

This Agenda is posted pursuant to Chapter 551, Texas Government Code

**Matters to Come Before a Meeting of the Board of Directors  
of Tarrant Regional Water District**

**To Be Held the 19<sup>th</sup> Day of August 2024 at 9:00 a.m.**

**Front Doors to the Main Admin Building at 800 East Northside Drive Will Open to  
the Public at 8:30 a.m. and Close Fifteen (15) Minutes After the Meeting Adjourns**

**TRWD Board Room  
800 East Northside Drive  
Fort Worth, Texas 76102**

**PLEASE BE ADVISED THAT A QUORUM OF THE BOARD OF DIRECTORS OF TRWD  
WILL CONVENE ON THE ABOVE DATE AND TIME FOR THE PURPOSE OF  
CONSIDERING AND ACTING UPON THE MATTERS SET FORTH IN THIS AGENDA.  
THE LINK TO VIEW AND LISTEN TO THE MEETING VIA INTERNET IS  
<HTTPS://WWW.TRWD.COM/BOARDVIDEOS>. A RECORDING OF THE MEETING  
WILL ALSO BE AVAILABLE AT <HTTPS://WWW.TRWD.COM/BOARDVIDEOS>.**

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**1. Pledges of Allegiance**

**2. Public Comment**

**Citizens may present public comment at this time, limited to a total time of three (3) minutes per speaker, unless the speaker addresses the Board through a translator, in which case the limit is a total time of six (6) minutes. Each proposed speaker must have completed and submitted a speaker card prior to the commencement of the meeting, identifying any agenda item number(s) and topic(s) the speaker wishes to address with the Board. By law, the Board may not deliberate, debate, or take action on public comment but may place the item on a future agenda.**

**3. Discussion of Proposed Fiscal Year 2025 General Fund and Special Projects/Contingency Fund Budgets - Dan Buhman, General Manager and Sandy Newby, Chief Financial Officer**

**4. Executive Session under Texas Government Code:**

**Section 551.071 of the Texas Government Code, for Private Consultation with its Attorney about Pending or Contemplated Litigation or on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with this Chapter; and**

**Section 551.072 of the Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property on Panther Island**

- 5. Texas Open Government and Ethics Training (Training Regarding the Texas Open Meetings Act, the Texas Public Information Act, and Key Ethics Rules)  
- Stephen Tatum, General Counsel**
- 6. Future Agenda Items**
- 7. Schedule Next Board Meeting**
- 8. Adjourn**



**Fiscal Year 2025**  
**General and Special Projects/  
Contingency Funds  
Operating Budgets**

**Proposed**  
**Board Budget Workshop #2**  
**August 19, 2024**

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**Summarized FY25 Proposed Expenditure Budgets**

<b>Expenditures</b>	<b>Revenue Fund FY25 Proposed</b>	<b>General Fund FY25 Proposed</b>	<b>Special Projects/ Contingency Fund FY25 Proposed</b>	<b>Total Expenditures</b>
Debt Service/Project Costs	\$ 89,678,179	\$ -	\$ 8,796,348	\$ 98,474,527
Pumping Power	19,000,000			19,000,000
<b>Maintenance</b>				
Pipeline & Pump Station	5,490,500			5,490,500
Pipeline Chemicals	1,830,000			1,830,000
Facilities & Grounds Maintenance	3,293,430	1,470,250		4,763,680
Equipment & Fleet	1,240,440	640,504		1,880,944
Maintenance Support	971,950	1,004,195		1,976,145
Benbrook Reservoir O&M	650,000			650,000
Stream Gauging Stations	349,100	167,900		517,000
Total Maintenance	13,825,420	3,282,849		17,108,269
<b>Environmental Stewardship &amp; Public Outreach</b>				
Water Conservation Program	3,410,502			3,410,502
Watershed Protection	405,650			405,650
Water Quality Programs	416,961	19,500		436,461
Environmental Stewardship		47,770		47,770
Public Outreach & Events	130,429	835,198		965,627
Total Environmental Stewardship & Public Outreach	4,363,542	902,468		5,266,010
System Improvements & Capital Equipment	13,875,245	4,384,500		18,259,745
Property Taxes Paid to TIF's		568,249		568,249
Canals			45,000,000	45,000,000
Panther Island Consulting			350,000	350,000
La Grave Stadium Demolition			200,000	200,000
Land Strategy			100,000	100,000
<b>Support Services</b>				
Employee Related	36,350,953	14,626,798		50,977,751
Professional Services	4,136,404	1,903,734		6,040,138
Administrative Support	2,840,243	2,510,091		5,350,334
Information Technology	2,515,074	940,867		3,455,941
Total Support Services	45,842,674	19,981,490		65,824,164
<b>Total Expenditures</b>	<b>\$ 186,585,060</b>	<b>\$ 29,119,555</b>	<b>\$ 54,446,348</b>	<b>\$ 270,150,964</b>

**Summarized FY25 Proposed Revenue Budgets**

<b>Revenues</b>	<b>Revenue Fund FY25 Proposed</b>	<b>General Fund FY25 Proposed</b>	<b>Special Projects/ Contingency Fund FY25 Proposed</b>	<b>Total Revenues</b>
Sale of Water	\$ 176,490,060	\$ -	\$ -	\$ 176,490,060
Taxes		29,100,000		29,100,000
TIF Revenues			8,796,348	8,796,348
Oil & Gas Revenues			5,000,000	5,000,000
Dallas Water Utility - IPL	3,975,000			3,975,000
Interest Income	3,500,000	-	2,750,000	6,250,000
Contributions	1,229,768			1,229,768
Other Water Sales	620,000			620,000
Recreation Revenues			1,049,968	1,049,968
Leases, Permits, & Other Income	770,232		1,307,653	2,077,885
<b>Total Revenues</b>	<b>\$ 186,585,060</b>	<b>\$ 29,100,000</b>	<b>\$ 18,903,969</b>	<b>\$ 234,589,029</b>

# General Fund Flood Control



## TRWD General Fund - Flood Control FY25 Budget Summary

**TRWD General Fund Purpose**

Enriching communities and improving the quality of life through water supply, flood control, and recreation.

**Flood Control Overview**

The District has approved a strategic plan to invest in our people, meet the rapid growth in our communities, further enhance our fiscal responsibility, and improve community stewardship. Additionally, the plan includes pursuing Federal and State funding to reduce costs, updating internal processes to increase efficiency, and demonstrating our values and commitment to the community.

The increase in the General Fund budget for fiscal year 2025 is mostly due to expenditures for the personnel that maintain the Fort Worth floodway and support the District overall plus the cost for the General Fund to lease a portion of the new operations compound from the Revenue Fund.

The General Fund budget is supported by tax revenues. The tax rate is budgeted to remain at \$0.0267 per \$100 valuation.

The District enriches communities and improves the quality of life through flood control and recreation within the District boundaries, and this budget ensures that protection for the foreseeable future.

**Proposed FY25 General Fund Budget**

<b>Expenditures</b>	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Change %</b>
Operating Expenditures	\$ 17,161,151	\$ 23,918,387	\$ 24,735,055	3.41 %
System Improvements & Capital Equipment	1,773,689	4,507,500	4,384,500	(2.73)%
<b>Total Expenditures</b>	<b>18,934,840</b>	<b>28,425,887</b>	<b>29,119,555</b>	<b>2.44 %</b>
<b>Revenues</b>				
Taxes	25,984,634	28,242,000	29,100,000	3.04 %
Contributions	—	310,000	—	(100.00)%
<b>Total Revenues</b>	<b>28,577,510</b>	<b>28,552,000</b>	<b>29,100,000</b>	<b>1.92 %</b>
<b>Budgeted Net Increase to Equity</b>				
	<b>\$ 9,642,670</b>	<b>\$ 126,113</b>	<b>\$ (19,555)</b>	<b>(115.51)%</b>



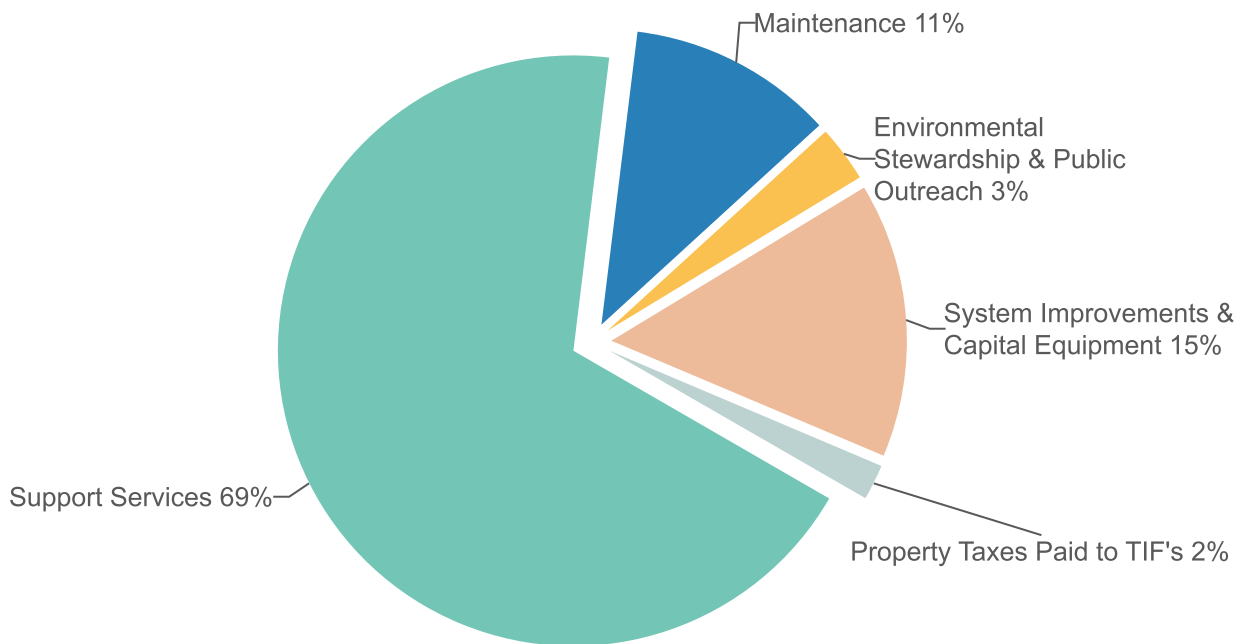
# General Fund: Expenditures

## Summary Expenditure Budget

The District’s flood control mission requires a combination of long-term planning and constant evaluation of the current system needs. System improvements and capital equipment support the enhancement of the flood control infrastructure, while maintenance costs preserve the system that is already in place. Support Service costs include the personnel, administrative support, professional services, and information technology needed to execute the District's mission. Additional details are provided on the following pages.

Budget Categories	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance	Change %
Maintenance	\$ 2,529,749	\$ 2,951,603	\$ 3,282,849	\$ 331,246	11.22 %
System Improvements & Capital Equipment	1,773,689	4,507,500	4,384,500	(123,000)	(2.73)%
Environmental Stewardship & Public Outreach	170,783	1,254,307	902,468	(351,839)	(28.05)%
Property Taxes Paid to TIF's	561,058	580,314	568,249	(12,065)	(2.08)%
Support Services	13,899,560	19,132,163	19,981,489	849,326	4.44 %
<b>Total Expenditures</b>	<b>\$ 18,934,840</b>	<b>\$ 28,425,887</b>	<b>\$ 29,119,555</b>	<b>\$ 693,668</b>	<b>2.44 %</b>

FY25 General Fund Expenditures

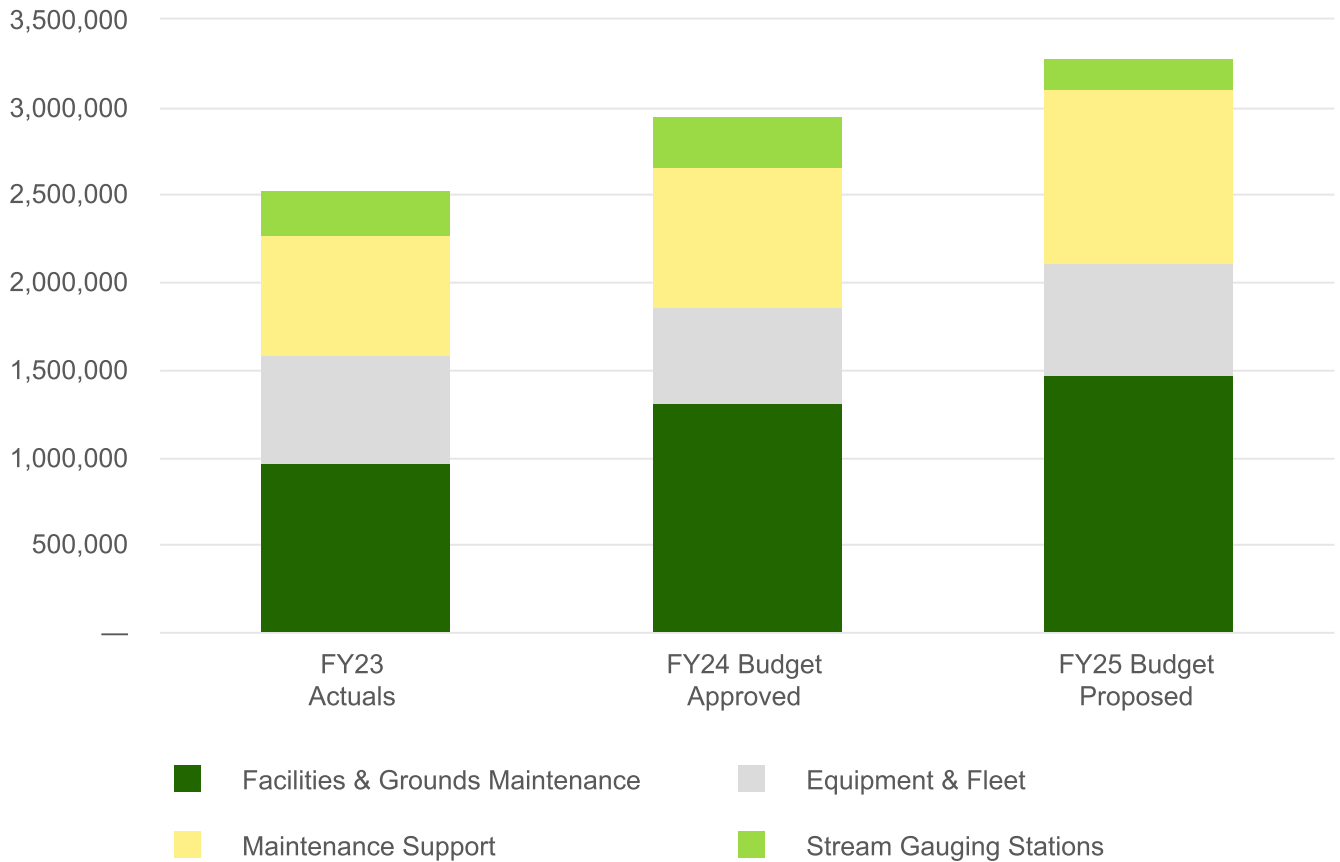


### Maintenance Expenditures

Facilities & grounds maintenance increased in fiscal year 2025 due to an increase in the cost of mowing and maintaining the floodway, both due to higher pricing as well as an increase in the public use of the floodway. Fleet increased due to the increase in costs needed to maintain an aging fleet. The increase in maintenance support is primarily due to an increase in contract labor costs needed to support the additional cleanup and maintenance requirements along the floodway.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Facilities & Grounds Maintenance	\$ 977,342	\$ 1,313,440	\$ 1,470,250	\$ 156,810
Equipment & Fleet	607,219	549,618	640,504	90,886
Maintenance Support	690,804	801,545	1,004,195	202,650
Stream Gauging Stations	254,384	287,000	167,900	(119,100)
<b>Total</b>	<b>\$ 2,529,749</b>	<b>\$ 2,951,603</b>	<b>\$ 3,282,849</b>	<b>\$ 331,246</b>

Maintenance Expenditures



## System Improvements and Capital Equipment Expenditures

System improvement and capital equipment expenditures for the General Fund serve to support the District's flood control and recreation missions by improving and repairing the existing infrastructure.

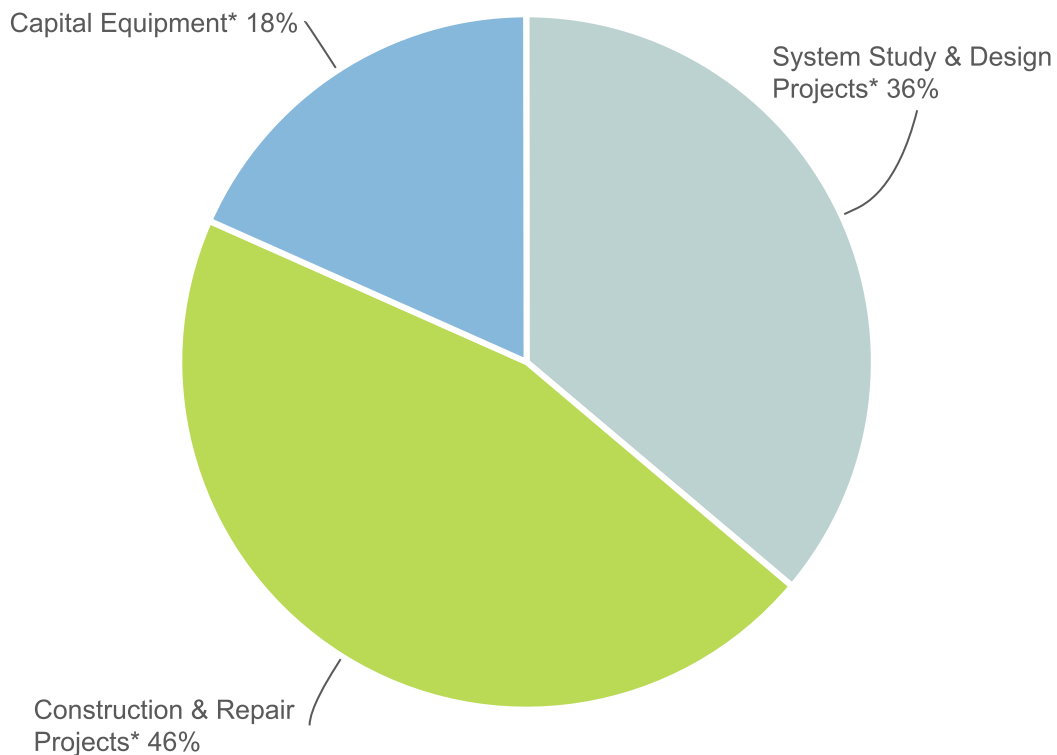
The largest System Study & Design Project relates to upstream flood mitigation. The District is also implementing a new Enterprise Resource Planning/Human Resources Information System (ERP/HRIS), which will replace the current financial and human resource applications as well as other systems for more efficient processing and up-to-date data analysis. Construction & Repair projects include erosion repairs along the floodway and the maintenance and construction of new trails and trailheads in alignment with the District's recreation master plan.

Capital equipment purchases are asset-management driven, allowing the District to own the heavy equipment needed to maintain and improve the floodway.

Additional details are shown on the following page.

	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
System Study & Design Projects*	\$ 304,137	\$ 818,000	\$ 1,585,150	\$ 767,150
Construction & Repair Projects*	469,120	2,324,500	1,995,350	(329,150)
Capital Equipment*	1,000,432	1,365,000	804,000	(561,000)
<b>Total \$</b>	<b>1,773,689</b>	<b>\$ 4,507,500</b>	<b>\$ 4,384,500</b>	<b>\$ (123,000)</b>

System Improvements & Capital Equipment



\*Additional details available on the following page.

**System Improvements and Capital Equipment Expenditures**

	<u>FY25 Budget Proposed</u>
<b><u>System Study &amp; Design Projects</u></b>	
Upstream Flood Mitigation	\$ 900,000
ERP/HRIS Software Implementation	237,500
Recreation Master Plan - Design Phase	100,000
Miscellaneous System Study & Design Projects*	347,650
	<u>\$ 1,585,150</u>
<b><u>Construction &amp; Repair Projects</u></b>	
Erosion Repairs	800,000
Maintenance Road/Trail Replacement	500,000
Recreation Master Plan Implementation	200,000
Building Improvement at The Woodshed	100,000
Miscellaneous Construction & Repair Projects*	395,350
	<u>\$ 1,995,350</u>
<b><u>Capital Equipment**</u></b>	
Heavy Duty Mini Excavator	145,000
Pickup Trucks	279,000
Heavy Duty Compact Track Loader	120,000
Lifecycle Video Archiver Servers	75,000
Miscellaneous Capital Equipment*	185,000
	<u>\$ 804,000</u>
<b>Total System Improvements &amp; Capital Equipment</b>	<b>\$ 4,384,500</b>

\*All individual items listed under "Miscellaneous" are less than \$100 thousand.

\*\* The District classifies any machinery or equipment purchases of \$10 thousand or more as capital equipment.

## Environmental Stewardship and Public Outreach Expenditures

TRWD acts as a steward of the natural environment and the communities it serves. As owners and operators of the Fort Worth floodway, protecting the quality of the water in the Trinity River is a priority of the District. In fiscal year 2024 the District realigned its public outreach events with its core mission, and moved these events from the Special Projects/Contingency Fund to the General Fund. The trash wheel is not rebudgeted because it was a one-time project.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Public Outreach & Events*	\$ 85,790	\$ 772,907	\$ 835,198	\$ 62,291
Stormwater Program	41,729	75,000	19,500	(55,500)
Environmental Stewardship	43,265	56,400	47,770	(8,630)
Clear Fork Trash Wheel	—	350,000	—	(350,000)
<b>Total</b>	<b>\$ 170,783</b>	<b>\$ 1,254,307</b>	<b>\$ 902,468</b>	<b>\$ (351,839)</b>

The District’s public outreach events bring the community to the floodway, allowing them to enjoy the beauty of the natural environment within the local neighborhoods. Fort Worth’s Fourth is a time-honored tradition, which is budgeted to include a drone show in fiscal year 2025. The semi-annual Trash Bash events bring communities together to care for these natural environments while getting to know the District.

*Public Outreach & Events Detail	FY25 Budget Proposed	FY25 Proposed Revenues in the Special Projects/ Contingency Fund
Fort Worth's Fourth	\$ 481,700	\$ 225,000
Trash Bash	117,350	
Flyfest & Trout Stocking	77,000	4,000
Community Sponsorships	42,800	
Mayfest	29,000	
Other Public Outreach & Events	87,348	
<b>Total</b>	<b>\$ 835,198</b>	<b>\$ 229,000</b>



**Property Taxes Paid to TIF's**

TRWD has agreed to participate in a number of tax increment financing (TIF) agreements to reinvest a portion of property taxes collected in programs that support economic development within District communities. The decrease in the overall taxes to contribute to TIF's in fiscal year 2025 is mostly due to the ending of TIF #3 Downtown.

<b>Property Taxes Paid to TIF's</b>	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
TIF #3 Downtown	\$ 82,908	\$ 102,164	\$ —	\$ (102,164)
TIF #8 Lancaster	59,444	59,444	70,148	10,704
TIF #9 Trinity River Vision	173,780	173,780	189,581	15,801
TIF #10 Lone Star	13,067	13,067	14,531	1,464
TIF #12 East Berry	34,285	34,285	38,400	4,115
TIF #13 Woodway	99,286	99,286	121,326	22,040
TIF #14 Trinity Lakes	63,974	63,974	78,005	14,031
TIF #15 Stockyards	34,314	34,314	56,257	21,943
<b>Total</b>	<b>\$ 561,058</b>	<b>\$ 580,314</b>	<b>\$ 568,249</b>	<b>\$ (12,065)</b>

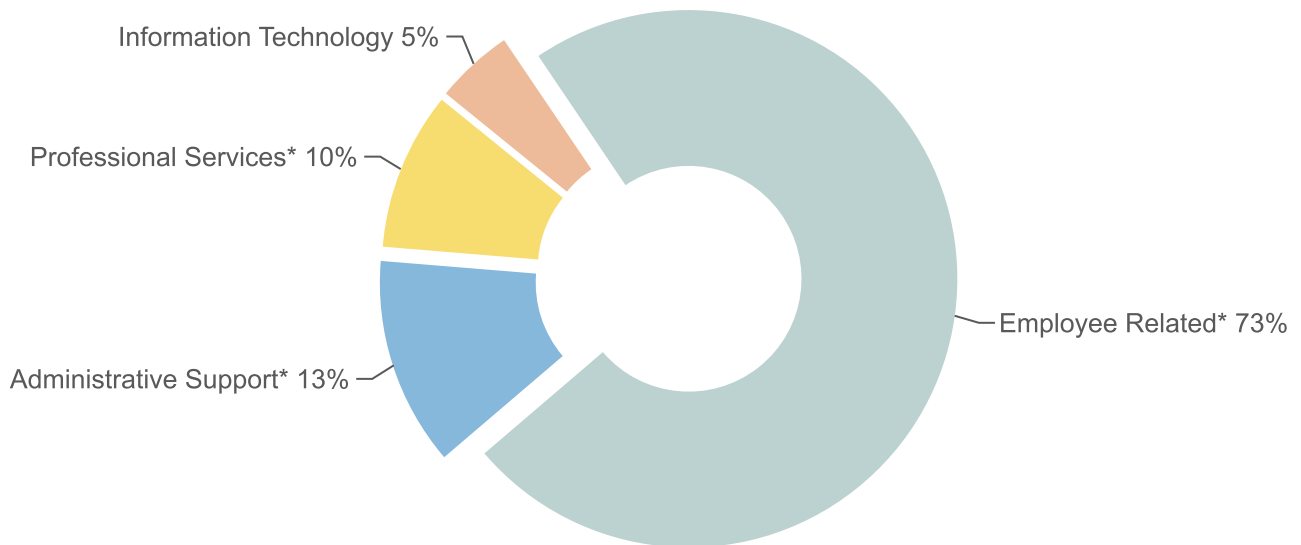
## Support Services Summary

Support services makes up 70% of the fiscal year 2025 General Fund budget and serves to support TRWD’s efforts in providing flood control to the communities served by the District. The largest portion of this cost is TRWD’s investment in its people, resulting in strong employee retention, low turnover rates, high employee engagement, and a stable culture.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Employee Related*	\$ 9,982,099	\$ 13,986,296	\$ 14,626,798	\$ 640,502
Administrative Support*	1,539,520	2,020,143	2,510,091	489,948
Professional Services*	1,692,542	2,071,395	1,903,734	(167,661)
Information Technology	685,399	1,054,329	940,867	(113,462)
<b>Total</b>	<b>\$ 13,899,560</b>	<b>\$ 19,132,163</b>	<b>\$ 19,981,489</b>	<b>\$ 849,326</b>

\*Additional details are given on the following pages.

FY25 General Fund Expenditures



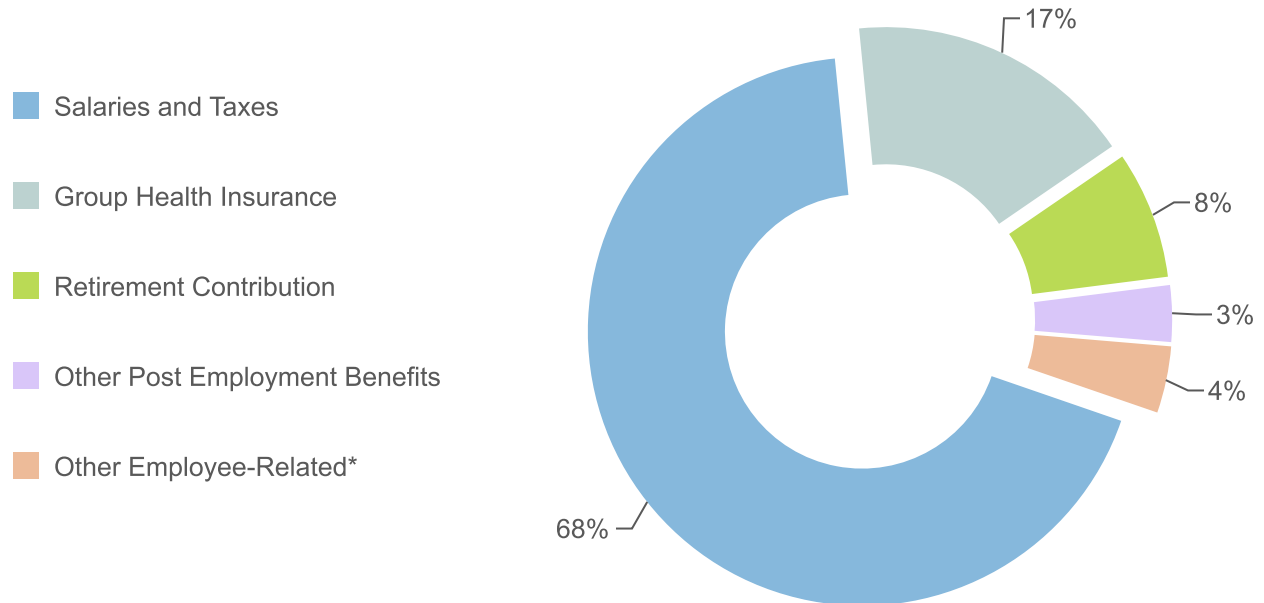


## Support Services Employee-Related Expenditures

TRWD’s strategic plan includes intentional investment in its people. The District plans to invest in a diverse workforce through training, a focus on safety, and the planning and support needed to live TRWD values. The overall increase in employee-related expenditures is mainly due to budgeting 6% for raises and promotions. The increase since fiscal year 2023 actuals is due to the filling of many vacancies and adding additional positions to keep up with community growth. The District is self-insured for the employee group health plan, and since claims have been lower than budget for the past couple of years, no increase is budgeted for fiscal year 2025. A 10% increase in the Other Post Employment Benefits (OPEB) budget will be seen each year until 75% of the OPEB liability is funded. As of fiscal year-end 2023, OPEB contribution was funded at 60%.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance	Change %
Salaries and Taxes	\$ 7,030,988	\$ 9,410,922	\$ 9,940,237	\$ 529,315	5.62 %
Group Health Insurance	1,392,229	2,511,311	2,511,311	—	— %
Retirement Contribution	781,489	1,051,805	1,099,951	48,146	4.58 %
Other Post Employment Benefits	385,846	448,010	492,811	44,801	10.00 %
Other Employee-Related Expenditures	391,548	564,247	582,488	18,241	3.23 %
<b>Total</b>	<b>\$ 9,982,099</b>	<b>\$ 13,986,295</b>	<b>\$ 14,626,798</b>	<b>\$ 640,503</b>	<b>4.58 %</b>

FY25 Employee-Related Expenditures

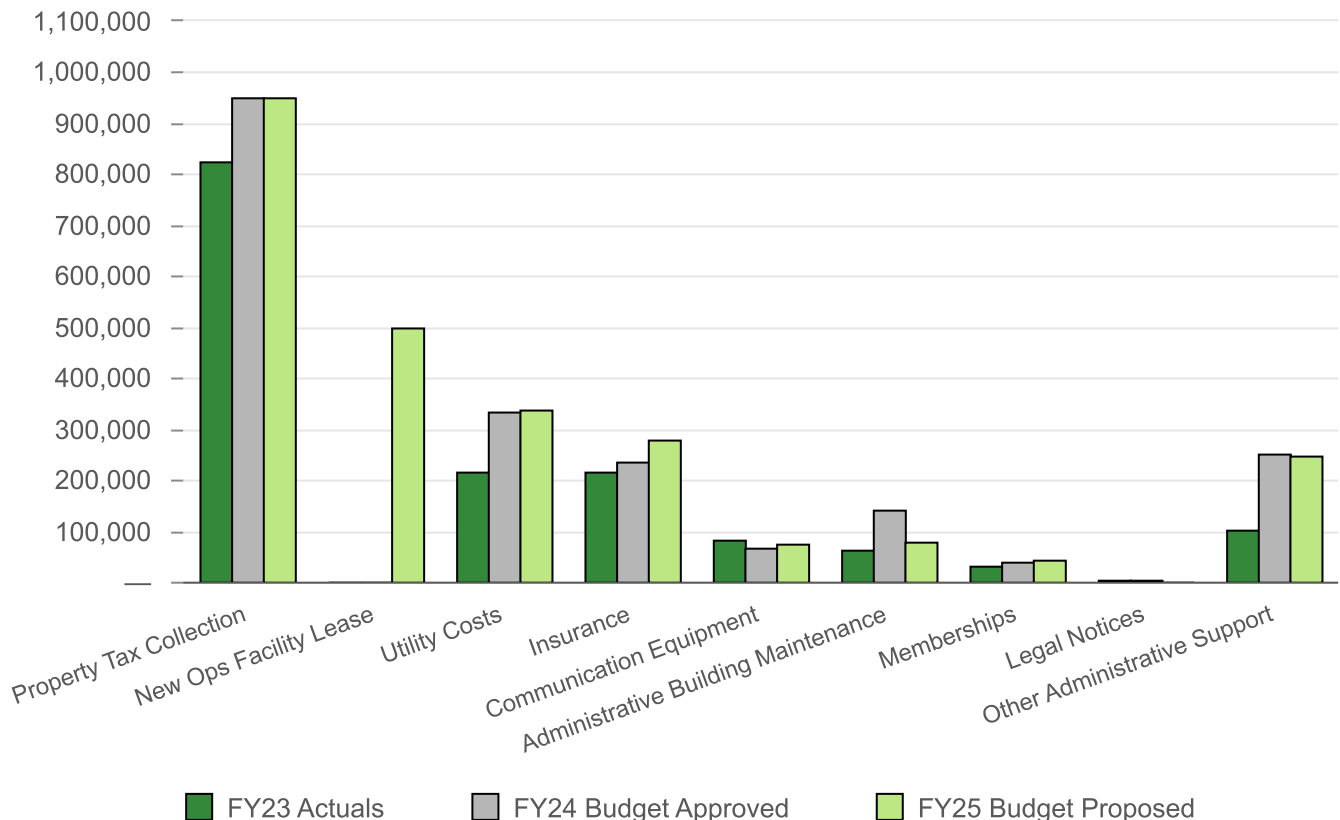


## Support Services Administrative Support Expenditures

Administrative support services consist of a variety of overhead expenditures that support the District’s flood control system as a whole. The new operations facilities lease is for the General Fund lease of a portion of the new operations compound. Building maintenance costs decreased as compared to the fiscal year 2024 budget because the HVAC replacements in last year’s budget are expected to be complete before the end of the year. Insurance costs increased due to the District’s need to protect additional capital assets.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Property Tax Collection	\$ 825,105	\$ 950,000	\$ 950,000	\$ —
New Operations Facility Lease	—	—	500,000	500,000
Utility Costs	216,085	332,390	336,380	3,990
Insurance	217,766	234,400	279,219	44,819
Communication Equipment	81,633	65,730	74,080	8,350
Administrative Building Maintenance	61,923	142,411	77,621	(64,790)
Memberships	30,922	40,848	43,342	2,494
Legal Notices	3,869	4,100	1,820	(2,280)
Other Administrative Support	102,216	250,265	247,629	(2,636)
<b>Total \$</b>	<b>1,539,520</b>	<b>2,020,144</b>	<b>2,510,091</b>	<b>489,947</b>

Administrative Support Expenditures

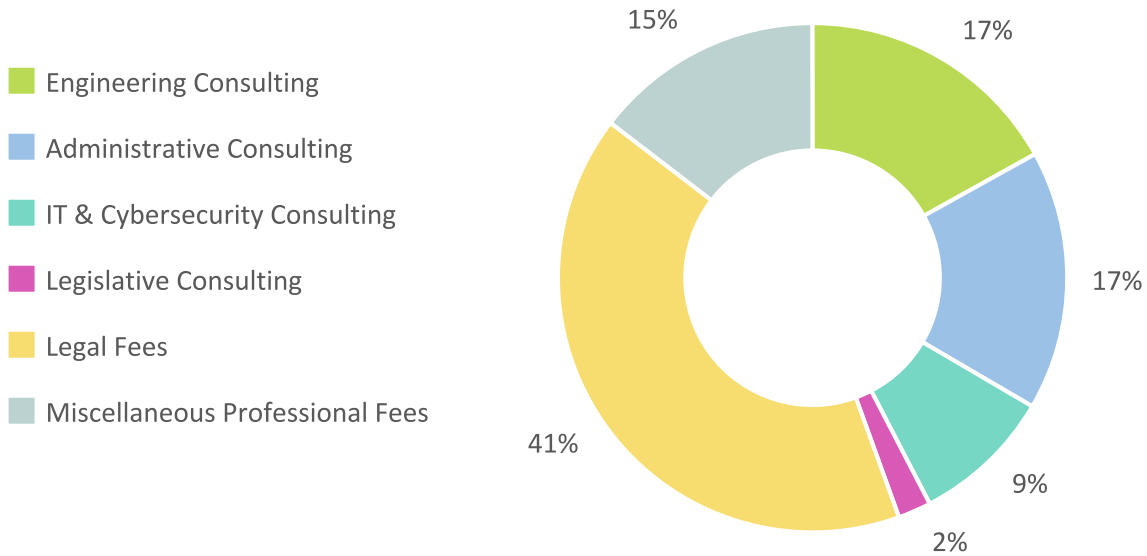


## Support Services Professional Services

Professional services are provided by external vendors with specialized technical expertise to support the District's flood control efforts. Administrative consulting provides professional support for financial, human resource, and other administrative efforts.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Engineering Consulting	\$ 73,554	\$ 331,780	\$ 322,280	\$ (9,500)
Administrative Consulting	223,439	363,084	314,138	(48,946)
IT & Cybersecurity Consulting	98,606	214,320	170,810	(43,510)
Legislative Consulting	40,292	39,900	39,900	—
Subtotal Consulting Fees	\$ 435,891	\$ 949,084	\$ 847,128	\$ (101,956)
Legal Fees	827,742	782,600	778,800	(3,800)
Miscellaneous Professional Fees	428,910	339,711	277,806	(61,905)
<b>Total Professional Services</b>	<b>\$ 1,692,542</b>	<b>\$ 2,071,395</b>	<b>\$ 1,903,734</b>	<b>\$ (167,661)</b>

FY25 Professional Services



# General Fund: Revenues

**Sources of Revenue**  
**Summary**

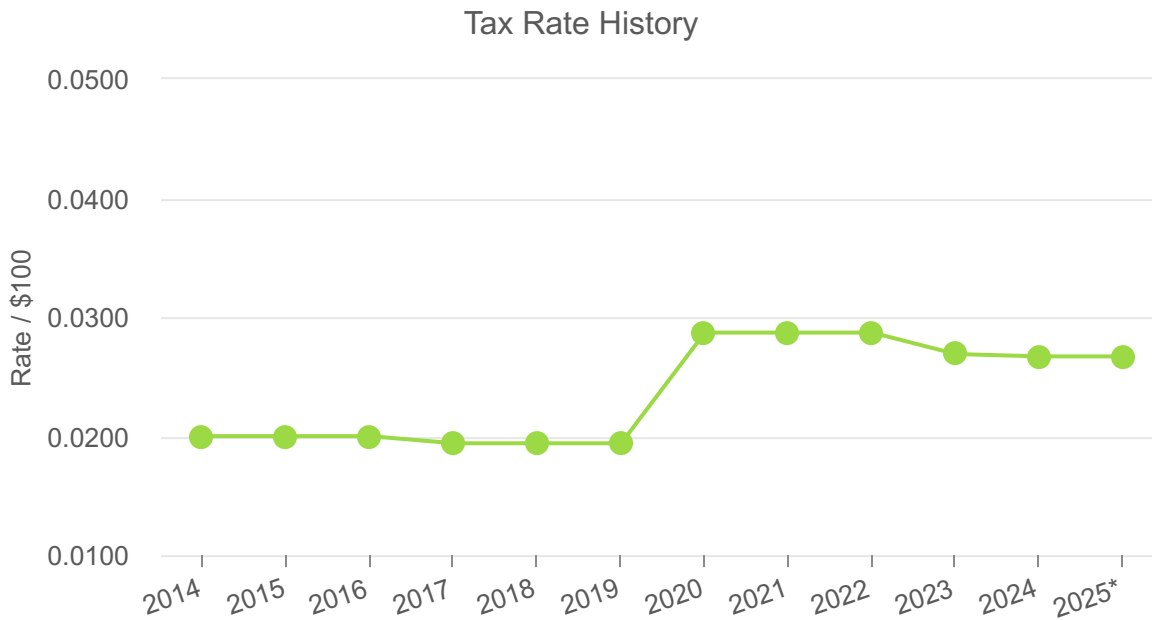
The flood control mission of the District is funded by the collection of property taxes. The District has the lowest tax rate in Tarrant county, and the fiscal year 2025 budget currently includes holding the tax rate at \$0.0267 per \$100 valuation. Prior year contribution revenues were for specific reimbursable projects that are not in the current year budget.

	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
Taxes	\$ 25,984,634	\$ 28,242,000	\$ 29,100,000	\$ 858,000
Contribution Revenues	—	310,000	—	(310,000)
<b>Total Revenues</b>	<b>\$ 25,984,634</b>	<b>\$ 28,552,000</b>	<b>\$ 29,100,000</b>	<b>\$ 548,000</b>

## Sources of Revenue Tax Revenues

As a governmental entity, the District is empowered to levy and collect ad valorem taxes to meet the maintenance, operations, and capital expenses of its flood control and administrative functions. The District's ad valorem property tax is proposed to hold at \$0.0267 per \$100 valuation and is budgeted to generate \$29 million in revenues for the District. This is based on a net taxable value of approximately \$109 billion and represents a projected tax burden of approximately \$77.41 for an estimate average home valued at \$289,918.

Tax Revenues	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Property Taxes Collected	\$ 25,984,634	\$ 28,242,000	\$ 29,100,000	\$ 858,000



\*Budgeted tax rate

## General Fund - Flood Control FY25 Budget

Expenditures	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance	Change %	Notes*
<b>Maintenance</b>						
Facilities & Grounds Maintenance	\$ 977,342	\$ 1,313,440	\$ 1,470,250	\$ 156,810	11.94%	1
Equipment & Fleet	607,219	549,618	640,504	90,886	16.54%	1
Maintenance Support	690,804	801,545	1,004,195	202,650	25.28%	1
Stream Gauging Stations	254,384	287,000	167,900	(119,100)	(41.50)%	
Total Maintenance	2,529,749	2,951,603	3,282,849	331,246	11.22%	
<b>System Improvements &amp; Capital Equipment</b>	\$ 1,773,689	\$ 4,507,500	\$ 4,384,500	\$ (123,000)	(2.73)%	
<b>Environmental Stewardship &amp; Public Outreach</b>						
Public Outreach & Events	\$ 85,790	\$ 772,907	\$ 835,198	\$ 62,291	8.06%	
Stormwater Program	41,729	75,000	19,500	(55,500)	(74.00)%	2
Environmental Stewardship	43,265	56,400	47,770	(8,630)	(15.30)%	
Clear Fork Trash Wheel	—	350,000	—	(350,000)	(100.00)%	2
Total Environmental Stewardship and Public Outreach	170,783	1,254,307	902,468	(351,839)	(28.05)%	
Property Taxes Paid to TIF's	\$ 561,058	\$ 580,314	\$ 568,249	\$ (12,065)	(2.08)%	
<b>Support Services</b>						
Employee Related	\$ 9,982,099	\$ 13,986,296	\$ 14,626,798	\$ 640,502	4.58%	
Administrative Support	1,539,520	2,020,143	2,510,091	489,948	24.25%	3
Professional Services	1,692,542	2,071,395	1,903,734	(167,661)	(8.09)%	
Information Technology	685,399	1,054,329	940,867	(113,462)	(10.76)%	
Total Support Services	13,899,560	19,132,163	19,981,489	849,326	4.44%	
<b>Total Expenditures</b>	<b>\$ 18,934,840</b>	<b>\$ 28,425,887</b>	<b>\$ 29,119,555</b>	<b>\$ 693,668</b>	<b>2.44 %</b>	
<b>Revenues</b>						
Taxes	\$ 25,984,634	\$ 28,242,000	\$ 29,100,000	\$ 858,000	3.04%	
Contributions	—	310,000	—	(310,000)	(100.00)%	
<b>Total Revenues</b>	<b>\$ 25,984,634</b>	<b>\$ 28,552,000</b>	<b>\$ 29,100,000</b>	<b>\$ 548,000</b>	<b>1.92 %</b>	
<b>Net Increase to Equity</b>	<b>\$ 7,049,794</b>	<b>\$ 126,113</b>	<b>\$ (19,555)</b>	<b>\$ (145,668)</b>	<b>(115.51)%</b>	

## **Variance Explanations**

- 1. Maintenance** - Facilities & grounds maintenance increased in fiscal year 2025 due to an increase in the cost of mowing and maintaining the floodway, both due to higher pricing as well as an increase in the public use of the floodway. Fleet increased due to the increase in costs needed to maintain an aging fleet. The increase in maintenance support is primarily due to an increase in contract labor costs needed to support the additional cleanup and maintenance requirements along the floodway.
- 2. Environmental Stewardship and Public Outreach** – The primary cause for the decrease in the environmental stewardship budget is the removal of the trash wheel and a decrease in the stormwater program. The trash wheel is not re-budgeted because it was a one-time project.
- 3. Administrative Support** - The main increase is due to the General Fund's lease of a portion of the new operations compound.



# Special Projects/ Contingency Fund



Airfield Falls Trails

## Special Projects/Contingency Fund FY25 Budget Summary

The Special Projects/Contingency Fund includes revenues from non-operating income to support special projects approved by the Board. Additionally, TIF revenues for the Central City Flood Control Project and related debt service are budgeted here. In fiscal year 2024 the District realigned its recreation events with its core mission, and moved these events from the Special Projects/Contingency Fund to the General Fund. Details of the amounts below can be found on the following pages.

Expenditures	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Canals	\$ 13,911	\$ 3,000,000	\$ 45,000,000	\$ 42,000,000
Panther Island Consulting	—	—	350,000	350,000
La Grave Stadium Demolition	—	195,000	200,000	5,000
Land Strategy	148,461	100,000	100,000	—
<b>Total Expenditures</b>	<b>\$ 162,372</b>	<b>\$ 3,295,000</b>	<b>\$ 45,650,000</b>	<b>\$ 42,355,000</b>

Revenues	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Oil and Gas	\$ 5,821,887	\$ 8,000,000	\$ 5,000,000	\$ (3,000,000)
Interest Income	2,573,045	1,600,000	2,750,000	1,150,000
Recreation Revenues	873,735	796,000	1,049,968	253,968
Leases, Permits, & Other Income	1,713,257	1,405,847	1,307,653	(98,194)
<b>Total Revenues</b>	<b>\$ 10,981,925</b>	<b>\$ 11,801,847</b>	<b>\$ 10,107,621</b>	<b>\$ (1,694,226)</b>

Debt Service / Central City Project	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Debt Service / Project Costs	\$ 8,149,492	\$ 7,577,446	\$ 8,446,348	\$ 868,902
NCTCOG Bridge Payment	350,000	350,000	350,000	—
TIF Revenues	(8,110,938)	(7,927,446)	(8,796,348)	(868,902)
<b>Net Change in Debt Services Equity</b>	<b>\$ (388,554)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

<b>Budgeted Net Increase to Equity</b>	<b>\$ 7,762,739</b>	<b>\$ 8,506,847</b>	<b>\$ (35,542,379)</b>	<b>\$ (44,049,226)</b>
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# Special Projects/Contingency Fund: Expenditures

### Expenditures Summary

The Special Projects/Contingency Fund provides a funding resource to support projects approved by the Board that support the flood control missions of the District without using tax funding. Prior to fiscal year 2024, La Grave Stadium expenditures were paid out of the General Fund. As part of its flood control mission, TRWD will need to build canals just north of downtown (Panther Island) that will function as flood control and stormwater transmission (see map on page 25). Panther Island consulting fees are for costs related to Panther Island development.

	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
Canals	\$ 13,911	\$ 3,000,000	\$ 45,000,000	\$ 42,000,000
Panther Island Consulting	—	—	350,000	350,000
La Grave Stadium Demolition	—	195,000	200,000	5,000
Land Strategy	148,461	100,000	100,000	—
<b>Total Expenditures</b>	<b>\$ 2,830,632</b>	<b>\$ 3,295,000</b>	<b>\$ 45,650,000</b>	<b>\$ 42,355,000</b>

# Canal Exhibit



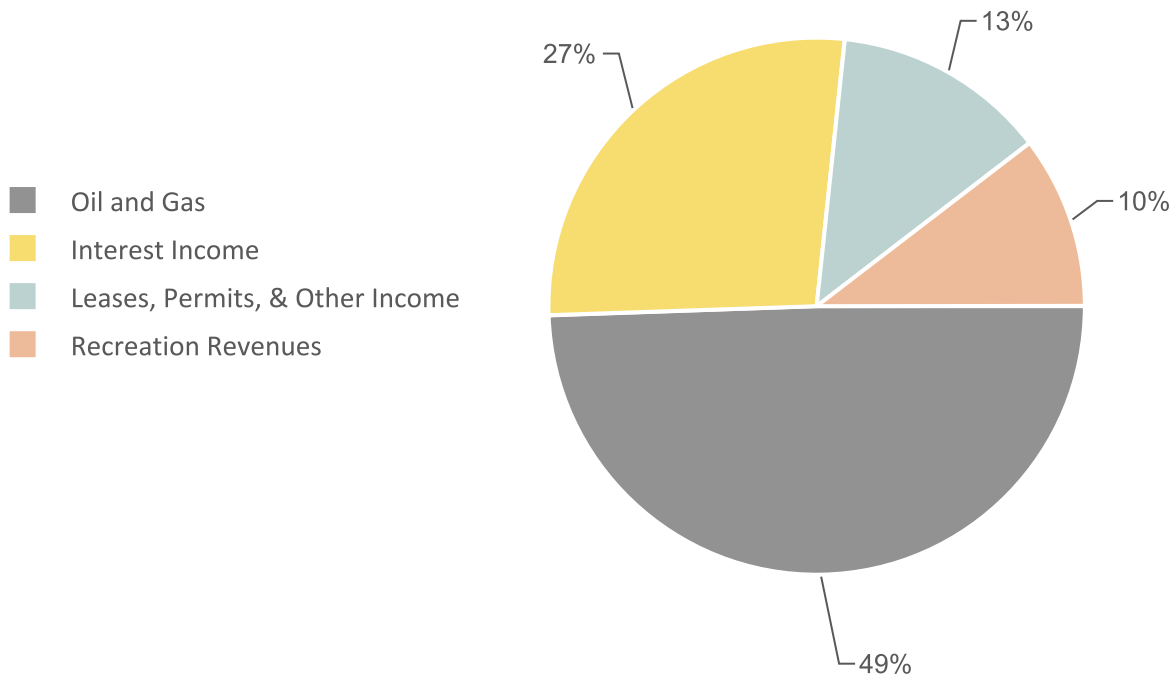
# Special Projects/Contingency Fund: Revenues

## Sources of Revenue Summary

The District earns revenues from oil and gas, interest income, leases, permits, fees, recreation and other income. These revenues are held in a separate Special Projects/Contingency Fund to support projects specifically approved by the Board.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
Oil and Gas	\$ 5,821,887	\$ 8,000,000	\$ 5,000,000	\$ (3,000,000)
Interest Income	2,573,045	1,600,000	2,750,000	1,150,000
Recreation Revenues	873,735	796,000	1,049,968	253,968
Leases, Permits, & Other Income	1,713,257	1,405,847	1,307,653	(98,194)
<b>Total Revenues</b>	<b>\$ 10,981,925</b>	<b>\$ 11,801,847</b>	<b>\$ 10,107,621</b>	<b>\$ (1,694,226)</b>

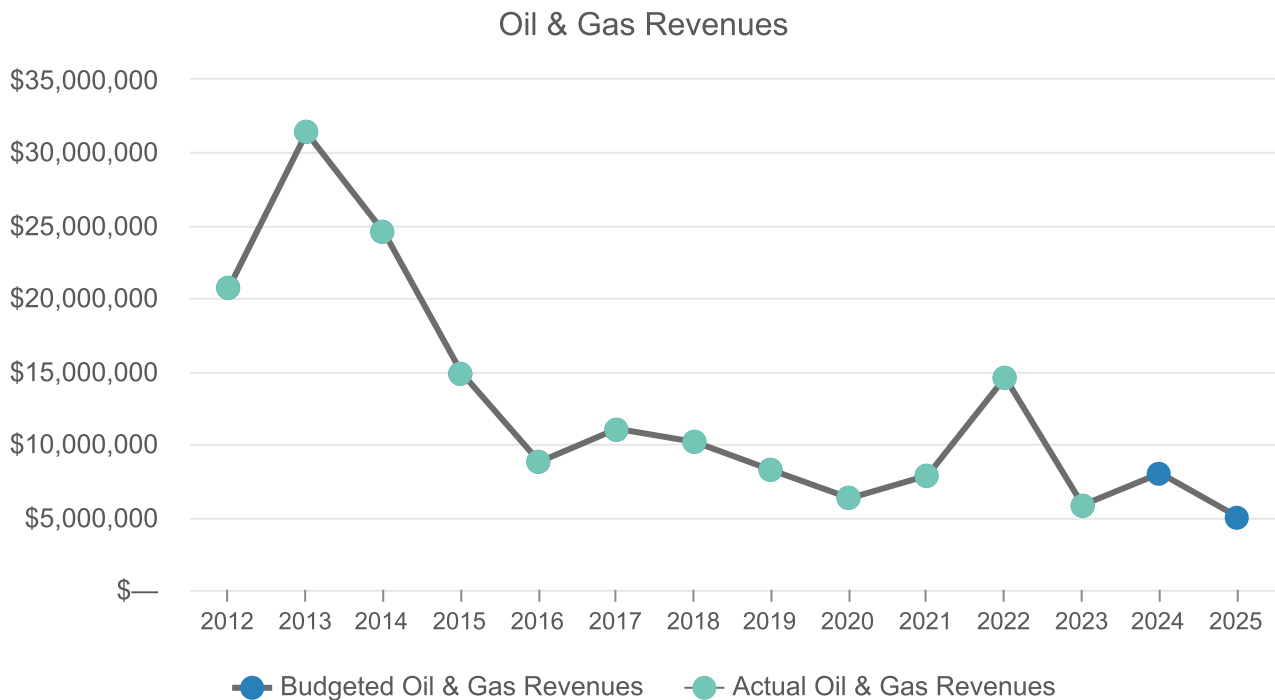
FY25 Budgeted Revenues



## Sources of Revenue Oil & Gas Royalties

The majority of revenue from oil and gas royalties is generated from mineral interests located in Wise, Jack and Tarrant counties under and surrounding Lake Bridgeport and Eagle Mountain Lake. Due to uncertainty of oil and gas production, these revenues are set aside as a contingency.

The chart below illustrates the actual revenues received from oil and gas royalties for the past 12 years with the budgeted revenues for fiscal year 2024 and fiscal year 2025. Prior to fiscal year 2020, oil and gas revenues were in the General Fund. In fiscal year 2020 these revenues were moved here to the Special Projects/Contingency Fund due to the variability of these revenue sources. Due to a drop in oil and gas revenues, the fiscal year 2025 budget has been reduced.

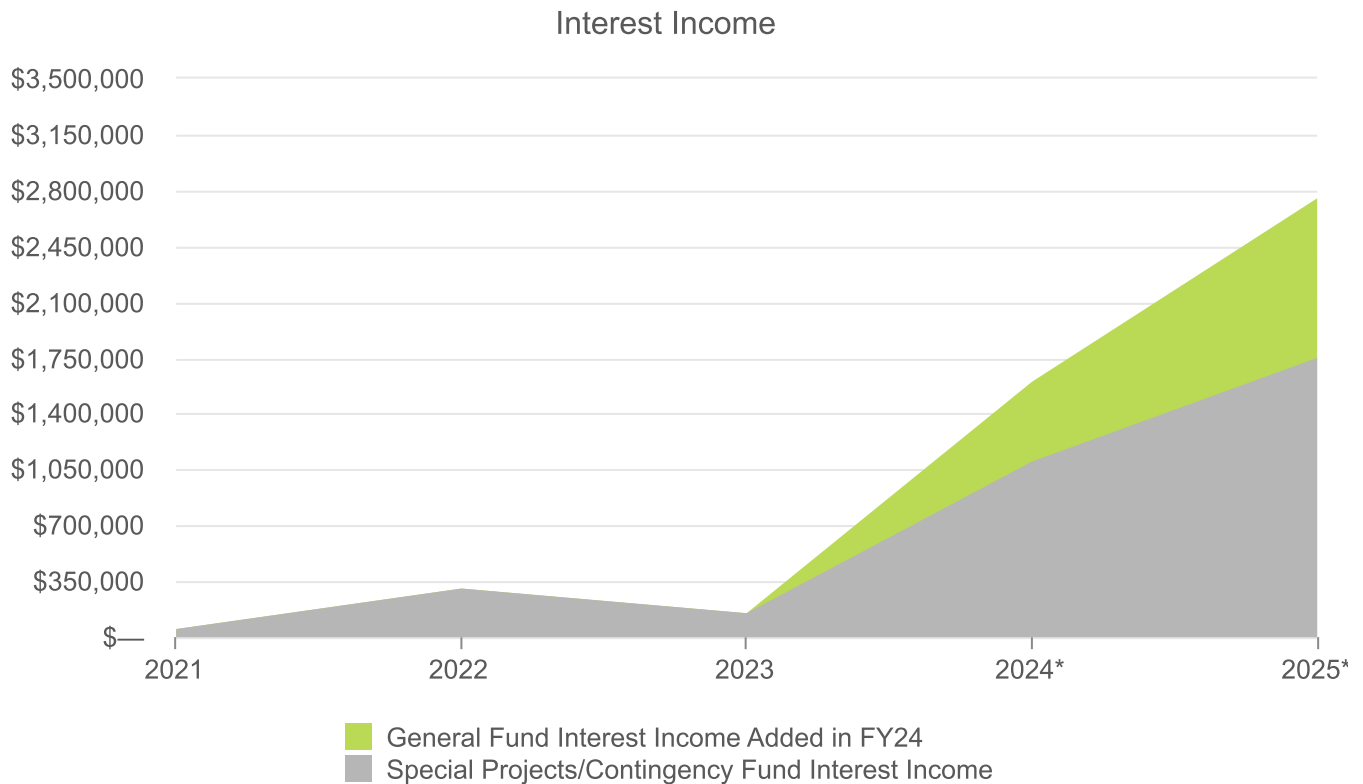




## Sources of Revenue Interest Income

The District invests in US government and agency fixed income securities as well as investments in Local Government Investment Pools. The portfolio has a maximum maturity of 3 years, but over half of the portfolio is typically invested in shorter term investments to be available if needed. To be conservative, the District is assuming a 2.5% interest rate in fiscal year 2025. Additionally, interest income from the General Fund was moved in fiscal year 2024 to the Special Projects/Contingency Fund due to its unpredictability as a revenue source. In fiscal year 2023 General Fund interest income earned in the General Fund was \$2.6 million.

	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance
General Fund Interest Income	\$ —	\$ 500,000	\$ 1,000,000	\$ 500,000
Governmental Contingency Fund Interest Income	2,573,045	1,100,000	1,750,000	650,000
<b>Total Interest Income</b>	<b>\$ 2,573,045</b>	<b>\$ 1,600,000</b>	<b>\$ 2,750,000</b>	<b>\$ 1,150,000</b>



\*Budgeted amounts

**Sources of Revenue**  
**Leases, Permits & Other Income**

The District collects revenues from leases and permits paid to use District property. Historically, the revenues from leases of Coyote Drive-in, Woodshed Restaurant and other locations on Bridgeport and Eagle Mountain lakes were used to offset recreation-type expenditures. In fiscal year 2024 these related expenditures were moved to the General Fund to better align with the District's core mission, while their revenues remained in the Special Projects/Contingency Fund.

<b>Leases, Permits &amp; Other Income</b>	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
Annex East, West and Garage Lease	\$ 602,392	\$ 602,391	\$ 602,391	\$ —
Coyote Drive-In Theater Lease	177,656	175,000	175,000	—
Woodshed Restaurant	192,617	175,000	175,000	—
Bridgeport/Eagle Mountain Leases	205,554	165,725	165,725	—
Other Floodway Leases & Permits	141,452	147,531	157,037	9,506
Land, Equipment, & Sand Sales	\$ 376,668	\$ 113,500	\$ 12,500	\$ (101,000)
Miscellaneous Revenues	16,919	26,700	20,000	(6,700)
<b>Total</b>	<b>\$ 1,713,257</b>	<b>\$ 1,405,847</b>	<b>\$ 1,307,653</b>	<b>\$ (98,194)</b>

**Recreation Revenues**

Recreation revenues are revenues earned in relation to recreation-type activities on District property. The majority of these revenues are boat ramp and park entry fees from Twin Points Park. The increase in Panther Island venue fees is based on an increase in scheduled events for fiscal year 2024, many of which are anticipated to occur again in fiscal year 2025. The recreation events revenues are earned on events like Fort Worth's Fourth and Flyfest, the bulk of which are estimated to be earned on Fort Worth's Fourth.

<b>Recreation Revenues</b>	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
Twin Points Park Fees	575,682	550,000	550,000	—
Panther Island Venue Fees	212,961	150,000	270,968	120,968
Recreation Events	85,092	96,000	229,000	133,000
<b>Total</b>	<b>\$ 873,735</b>	<b>\$ 796,000</b>	<b>\$ 1,049,968</b>	<b>\$ 253,968</b>

# **Special Projects/Contingency Fund: Debt Service/Project Costs**

**TIF Revenues and Debt for the Central City Flood Control Project**

In May 2018 a special bond election was held and approved by the voters to issue \$250 million in bonds to finance the remaining outstanding local share of the Central City Flood Control Project. This \$250 million will be repaid by the City of Fort Worth Tax Increment Reimbursement Zone Number Nine (TIF9) in accordance with the project costs funding agreement, hence, both the TIF revenue and debt service expense are shown in the Special Projects/Contingency Fund. The table below illustrates how the TIF Revenues collected will directly offset the budgeted debt expenditures for fiscal year 2025.

<b>Debt Service</b>	<b>FY23 Actuals</b>	<b>FY24 Budget Approved</b>	<b>FY25 Budget Proposed</b>	<b>Variance</b>
Debt Service / Project Costs	\$ 8,149,492	\$ 7,577,446	\$ 8,446,348	\$ 868,902
NCTCOG Bridge Payment	350,000	350,000	350,000	—
TIF Revenues	(8,110,938)	(7,927,446)	(8,796,348)	(868,902)
<b>Net Change in Debt Service Equity</b>	<b>\$ (388,554)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>

**Central City Flood Control Project  
Proposed FY25 Budget**

<b>TRWD</b>	<b>FY25 Budget Proposed</b>
Cash Match	\$ 5,500,000
Bypass Local Share (Pedestrian Bridge Design)	9,904,596
Land Acquisition	2,494,913
Program Management	1,015,395
Relocation	705,235
Demolition	862,508
Environmental	2,580,000
NCTCOG Bridge Repayment	350,000
Bond Issuance Costs	30,000
<b>Subtotal TRWD</b>	<b>\$ 23,442,647</b>

<b>City of Fort Worth</b>	<b>FY25 Budget Proposed</b>
Sewer & Water Relocation Reimbursement	\$ 40,014,921
Storm Water Relocation	19,900,335
Franchise Utilities	1,715,416
Gateway Park	\$ 322,627
<b>Subtotal City of Fort Worth</b>	<b>\$ 61,953,299</b>

<b>Total Central City Flood Control Project</b>	<b>\$ 85,395,946</b>
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Special Projects/Contingency Fund - FY25 Budget

Expenditures	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance	Change %	Notes
Canals	\$ 13,911	\$ 3,000,000	\$ 45,000,000	\$ 42,000,000	1400.00 %	1
Panther Island Consulting	—	—	350,000	350,000	100.00 %	2
La Grave Stadium Demolition	—	195,000	200,000	5,000	2.56 %	
Land Strategy	148,461	100,000	100,000	—	— %	
<b>Total Expenditures</b>	<b>\$ 162,372</b>	<b>\$ 3,295,000</b>	<b>\$ 45,650,000</b>	<b>\$ 42,355,000</b>	<b>1285.43 %</b>	

Revenues	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance	Change %	Notes
Oil and Gas	\$ 5,821,887	\$ 8,000,000	\$ 5,000,000	\$ (3,000,000)	(37.50)%	3
Interest Income	2,573,045	1,600,000	2,750,000	1,150,000	71.88 %	4
Recreation Revenues	873,735	796,000	1,049,968	253,968	31.91 %	5
Leases, Permits, & Other Income	1,713,257	1,405,847	1,307,653	(98,194)	(6.98)%	
<b>Total Revenues</b>	<b>\$ 10,981,925</b>	<b>\$ 11,801,847</b>	<b>\$ 10,107,621</b>	<b>\$ (1,694,226)</b>	<b>(14.36)%</b>	

Debt Service / Central City Project	FY23 Actuals	FY24 Budget Approved	FY25 Budget Proposed	Variance	Change %	Notes
Debt Service / Project Costs	\$ 8,149,492	\$ 7,577,446	\$ 8,446,348	\$ 868,902	11.47 %	
NCTCOG Bridge Payment	350,000	350,000	350,000	—	— %	
TIF Revenues	(8,110,938)	(7,927,446)	(8,796,348)	(868,902)	10.96 %	
<b>Net Project Expenses</b>	<b>\$ (388,554)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>100.00 %</b>	

<b>Net Increase to Equity</b>	<b>\$ 7,762,739</b>	<b>\$ 8,506,847</b>	<b>\$ (35,542,379)</b>	<b>\$ (44,049,226)</b>	<b>(517.81)%</b>	
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## **Variance Explanations**

- 1. Canals** - As part of its flood control mission, TRWD will need to build canals just north of downtown (Panther Island) that will function as flood control and stormwater transmission.
- 2. Panther Island Consulting** - Panther Island consulting fees are for costs related to Panther Island development.
- 3. Oil and Gas Revenues** - Due to a drop in oil and gas revenues, the fiscal year 2025 budget has been reduced.
- 4. Interest Income** - To be conservative, the District is assuming a 2.5% interest rate for short-term investments for fiscal year 2025.
- 5. Recreation Revenues** - The majority of this increase is due to increased sponsorship revenues planned for Fort Worth's Fourth and an increase in scheduled activities at the Panther Island Pavilion.

## TARRANT REGIONAL WATER DISTRICT

### AGENDA ITEM 4

**DATE:** August 19, 2024

**SUBJECT:** Executive Session

**FUNDING:** N/A

#### **RECOMMENDATION:**

Section 551.071 of the Texas Government Code, for Private Consultation with its Attorney about Pending or Contemplated Litigation or on a Matter in which the Duty of the Attorney to the Governmental Body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with this Chapter; and

Section 551.072 of the Texas Government Code, to Deliberate the Purchase, Exchange, Lease or Value of Real Property on Panther Island

#### **DISCUSSION:**

- Pending litigation
- Real property issues

#### **Submitted By:**

Stephen Tatum  
General Counsel



## Next Scheduled Board Meetings

August 20, 2024 at 9:00 AM

September 12, 2024 at 11:00 AM (Special Called Meeting)

September 17, 2024 at 9:00 AM