

## FUND STATEMENT

**FUND:**

### **STORMWATER UTILITY FUND**

The Stormwater Utility Fund is an Enterprise Fund with the responsibility for providing stormwater management to approximately 200,000 residential, commercial and industrial customers. It serves approximately 700,000 residents in Fort Worth. Stormwater management is a vital issue affecting Fort Worth's future with approximately \$1 billion of identified projects needed to address life safety issues, flooding and infrastructure damage.

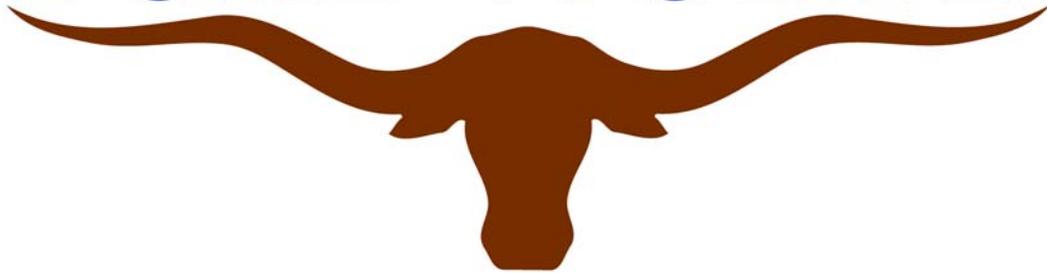
Stormwater is the rainfall runoff that comes from parking lots and rooftops and flows into our storm drains and streams. In addition to adding pollutants to stormwater, urban development increases the amount and velocity of runoff that occurs, so that downstream properties are flooded, channels and streams become eroded over time, and natural beauty and habitat are lost.

The Stormwater Utility Fund was established in 2006 to prevent flooding in Fort Worth, preserve streams, minimize water pollution and to operate the stormwater system in a more effective manner to fully comply with state and federal regulatory requirements. This will be accomplished by improving infrastructure reconstruction and system maintenance, master planning, enhanced development review, and increased public education and outreach.

The Stormwater utility fee is billed monthly to accurately capture the cost of improvements and maintenance. The rate structure was established based on the impervious surface area as the measure of each property's impact on stormwater management. Texas cities are empowered to establish stormwater utilities and adopt a stormwater service fee under section 402 of the Texas Administrative Codes. Stormwater utility fees have been adopted in more than 400 communities nationally to pay for stormwater management programs and to fund specific stormwater functions and facilities.

Operations are completely financed through fees for services. In addition, debt is issued for larger capital projects. Capital projects are funded by long term debt to allow the fund to improve and expand stormwater infrastructure related to growth and replace aging infrastructure in older portions of the system.

**FORT WORTH**



**STORMWATER FUND BUDGET SUMMARY  
FISCAL YEAR  
2008-09**

**REVENUES:**

Interest on Investments	\$200,000
Utility Fees	20,046,922
Miscellaneous Revenue	<u>1,000</u>

<b>TOTAL REVENUE</b>	<b>\$20,247,922</b>
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**OTHER FINANCING SOURCES:**

Use/(Source) of Fund Balance	<u>(\$920,358)</u>
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<b>TOTAL REVENUE AND OTHER FINANCING SOURCES</b>	<b>\$19,327,564</b>
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**EXPENDITURES:**

Personal Services	\$6,127,987
Supplies	2,804,312
Contractual Services	<u>8,132,855</u>

<b>TOTAL RECURRING EXPENSES</b>	<b>\$17,065,154</b>
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**DEBT SERVICE AND CAPITAL OUTLAY:**

Capital Outlay	\$584,310
Debt Service	<u>1,678,100</u>

<b>TOTAL DEBT SERVICE AND CAPITAL OUTLAY</b>	<b>\$2,262,410</b>
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<b>TOTAL EXPENDITURES</b>	<b>\$19,327,564</b>
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**FORT WORTH**



**PROJECTED  
FY2008-09 CASHFLOW  
STORMWATER UTILITY FUND**

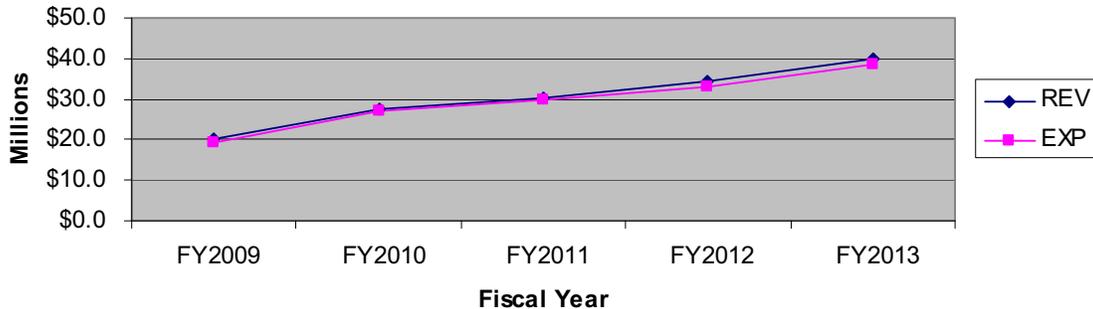
Cash Balance as of 9/30/08 *	<b>\$8,115,130</b>
Plus: Projected Revenues	\$20,247,922
Less: Projected Expenditures	<b>(\$19,217,168)</b>
Estimated Available Cash as of 9/30/09	<b>\$7,387,906</b>

\* Preliminary balance due to pending audit of actual cash balances

**STORMWATER UTILITY FUND FIVE YEAR FORECAST  
FISCAL YEAR 2009 THROUGH 2013**

	<b>FY2008-09 Adopted</b>	<b>FY2009-10 Projected</b>	<b>FY2010-11 Projected</b>	<b>FY2011-12 Projected</b>	<b>FY2012-13 Projected</b>
<b>Beginning Cash Balance</b>	\$8,115,131	\$9,035,489	\$9,292,200	\$10,197,127	\$11,541,690
<b>Revenues*</b>					
Interest	\$200,000	\$175,000	\$275,000	\$275,000	\$275,000
Utility Income	\$20,046,922	\$27,164,983	\$30,188,874	\$34,248,252	\$39,538,706
Other Revenue	<u>\$1,000</u>	<u>\$500</u>	<u>\$500</u>	<u>\$500</u>	<u>\$500</u>
<b>Total Revenue</b>	<b>\$20,247,922</b>	<b>\$27,340,483</b>	<b>\$30,464,374</b>	<b>\$34,523,752</b>	<b>\$39,814,206</b>
<b>Total Resources</b>	<b>\$28,363,053</b>	<b>\$36,375,972</b>	<b>\$39,756,574</b>	<b>\$44,720,879</b>	<b>\$51,355,896</b>
<b>Expenditures</b>					
Personnel Services	\$6,127,987	\$7,550,727	\$8,559,978	\$9,459,686	\$10,273,561
Supplies	\$2,804,312	\$3,084,743	\$3,393,218	\$3,732,539	\$4,105,793
Contractual	\$8,132,855	\$8,923,583	\$9,869,762	\$10,363,250	\$10,881,413
Capital	\$584,310	\$3,866,311	\$2,295,000	\$1,200,000	\$1,455,000
Debt Service	<u>\$1,678,100</u>	<u>\$3,658,408</u>	<u>\$5,441,489</u>	<u>\$8,423,714</u>	<u>\$11,701,204</u>
<b>Total Expenditures</b>	<b>\$19,327,564</b>	<b>\$27,083,772</b>	<b>\$29,559,447</b>	<b>\$33,179,189</b>	<b>\$38,416,971</b>
<b>Projected Variance</b>	<b>\$920,358</b>	<b>\$256,711</b>	<b>\$904,927</b>	<b>\$1,344,563</b>	<b>\$1,397,235</b>
Projected Cash Balance	\$9,035,489	\$9,292,200	\$10,197,127	\$11,541,690	\$12,938,925
Reserve Requirement	\$3,529,893	\$4,685,073	\$4,823,592	\$4,951,095	\$5,343,153
Excess/(Deficit)	\$5,505,596	\$4,607,127	\$5,373,535	\$6,590,595	\$7,595,771

**STORMWATER UTILITY FUND  
PROJECTED REVENUES AND EXPENDITURES**



\* This model does **not** reflect any rate increases for the next five years.

**COMPARISON OF STORMWATER UTILITY FUND  
EXPENDITURES**

	<b>ACTUAL 2004-05</b>	<b>ACTUAL 2005-06</b>	<b>BUDGET 2007-08</b>	<b>RE-ESTIMATE 2007-8</b>	<b>ADOPTED 2008-09</b>
Management & Administration	\$0	\$0	\$1,106,331	\$1,156,544	\$2,885,104
Customer Service	0	0	789,253	0	0
Engineering	0	0	5,824,515	4,729,914	6,608,122
Field Operations	0	0	5,473,820	7,546,742	8,156,238
Debt Service	<u>0</u>	<u>0</u>	<u>1,899,564</u>	<u>1,660,283</u>	<u>1,678,100</u>
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,093,483</b>	<b>\$15,093,483</b>	<b>\$19,327,564</b>

**FORT WORTH**



**COMPARISON OF STORMWATER UTILITY FUND  
REVENUES**

	<b>ACTUAL 2004-05</b>	<b>ACTUAL 2005-06</b>	<b>BUDGET 2007-08</b>	<b>RE-ESTIMATE 2007-08</b>	<b>ADOPTED 2008-09</b>
Interest on Investments	\$0	\$0	\$25,000	\$25,000	\$200,000
Utility Fees	0	0	15,919,530	15,919,530	20,046,922
Miscellaneous	<u>0</u>	<u>0</u>	<u>500</u>	<u>500</u>	<u>1,000</u>
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$ 15,945,030</b>	<b>\$15,945,030</b>	<b>\$ 20,247,922</b>

**FORT WORTH**



## FUND BUDGET SUMMARY

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

**SUMMARY OF FUND 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 reduce flooding, protect lives and property and ensure stormwater runoff water quality.

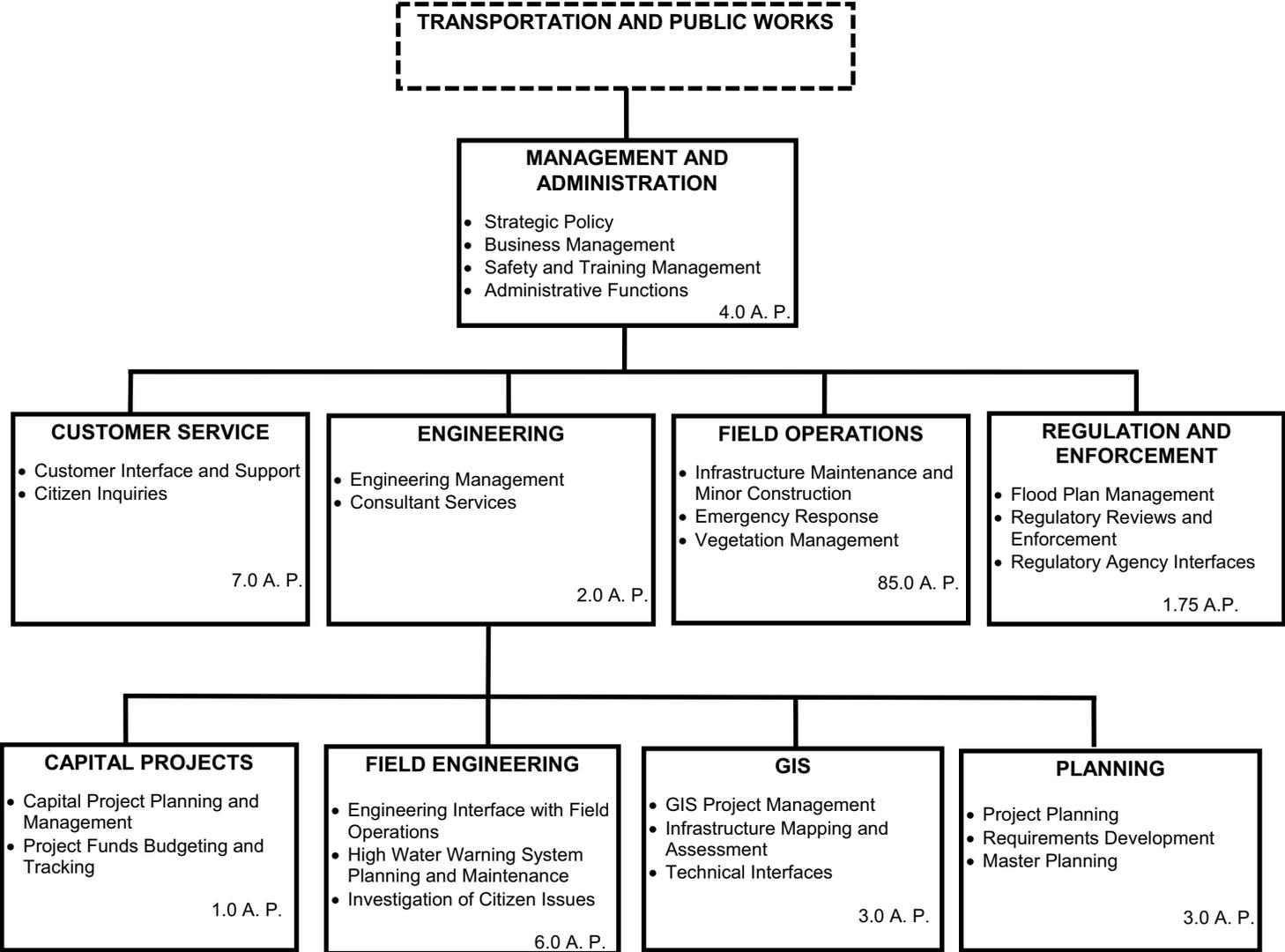
Stormwater Management is responsible for planning, constructing, operating and maintaining the City-owned storm system including:

- 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 minor repairs in response to system failures, aging and damages
- Responding to storms and other emergencies.

The assessment of the stormwater infrastructure is an ongoing effort; however, the current estimate for projects to address life safety issues, flooding and infrastructure protection is approximately \$1 billion.

Allocations	Actual 2006-07	Adopted 2007-08	Proposed Budget 2008-09	Adopted Budget 2008-09
<b>Personal Services</b>	\$ 0	\$ 4,277,663	\$ 6,075,603	\$ 6,127,987
<b>Supplies</b>	0	930,655	2,804,312	2,804,312
<b>Contractual</b>	0	6,984,559	8,022,459	8,132,855
<b>Capital Outlay</b>	0	1,001,042	584,310	584,310
<b>Debt Service</b>	0	1,899,564	1,678,100	1,678,100
<b>Total Expenditures</b>	\$ 0	\$ 15,093,483	\$ 19,164,784	\$ 19,327,564
<b>Authorized Positions</b>	33.00	75.00	113.75	112.75

# STORMWATER UTILITY FUND - 112.75 A. P.



**SIGNIFICANT BUDGET CHANGES**

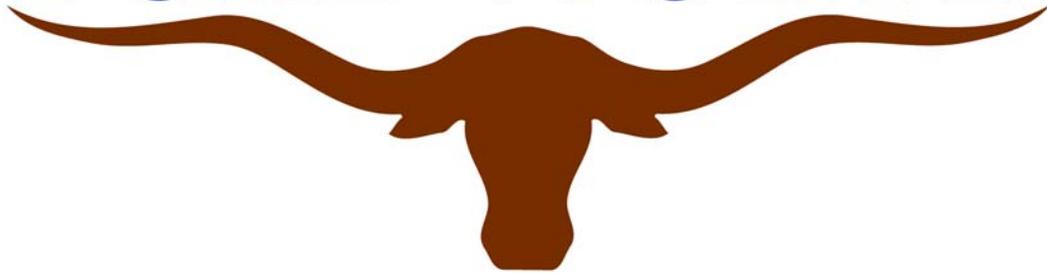
<b>DEPARTMENT:</b> STORMWATER UTILITY FUND	<b>FUND/CENTER</b> PE69/0209000:0209600
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**CHANGES FROM 2007-08 ADOPTED TO 2008-09 ADOPTED**

<b>2007-08 ADOPTED:</b>	\$15,093,483	<b>A.P.</b>	75.00
<b>2008-09 ADOPTED:</b>	\$19,327,564	<b>A.P.</b>	112.75

- A) The adopted budget increases by \$1,132,576 for salaries associated with growth of staff. This growth expands capability for channel reconstruction, maintenance, repair and minor construction of stormwater infrastructure, emergency response, GIS infrastructure mapping and assessment and customer service. The staff expansion is consistent with the five year implementation plan for the utility.
- B) The adopted budget decreases by (\$150,000) to reflect the elimination of five temporary employees in the Water Customer Service Division. These positions were established to implement the Stormwater Utility billing process, but were to be deleted upon completion of an OAU study recommending permanent positions. That study was completed in FY2007-08 and the FY2008-09 adopted budget includes a recommended improvement package for two permanent customer service positions to replace the five temporary positions.
- C) The adopted budget decreases by (\$1,400,699) in transfers out reflecting the transition to Revenue Bond capital project funding. Minor projects were funded via transfers to a temporary capital projects fund until the Revenue Bonds were sold and the permanent capital projects fund came on line. Revenue bond funds became available in FY2007-08 and the transfers from the operating fund will no longer be used for this purpose.
- D) The adopted budget increases by \$1,109,750 for consultants and professional services reflecting an increase in the quantity and scope of watershed and drainage studies. These studies will lead to flood and erosion mitigation projects funded through the Stormwater capital projects (Revenue Bond) program.
- E) The adopted budget increases by \$845,466 for pavement materials and other concrete related construction supplies necessary for channel reconstruction, and maintenance, repair and minor construction of stormwater infrastructure. This increased capability is possible due to increased vehicles now available and the additional staff added in FY2007-08 and in FY2008-09.
- F) The adopted budget increases by \$751,760 due to introduction of Street Rental fees to be paid to the General Fund. These fees are charged at 5% of utility revenue, effective January 1, 2009, and contingent on the FY2008-09 rate structure.
- G) The adopted budget increases by \$510,757 for vehicle fuel and repairs to reflect 17 new vehicles added in FY2007-08, a projected 25% increase in fuel costs and a projected 10% increase in vehicle repair.
- H) The adopted budget decreases by (\$416,732) to reflect a decrease in one-time vehicle purchases. The bulk of new vehicles required for the variety of capability increases were purchased in FY2007-08.
- I) The adopted budget increases by \$305,600 for rental of field equipment associated with the increased infrastructure maintenance, repair and minor construction.
- J) The adopted budget decreases by (\$221,464) for revenue bond principle and interest. The bonds were sold at a lower interest rate than projected, so the budget is reduced to reflect actual principal, interest and handling charges reflected on the final amortization schedule.
- K) The adopted budget increases by \$201,604 for increased administrative service charges. The charges reflect the cost to the General Fund to accomplish services for the Stormwater Utility and are calculated annually by an outside consultant.

**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 Storm Water management to residential and non-residential customers in the City of Fort Worth. Storm Water 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 flooding, protect lives and property, and ensure storm water runoff water quality.

**FY2008-09 DEPARTMENTAL OBJECTIVES**

- Update one-year and five-year budgets; continue internal capital project financing program
- Expedite capital project design and construction
- Continue an aggressive and well-structured channel maintenance and vegetation program
- Implement three-year plan for acquiring detailed GIS inventory and condition assessment
- Demonstrate impact of storm water fee quickly by implementation of “off-the-shelf” projects
- Complete studies and continue installation of High Water Warning Systems
- Continuously improve the scheduled and unscheduled maintenance program
- Complete refinements of customer billing database so that it is current and accurate
- Continue aggressive public outreach program to ensure citizens are aware of the benefit of the Storm Water Fee
- Continuously improve the Citizen Response Tracking System to document and track incoming issues
- Produce the Storm Water Program annual report card
- Develop and implement a formal training plan for Division employees
- Establish a sense of “organizational ownership” at all levels
- Maintain an aggressive safety program

<b>DEPARTMENTAL MEASURES</b>	<b>ACTUAL 2006-07</b>	<b>ESTIMATED 2007-08</b>	<b>PROJECTED 2008-09</b>
Install new High Water Warning System	N/A	18	25
Awarded value of design, study, and construction contracts	\$10M	\$11.7M	\$11M
In-House Channel Maintenance and construction	7 Miles	17.5 miles	19 miles

**FORT WORTH**



**DEPARTMENTAL SUMMARY BY CENTER**

DEPARTMENT TRANSPORTATION & PUBLIC WKS		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE69 STORMWATER UTILITY FUND		Actual Expenditures 2006-07	Adopted Budget 2007-08	Proposed Budget 2008-09	Adopted Budget 2008-09	Adopted Budget 2006-07	Adopted Budget 2007-08	Proposed Budget 2008-09	Adopted Budget 2008-09
Center	Center Description								
	<u>MANAGEMENT AND ADMIN</u>								
0209000	GENERAL ADMINISTRATION	\$ 0	\$ 1,006,331	\$ 2,048,365	\$ 2,099,472	5.00	5.00	4.00	4.00
0209001	CUSTOMER SERVICE	0	0	461,799	473,012	0.00	0.00	8.00	8.00
0209002	PUBLIC OUTREACH	0	272,500	314,799	312,620	4.00	0.00	1.00	0.00
	Sub-Total	\$ 0	\$ 1,278,831	\$ 2,824,963	\$ 2,885,104	9.00	5.00	13.00	12.00
	<u>CUSTOMER SERVICE</u>								
0209101	SERVICE REQUESTS	\$ 0	\$ 257,496	\$ 0	\$ 0	0.00	5.00	0.00	0.00
0209102	PUBLIC OUTREACH	0	258,488	0	0	1.00	1.00	0.00	0.00
0209103	SAFETY AND TRAINING	0	100,000	0	0	0.00	0.00	0.00	0.00
	Sub-Total	\$ 0	\$ 615,984	\$ 0	\$ 0	1.00	6.00	0.00	0.00
	<u>PLANNING AND ENGINEERING</u>								
0209201	ENGINEERING	\$ 0	\$ 2,147,053	\$ 275,510	\$ 278,377	4.00	6.00	2.00	2.00
0209202	PLANNING	0	2,318,069	4,301,331	4,302,801	2.00	2.00	3.00	3.00
0209203	FIELD ENGINEERING	0	1,171,245	1,482,358	1,485,630	1.00	2.00	6.00	6.00
0209204	GIS	0	88,148	181,681	187,108	0.00	1.00	3.00	3.00

**DEPARTMENTAL SUMMARY BY CENTER**

DEPARTMENT TRANSPORTATION & PUBLIC WKS		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE69	STORMWATER UTILITY FUND	Actual Expenditures 2006-07	Adopted Budget 2007-08	Proposed Budget 2008-09	Adopted Budget 2008-09	Adopted Budget 2006-07	Adopted Budget 2007-08	Proposed Budget 2008-09	Adopted Budget 2008-09
Center	Center Description								
0209205	CAPITAL PROJECTS	0	100,000	210,774	211,022	0.00	0.00	1.00	1.00
0209207	REGULATION AND ENFORCEMENT	0	0	142,104	143,184	0.00	0.00	1.75	1.75
	Sub-Total	<u>\$ 0</u>	<u>\$ 5,824,515</u>	<u>\$ 6,593,758</u>	<u>\$ 6,608,122</u>	<u>7.00</u>	<u>11.00</u>	<u>16.75</u>	<u>16.75</u>
	<u>OPERATION AND MAIN- TENANCE</u>								
0209301	FIELD OPERATIONS	\$ 0	\$ 5,473,820	\$ 8,067,963	\$ 8,156,238	15.00	53.00	84.00	84.00
0209303	SITE INVESTIGATION	0	769	0	0	1.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 0</u>	<u>\$ 5,474,589</u>	<u>\$ 8,067,963</u>	<u>\$ 8,156,238</u>	<u>16.00</u>	<u>53.00</u>	<u>84.00</u>	<u>84.00</u>
	<u>DEBT SERVICE</u>								
0209600	DEBT SERVICE	\$ 0	\$ 1,899,564	\$ 1,678,100	\$ 1,678,100	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 0</u>	<u>\$ 1,899,564</u>	<u>\$ 1,678,100</u>	<u>\$ 1,678,100</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<b>TOTAL</b>	<b>\$ 0</b>	<b>\$ 15,093,483</b>	<b>\$ 19,164,784</b>	<b>\$ 19,327,564</b>	<b>33.00</b>	<b>75.00</b>	<b>113.75</b>	<b>112.75</b>