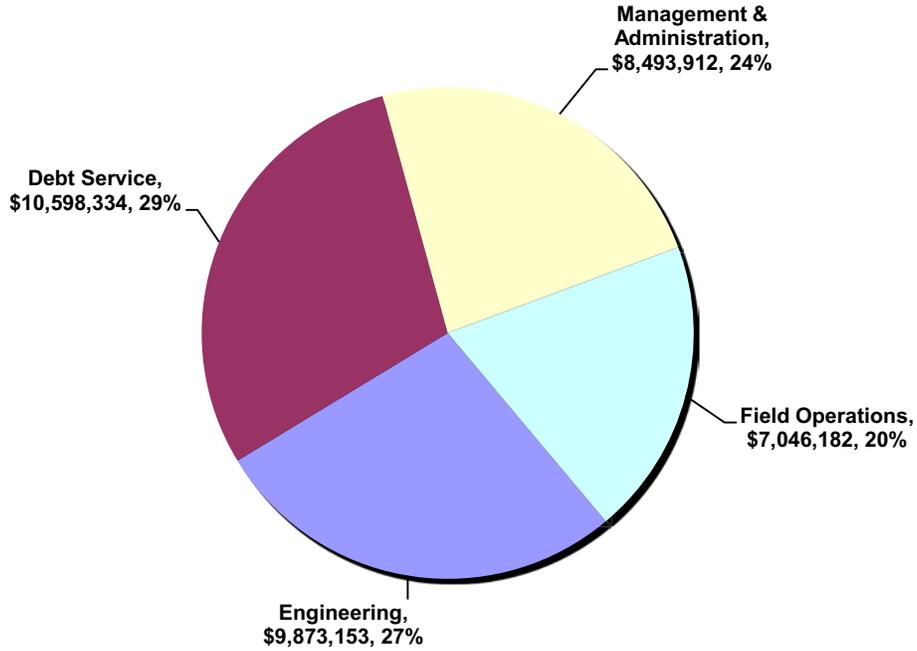
**STORMWATER UTILITY FUND  
PROJECTED REVENUES AND EXPENDITURES**



\* This model reflects a potential \$30M bond sale in FY2015. In addition, it includes capital funding of \$9.8M in FY2016 for the development of the Northside Service Center. It does **not** reflect any rate increases for the next five years.

**COMPARISON OF STORMWATER UTILITY FUND  
EXPENDITURES**

	<b>ACTUAL FY2012</b>	<b>ACTUAL FY2013</b>	<b>BUDGET FY2014</b>	<b>REVISED BUDGET FY2014</b>	<b>ADOPTED FY2015</b>
Engineering	\$8,683,724	\$7,959,362	\$11,064,148	\$15,744,192	\$9,873,153
Debt Service	13,757,230	9,600,967	9,346,968	9,346,968	10,598,334
Management & Administration	10,049,938	7,487,343	7,894,207	8,925,045	8,493,912
Field Operations	<u>6,383,226</u>	<u>6,800,277</u>	<u>6,972,678</u>	<u>8,300,409</u>	<u>7,046,182</u>
<b>TOTAL</b>	<b>\$38,874,118</b>	<b>\$31,847,949</b>	<b>\$35,278,001</b>	<b>\$42,316,614</b>	<b>\$36,011,581</b>

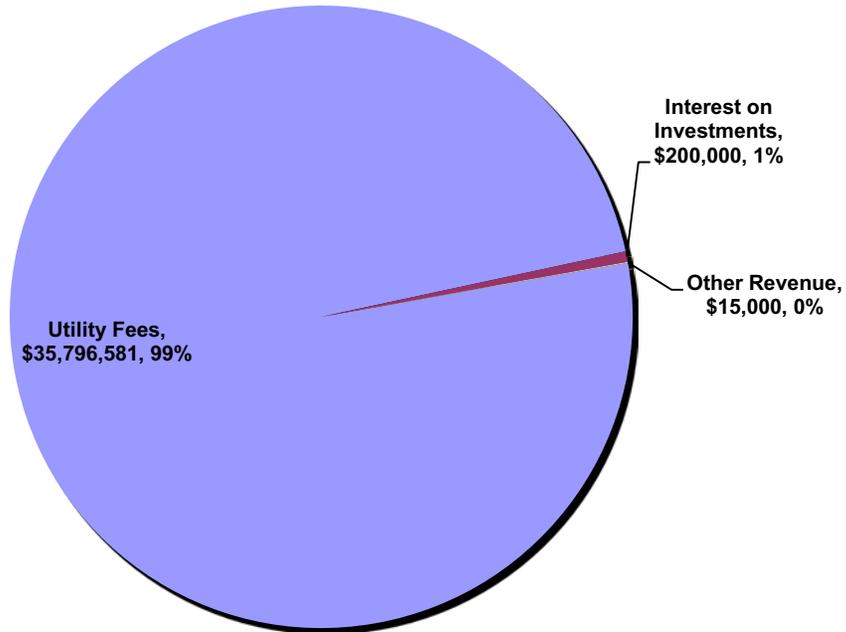


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**COMPARISON OF STORMWATER UTILITY FUND REVENUES**

	<b>ACTUAL 2012</b>	<b>ACTUAL FY2013</b>	<b>BUDGET FY2014</b>	<b>REVISED BUDGET FY2014</b>	<b>ADOPTED FY2015</b>
Utility Fees	\$32,614,562	\$34,777,351	\$35,063,001	\$35,063,001	\$35,796,581
Interest on Investments	305,886	239,567	200,000	200,000	200,000
Salvage Sales Revenue	0	0	12,000	12,000	12,000
Miscellaneous	111,205	153,939	3,000	3,000	3,000
Unrealized Gain	<u>62,498</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b>\$33,094,151</b>	<b>\$35,170,857</b>	<b>\$35,278,001</b>	<b>\$35,278,001</b>	<b>\$36,011,581</b>



**FORT WORTH**



## DEPARTMENTAL BUDGET SUMMARY

**DEPARTMENT:**

T/PM, STORMWATER UTILITY FUND

**FUND/CENTER**

PE69/0209000:0209600

## SUMMARY OF DEPARTMENT RESPONSIBILITIES:

The Stormwater Utility Fund is an Enterprise Fund with the responsibility for providing stormwater management to approximately 200,000 residential and non-residential customers in the City of Fort Worth. The Stormwater Management Division is responsible for managing the entire municipal storm drain system, including discharges to and from the municipal system.

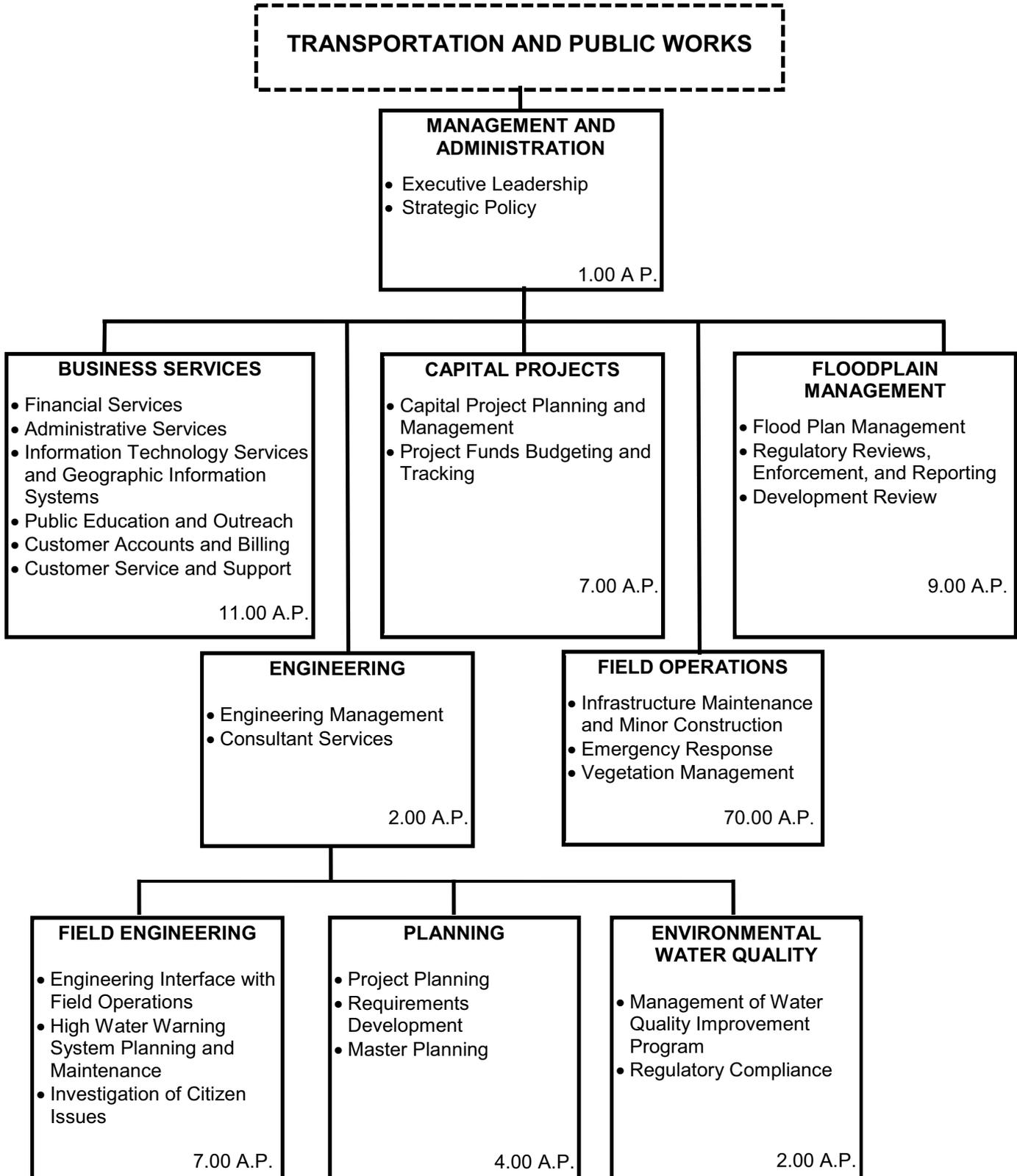
Stormwater Management is a division within the Transportation and Public Works Department, formed around the recognized requirement for the City to develop and implement a cohesive, focused program to protect people and property from harmful stormwater runoff.

Stormwater Management is responsible for planning, constructing, operating and maintaining the city-owned storm system including conducting watershed studies to identify needed improvements, reviewing new development for compliance with stormwater plans and standards; cleaning open channels, catch basins, storm drains, and culverts; reestablishing vegetation following construction or due to flooding/erosion; performing repairs in response to system failures, aging and damages; and responding to storms and other emergencies.

The assessment of the stormwater infrastructure is an ongoing effort; however the current estimate for needed capital improvements to address life safety issues, flooding and infrastructure protection is over \$1.0 billion.

Allocations	Actual FY2013	Adopted FY2014	Proposed Budget FY2015	Adopted Budget FY2015
<b>Personnel Services</b>	\$ 7,503,255	\$ 7,614,156	\$ 8,117,447	\$ 8,117,447
<b>Supplies</b>	1,374,735	1,608,384	1,374,268	1,374,268
<b>Contractual</b>	12,338,979	14,831,135	14,161,374	14,161,374
<b>Capital Outlay</b>	928,080	1,081,700	964,500	964,500
<b>Debt Service</b>	9,702,900	10,142,626	11,393,992	11,393,992
<b>Total Expenditures</b>	\$ 31,847,949	\$ 35,278,001	\$ 36,011,581	\$ 36,011,581
<b>Authorized Positions</b>	115.00	113.00	113.00	113.00

# STORMWATER UTILITY FUND - 113.00 A. P.



**SIGNIFICANT BUDGET CHANGES**

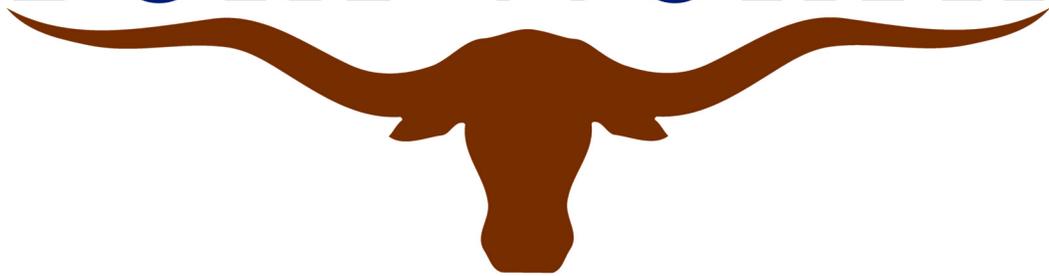
<b>DEPARTMENT:</b>	<b>FUND/CENTER</b>
STORMWATER UTILITY FUND	PE69/0209000:0209600

**CHANGES FROM FY2014 ADOPTED TO FY2015 ADOPTED**

<b>FY2014 ADOPTED:</b>	\$35,278,001	<b>A.P.</b>	113.00
<b>FY2015 ADOPTED:</b>	\$36,011,581	<b>A.P.</b>	113.00

- A) The adopted budget decreases by (\$1,182,766) for consultants primarily related to a reduction in anticipated planning studies as the utility reallocates resources for cash funded capital projects.
- B) The adopted budget decreases by (\$305,306) for the reduction of ERP phase II funding.
- C) The adopted budget increases by \$375,726 for intrafund transfers to P228 (Stormwater Capital Projects Fund) for cash funded capital project execution.
- D) The adopted budget increases by \$326,559 in contractual services for advanced high water warning system enhancements, web enhancements and for the creation of searchable/interactive online iSWM manual to assist stakeholders in researching the City's drainage design requirements. The net increase included reductions with the completion of major initiatives, including the engineering survey services for geographic information system infrastructure assessment/mapping study.
- E) The adopted budget increases by \$324,807 for costs associated with the implementation of a 4% across-the-board salary increase for general employees, plus an additional 1% payroll increase to address specific classifications with recruitment and retention challenges.
- F) The adopted budget increases by \$241,563 for payment in lieu of taxes to the General Fund.
- G) The adopted budget decreases by (\$150,000) for land purchases associated with flood mitigation property being funded in conjunction with capital projects for drainage out of the Stormwater Capital Projects Fund.
- H) The adopted budget increases by \$107,196 for group health based on plan migration and turnover.
- I) The adopted budget decreases by (\$96,994) primarily for a decrease for Work Order/Asset Management software for fees associated with startup costs for the implementation phase in FY2014.
- J) The adopted budget decreases by (\$71,864) for operating supplies based on average historical expenditures over the last four years.
- K) The adopted budget decreases by (\$40,882) for workers compensation based on cost projections prepared by the Human Resources department and allocated to Stormwater.
- L) The adopted budget increases by \$29,092 for administrative services due to an increase in the indirect cost allocation charged to the City's proprietary funds. The charges reflect the cost to the General Fund for overhead and staff support to accomplish services for other funds and are calculated annually by an outside consultant.
- M) The adopted budget decreases by (\$16,200) for vehicles based on the approved FY2015 vehicle replacement plan.

**FORT WORTH**



**DEPARTMENTAL OBJECTIVES AND MEASURES**

**DEPARTMENT:**  
**STORMWATER UTILITY FUND**

**DEPARTMENT PURPOSE**

The Stormwater Utility Fund is an Enterprise Fund with the responsibility for providing stormwater management to residential and non-residential customers in the City of Fort Worth. Stormwater Management is a division within the Transportation and Public Works Department, formed around the recognized requirement for the City to develop and implement a cohesive, focused program to reduce the harmful effects of stormwater runoff.

**FY2015 DEPARTMENTAL OBJECTIVES**

To manage new development growth and substantially mitigate flood risk for properties by designing and constructing drainage improvements and addressing infrastructure deficiencies in drainage conveyance and capacity.

To maintain drainage capacity and improve performance of inlets, channels and drainage ditches by maintaining them at their designed condition and capacity.

To respond quickly and appropriately to drainage service order requests by performing an initial site visit within 72 hours.

To encourage safe economic growth by performing 86% of new development design plan reviews for compliance with City drainage standards within 10 business days.

<b>DEPARTMENTAL MEASURES</b>	<b>ACTUAL FY2013</b>	<b>ESTIMATED FY2014</b>	<b>PROJECTED FY2015</b>
Number of Drainage inlets inspected and cleaned	6,988	6,840	7,000
Miles of Channel Mowed	35	33	35
Miles of Channel Rehabbed	5.4	3	4.5
Percentage of service orders for drainage investigations with site visit within 72 hrs	98.0%	98.0%	98.0%
Percentage of new development design plan reviews within 10 business days	71.0%	83.0%	86.0%

**FORT WORTH**



**DEPARTMENTAL SUMMARY BY CENTER**

DEPARTMENT TRANSPORTATION & PUBLIC WKS		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE69 STORMWATER UTILITY FUND		Actual Expenditures FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015	Adopted Budget FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015
Center	Center Description								
	<u>MANAGEMENT AND ADMIN</u>								
0209000	GENERAL ADMINISTRATION	\$ 6,878,654	\$ 6,776,472	\$ 6,292,747	\$ 6,292,747	4.00	4.00	4.00	4.00
0209001	CUSTOMER SERVICE	186,835	105,652	108,244	108,244	8.00	2.00	2.00	2.00
0209002	PUBLIC OUTREACH	216,333	458,624	475,712	475,712	1.00	1.00	1.00	1.00
0209003	IT SERVICES	205,389	553,459	1,617,209	1,617,209	1.00	5.00	5.00	5.00
	Sub-Total	<u>\$ 7,487,211</u>	<u>\$ 7,894,207</u>	<u>\$ 8,493,912</u>	<u>\$ 8,493,912</u>	<u>14.00</u>	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>
	<u>CUSTOMER SERVICE</u>								
0209101	SERVICE REQUESTS	\$ 128	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00
0209102	PUBLIC OUTREACH	4	0	0	0	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 132</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>PLANNING AND ENGINEERING</u>								
0209201	ENGINEERING	\$ 327,520	\$ 268,608	\$ 325,304	\$ 325,304	3.00	2.00	3.00	3.00
0209202	PLANNING	2,789,854	3,486,921	1,989,680	1,989,680	4.00	4.00	4.00	4.00
0209203	FIELD ENGINEERING	1,033,978	1,538,223	1,518,538	1,518,538	8.00	7.00	7.00	7.00
0209204	GIS	1,921,289	0	0	0	4.00	0.00	0.00	0.00

**DEPARTMENTAL SUMMARY BY CENTER**

DEPARTMENT TRANSPORTATION & PUBLIC WKS		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE69	STORMWATER UTILITY FUND	Actual Expenditures FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015	Adopted Budget FY2013	Adopted Budget FY2014	Proposed Budget FY2015	Adopted Budget FY2015
Center	Center Description								
0209205	CAPITAL PROJECTS	284,927	3,929,828	3,861,725	3,861,725	7.00	7.00	7.00	7.00
0209207	FLOODPLAIN MANAGE- MENT	1,601,794	1,597,107	2,056,412	2,056,412	5.00	9.00	9.00	9.00
0209208	STORMWATER ENVI- RONMENTAL QUALITY	0	243,461	121,494	121,494	0.00	2.00	1.00	1.00
	Sub-Total	<u>\$ 7,959,362</u>	<u>\$ 11,064,148</u>	<u>\$ 9,873,153</u>	<u>\$ 9,873,153</u>	<u>31.00</u>	<u>31.00</u>	<u>31.00</u>	<u>31.00</u>
	<u>OPERATION AND MAIN- TENANCE</u>								
0209301	FIELD OPERATIONS	\$ 6,800,277	\$ 6,972,678	\$ 7,046,182	\$ 7,046,182	70.00	70.00	70.00	70.00
	Sub-Total	<u>\$ 6,800,277</u>	<u>\$ 6,972,678</u>	<u>\$ 7,046,182</u>	<u>\$ 7,046,182</u>	<u>70.00</u>	<u>70.00</u>	<u>70.00</u>	<u>70.00</u>
	<u>DEBT SERVICE</u>								
0209600	DEBT SERVICE	\$ 9,600,967	\$ 9,346,968	\$ 10,598,334	\$ 10,598,334	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 9,600,967</u>	<u>\$ 9,346,968</u>	<u>\$ 10,598,334</u>	<u>\$ 10,598,334</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<b>TOTAL</b>	\$ 31,847,949	\$ 35,278,001	\$ 36,011,581	\$ 36,011,581	115.00	113.00	113.00	113.00