



Fiscal Year 2024

Revenue, General and

Special Projects/Contingency Funds

Operating Budgets

Approved at

September 19, 2023 Board Meeting

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Summarized FY24 Approved Revenue Budgets

Revenues	Revenue Fund FY24 Approved	General Fund FY24 Approved	Special Projects/ Contingency Fund FY24 Approved	Total Revenues
Sale of Water	\$ 164,091,374	\$ -	\$ -	\$ 164,091,374
Taxes		28,242,000		28,242,000
TIF Revenues			7,927,446	7,927,446
Oil & Gas Revenues			8,000,000	8,000,000
Dallas Water Utility - IPL	3,590,578			3,590,578
Interest Income	1,600,000	-	1,600,000	3,200,000
Contributions	1,229,768	310,000		1,539,768
Other Water Sales	520,000			520,000
Leases, Permits & Fees			1,965,647	1,965,647
Other Income	731,971		236,200	968,171
Total Revenues	\$ 171,763,691	\$ 28,552,000	\$ 19,729,293	\$ 220,044,984

Summarized FY24 Approved Expenditure Budgets

Expenditures	Revenue Fund FY24 Approved	General Fund FY24 Approved	Special Projects/ Contingency Fund FY24 Approved	Total Expenditures
Debt Service/Project Costs	\$ 83,204,886	\$ -	\$ 7,927,446	\$ 91,132,332
Pumping Power	18,000,000			18,000,000
<u>Maintenance</u>				
Pipeline & Pump Station	5,335,000			5,335,000
Pipeline Chemicals	2,210,000			2,210,000
Facilities & Grounds Maintenance	2,162,105	1,313,440		3,475,545
Equipment & Fleet	978,266	549,618		1,527,884
Maintenance Support	964,965	801,545		1,766,510
Benbrook Reservoir O&M	650,000			650,000
Stream Gauging Stations	195,000	287,000		482,000
Total Maintenance	12,495,336	2,951,603		15,446,939
<u>Envrionmental Stewardship & Public Outreach</u>				
Water Conservation Program	3,096,002			3,096,002
Watershed Protection	409,890			409,890
Environmental Stewardship	437,960	56,400		494,360
Public Outreach & Events	80,603	772,907		853,510
Stormwater Program		75,000		75,000
Clear Fork Trash Wheel		350,000		350,000
Total Environmental Stewardship & Public Outreach	4,024,455	1,254,307		5,278,762
System Improvements & Capital Equipment	10,451,679	4,275,250		14,726,929
Property Taxes Paid to TIF's		580,314		580,314
Canals			3,000,000	3,000,000
La Grave Stadium			195,000	195,000
Panther Island Land Strategy			100,000	100,000
<u>Support Services</u>				
Employee Related	33,801,466	13,986,296		47,787,762
Professional Services	3,712,153	2,086,645		5,798,798
Administrative Support	3,167,783	2,152,145		5,319,928
Information Technology	2,905,933	1,139,329		4,045,262
Total Support Services	43,587,335	19,364,415		62,951,750
Total Expenditures	\$ 171,763,691	\$ 28,425,889	\$ 11,222,446	\$ 211,412,026

Full Time Equivalents Budgeted by Fund

	FY22	FY23	FY24
Revenue	250	243	246
General	91	86	106
Special Projects/Contingency*	10	9	-
Dallas	49	71	77
Total	400	409	428

*All Special Projects/Contingency Fund personnel were moved to the General Fund in FY24.

Budgeted Expenditures Per Capita

	Revenue	General	Special Projects/ Contingency
Revenues Per Capita	\$ 78.84	\$ 59.76	\$ 41.29
Expenditures Per Capita	\$ 78.84	\$ 59.49	\$ 23.49

Population data is from 2022. General Fund and Special Projects/Contingency Fund population is the TRWD taxing/voting district. Revenue Fund population is the service area that purchases water from TRWD.

Revenue Fund

Water Supply



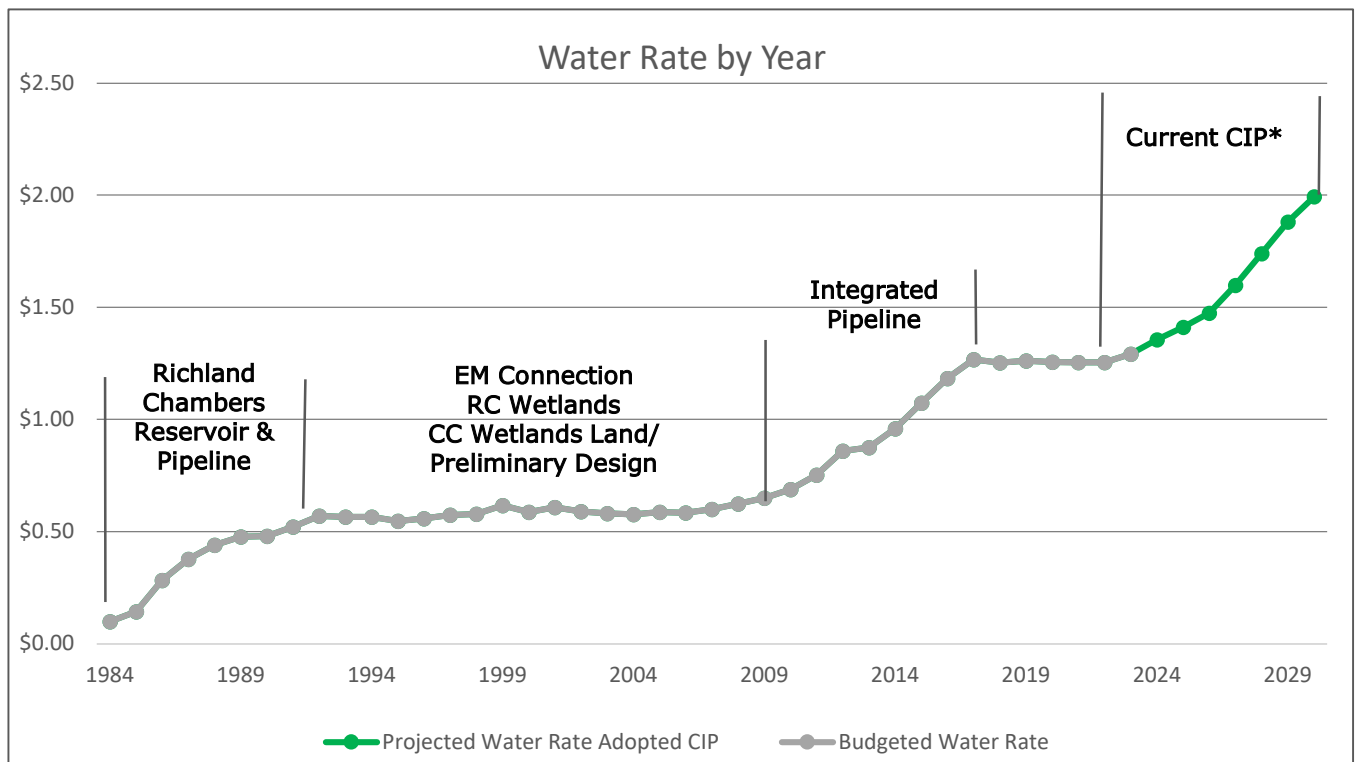
Spillway at Richland Chambers

TRWD Revenue Fund - Water Supply FY24 Budget Highlights

Tarrant Regional Water District ("the District") exists to enrich communities and improve the quality of life through water supply, flood control, and recreation. The District has approved a strategic plan that will be implemented over the next four years. The portion of the plan that relates specifically to water supply includes investing in a diverse workforce through training, safety, and the planning and support needed to live TRWD values. Additionally, the plan includes creating a long-range water supply resilience and diversification plan to ensure we have a reliable water supply in all extreme and changing conditions, pursuing Federal and State funding to reduce costs, updating internal processes to increase efficiency, and demonstrating our values and commitment to the community.

The Revenue Fund budget for fiscal year 2024 shows an increase in the water rate due to upcoming large capital projects and higher maintenance and support services costs. The large capital projects that are currently part of the long-term Capital Improvement Plan, include the Cedar Creek wetlands, replacing aging infrastructure, expanding balancing reservoir capacity, a new operations facility, and the start of the IPL connection to Richland Chambers.

Additionally, the District's current water supply system is both expanding and aging, both of which lead to higher maintenance costs, as well as the need to increase the support services required to manage that system. Overall, costs have also increased due to the current inflation environment. All of these cost increases are described in more detail in the expense portion of the budget.



Current CIP*	
Cedar Creek Wetlands	Expanded Balancing Reservoir Capacity
Aging Infrastructure Replacements	Operations Facility
	IPL connection to Richland Chambers

TRWD Revenue Fund - Water Supply FY24 Budget Summary

TRWD Purpose

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

Water Supply Overview

TRWD supplies water to more than 2 million people in an 11-county service area, making it one of the largest water suppliers in the state. The District provides raw water to more than 50 wholesale customers in north central Texas, the largest of which include the Trinity River Authority and the cities of Fort Worth, Arlington, and Mansfield.

The District's service area population is projected to nearly double in the next 50 years. In anticipation of this growth, the District has begun planning for enough new water supply sources to provide water supply reliability through the year 2050. TRWD is developing a long-range water supply resilience and diversification plan to ensure a reliable water supply in extreme and challenging conditions, including power outages and climate change. TRWD is also pioneering the work to determine how to optimize regional water supply across north central Texas.

Approved FY24 Revenue Fund Budget

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved
Expenditures			
Operating Expenditures	\$ 65,360,519	\$ 70,946,352	\$ 78,107,126
System Improvements & Capital Equipment	11,225,724	7,227,474	10,451,679
Debt Service	72,740,016	79,901,067	83,204,886
Total Expenditures	149,326,259	158,074,893	171,763,691

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved
Revenues			
Sale of Water	137,885,560	151,795,320	164,091,374
Dallas Water Utility - IPL	1,521,954	2,798,048	3,590,578
Interest Income	895,175	1,125,000	1,600,000
Water Conservation Contributions	1,102,988	1,205,668	1,229,768
Other Income	5,064,014	1,150,858	1,251,971
Total Revenues	\$ 146,469,691	\$ 158,074,894	\$ 171,763,691

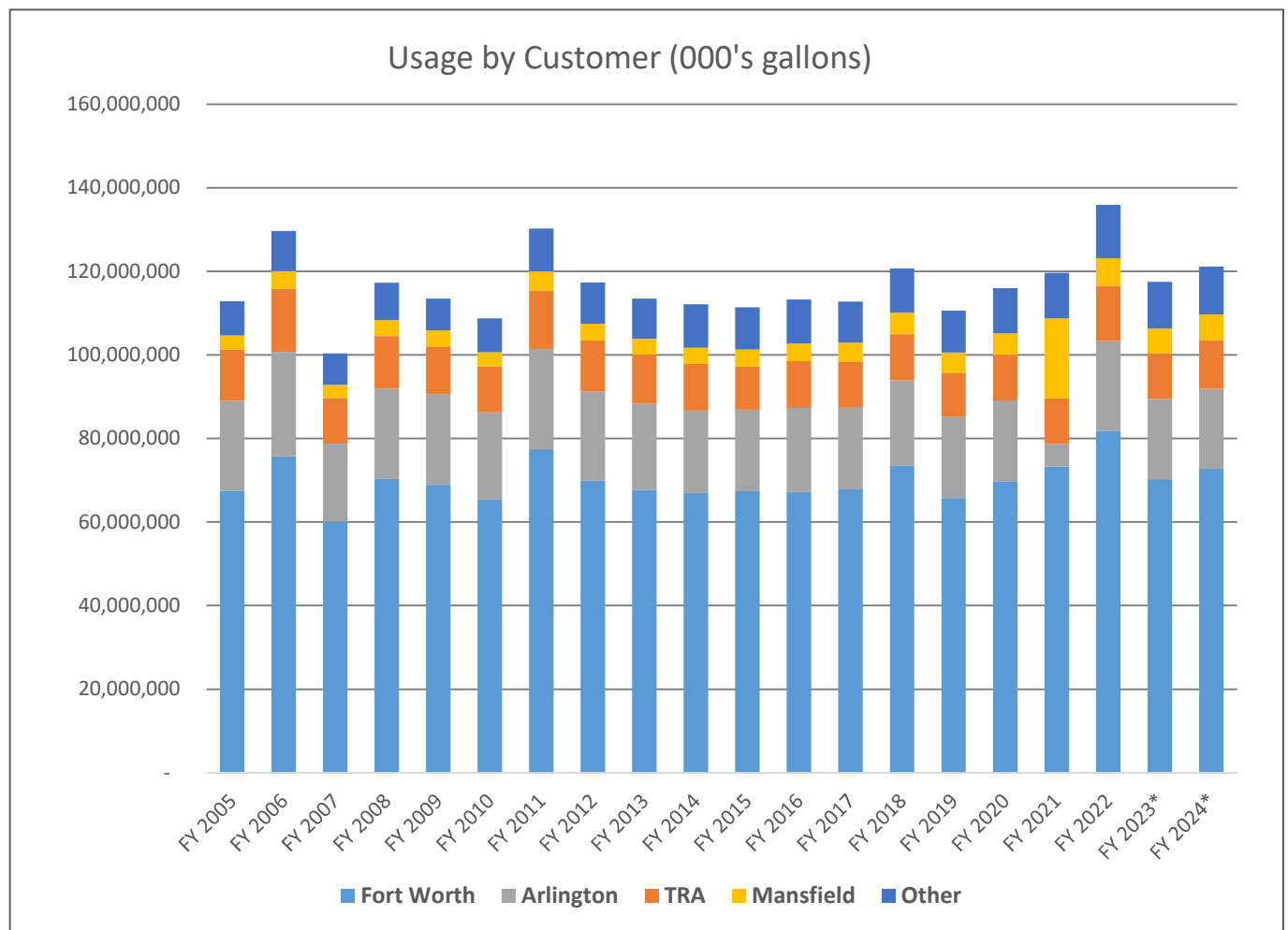
	FY22 Actual Rate	FY23 Budgeted Approved Rate	FY24 Budgeted Approved Rate
System Rate	\$1.03530	\$1.29191	\$1.35479

Water Supply Demands

Demand for water supply is based on many factors including population growth, water conservation, weather patterns, and changing population lifestyles. All of these factors impact both current and future demands. The District continues to focus on water affordability as well as preparing for those future demands.

The graph below shows water usage for the past 18 years and budgeted usage for fiscal years 2023 and 2024. The District is currently preparing for future demands by expanding transmission system infrastructure and developing new sources of supply.

Note that the timing for new water supply sources and transmission system expansion is based on projections for dry-year usage to ensure adequate system capacity for all customers during those years. In the graph below, the years 2006, 2011, and 2022 are examples of dry years with higher water usage. The data from these types of years is considered and provides valuable input for the models that project future dry-year water supply needs.



*Budgeted Usage

System Rate Calculation

The sale of water revenues are estimated using the budgeted raw water rate multiplied by the estimated water usage for fiscal year 2024. This budgeted rate, expressed in dollars per 1,000 gallons, is calculated by taking the budgeted expenditures for fiscal year 2024, subtracting other income sources, and dividing that number by the estimated usage in gallons. Each fiscal year, the four primary customers provide their estimated usage for the year. The other customers' estimated usage is based on historical data combined with overall customer trends.

Net System Revenue Requirements	FY23 Budget Approved	FY24 Budget Approved	Variance
Total Expenditures	\$ 158,074,893	\$ 171,763,691	\$ 13,688,798
Less: Other Revenues Not Through Sale of Water	(6,279,574)	(7,672,317)	(1,392,743)
Net System Revenue Requirement	\$ 151,795,320	\$ 164,091,374	\$ 12,296,054

Projected Usage Gallonage (000's)	FY23 Budgeted Water Sales	FY24 Budgeted Water Sales	Variance
Fort Worth	70,262,163	72,796,920	2,534,757
Arlington	19,206,381	19,064,016	(142,365)
Trinity River Authority	10,958,419	11,670,485	712,065
Mansfield	5,869,707	6,163,193	293,486
Other Customers	11,200,000	11,425,000	225,000
Total Gallonage (000's)	117,496,671	121,119,614	3,622,943

Calculated System Rate	FY23 Budgeted Approved Rate	FY24 Budgeted Approved Rate	% Change
District Rate	\$1.29191	\$1.35479	4.87%

System Rate Model

The District utilizes a rate model to project future water rates. The District's estimated water supply expenses are combined with projections for raw water usage to calculate a projected water rate for future years. Projected Operations and Maintenance expenses are estimated to increase 10% each year, while Pumping Power and Capital/System Improvements are held steady. Usage projections for fiscal year 2024 are provided by the customers. Usage for future years is the greater of customer projections or the dry-year model projections.

See below for rate projections through fiscal year 2030.

	FY23 Approved	FY24 Approved	FY25 Projected	FY26 Projected
SYSTEM OPERATIONS				
Operations and Maintenance	\$ 52,726,353	\$ 60,107,126	\$ 65,751,712	\$ 72,326,883
Pumping Power	18,000,000	18,000,000	18,000,000	18,000,000
Capital & System Improvements	7,447,473	10,451,679	10,000,000	10,000,000
TOTAL SYSTEM OPERATIONS	78,173,826	88,558,805	93,751,712	100,326,883
CURRENT DEBT SERVICE	74,767,437	72,736,159	71,168,640	71,152,612
PROPOSED BOND DEBT SERVICE				
ECP Bonds	5,133,631	5,757,900	5,000,000	3,000,000
2024 Issue - \$150 mil		4,710,827	10,352,750	10,351,250
2025 Issue - \$100 mil			3,485,854	7,395,600
2026 Issue - \$195 mil				6,794,929
2027 Issue - \$220 mil				
2028 Issue - \$170 mil				
2029 Issue - \$155 mil				
2030 Issue - \$140 mil				
TOTAL PROPOSED BOND DEBT SERVICE	5,133,631	10,468,727	18,838,604	27,541,779
TOTAL DEBT SERVICE	79,901,068	83,204,886	90,007,244	98,694,391
TOTAL EXPENDITURES	158,074,894	171,763,691	183,758,956	199,021,274
LESS: OTHER INCOME	6,279,574	7,672,317	8,677,642	9,891,118
NET SYSTEM REQUIREMENTS	\$ 151,795,320	\$ 164,091,374	\$ 175,081,313	\$ 189,130,156
PROJECTED WATER USE (1000 GAL.)	2023	2024	2025	2026
FORT WORTH	70,262,163	72,796,920	73,411,480	78,482,649
ARLINGTON	19,206,381	19,064,016	20,938,465	21,197,676
TRINITY RIVER AUTHORITY	10,958,419	11,670,485	11,880,227	11,993,598
MANSFIELD	5,869,707	6,163,193	6,409,720	6,670,000
OTHER	11,200,000	11,425,000	11,539,250	11,654,643
TOTAL USAGE	117,496,671	121,119,614	124,179,142	129,998,566
PROJECTED SYSTEM WATER RATES (\$/1000 GAL.)				
System Rate	\$ 1.29191	\$ 1.35479	\$ 1.40991	\$ 1.45486
PROJECTED SYSTEM REVENUE: (\$)				
FORT WORTH	\$ 90,772,508	\$ 98,624,379	\$ 103,503,520	\$ 114,181,534
ARLINGTON	24,812,948	25,827,696	29,521,334	30,839,723
TRINITY RIVER AUTHORITY	14,157,310	15,811,030	16,750,041	17,449,047
MANSFIELD	7,583,143	8,349,819	9,037,123	9,703,939
OTHER	14,469,411	15,478,451	16,269,295	16,955,913
TOTAL SYSTEM REVENUE	\$ 151,795,320	\$ 164,091,374	\$ 175,081,313	\$ 189,130,156

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System Rate Model

	FY27 Projected	FY28 Projected	FY29 Projected	FY30 Projected
<u>SYSTEM OPERATIONS</u>				
Operations and Maintenance	\$ 79,559,571	\$ 87,515,528	\$ 96,267,081	\$ 105,893,789
Pumping Power	18,000,000	18,000,000	18,000,000	18,000,000
Capital & System Improvements	10,000,000	10,000,000	10,000,000	10,000,000
TOTAL SYSTEM OPERATIONS	107,559,571	115,515,528	124,267,081	133,893,789
<u>CURRENT DEBT SERVICE</u>	71,201,196	71,095,480	71,041,172	67,996,414
<u>PROPOSED BOND DEBT SERVICE</u>				
ECP Bonds	3,000,000	3,000,000	3,000,000	3,000,000
2024 Issue - \$150 mil	10,348,625	10,349,500	10,353,375	10,350,000
2025 Issue - \$100 mil	7,397,963	7,395,650	7,393,525	7,396,175
2026 Issue - \$195 mil	14,415,213	14,414,338	14,414,388	14,414,813
2027 Issue - \$220 mil	7,662,623	16,257,650	16,256,150	16,254,475
2028 Issue - \$170 mil		5,923,225	15,045,900	15,185,650
2029 Issue - \$155 mil			5,298,242	13,461,650
2030 Issue - \$140 mil				4,873,940
TOTAL PROPOSED BOND DEBT SERVICE	42,824,423	57,340,363	71,761,579	84,936,702
TOTAL DEBT SERVICE	114,025,619	128,435,843	142,802,751	152,933,116
TOTAL EXPENDITURES	221,585,190	243,951,371	267,069,832	286,826,905
LESS: OTHER INCOME	13,120,400	13,398,420	13,698,988	14,024,153
NET SYSTEM REQUIREMENTS	\$ 208,464,790	\$ 230,552,950	\$ 253,370,844	\$ 272,802,752
PROJECTED WATER USE (1000 GAL.)	2027	2028	2029	2030
FORT WORTH	79,905,342	81,328,036	82,750,729	84,173,422
ARLINGTON	21,456,887	21,716,098	21,975,309	22,234,520
TRINITY RIVER AUTHORITY	12,113,534	12,262,649	12,362,649	12,462,649
MANSFIELD	6,932,754	7,210,064	7,410,064	7,610,064
OTHER	11,771,189	11,888,901	12,007,790	12,127,868
TOTAL USAGE	132,179,706	134,405,748	136,506,541	138,608,523
PROJECTED SYSTEM WATER RATES (\$/1000 GAL.)				
System Rate	\$ 1.57713	\$ 1.71535	\$ 1.85611	\$ 1.96815
PROJECTED SYSTEM REVENUE: (\$)				
FORT WORTH	\$ 126,021,239	\$ 139,506,077	\$ 153,594,267	\$ 165,666,156
ARLINGTON	33,840,334	37,250,717	40,788,541	43,760,933
TRINITY RIVER AUTHORITY	19,104,637	21,034,740	22,946,408	24,528,397
MANSFIELD	10,933,865	12,367,786	13,753,877	14,977,769
OTHER	18,564,714	20,393,630	22,287,751	23,869,497
TOTAL SYSTEM REVENUE	\$ 208,464,790	\$ 230,552,950	\$ 253,370,844	\$ 272,802,752

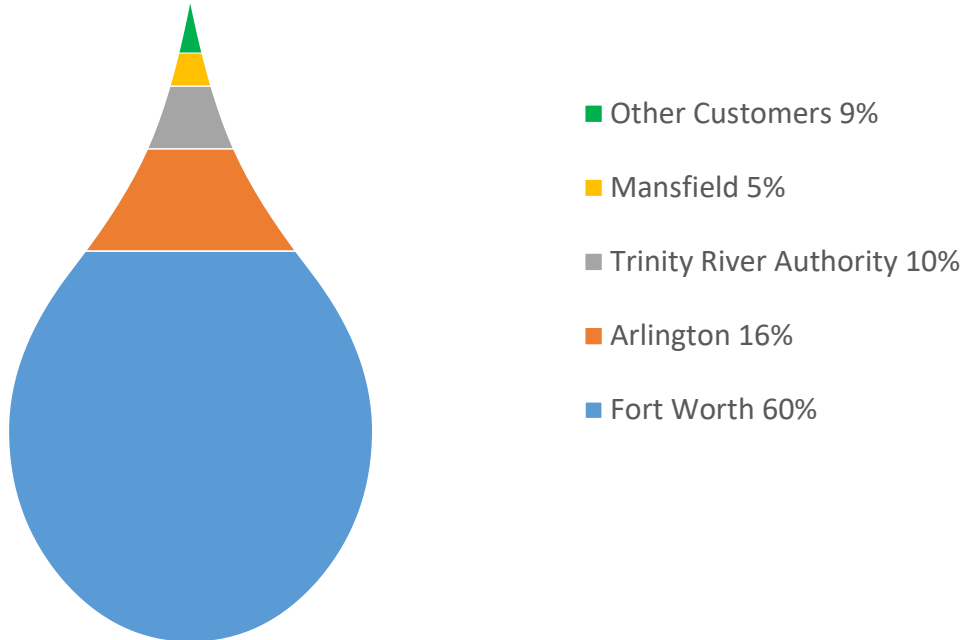
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Water Usage Projections

The District's four primary customers, the cities of Fort Worth, Arlington, Mansfield, and the Trinity River Authority, provide an estimate of their usage to the District each year. The usage for other customers is estimated using historical data of reported usage.

Gallage (000'S)	FY22 Actual Water Sales	FY23 Budgeted Water Sales	FY24 Budgeted Water Sales	Variance
Fort Worth	81,796,970	70,262,163	72,796,920	2,534,757
Arlington	21,478,401	19,206,381	19,064,016	(142,365)
Trinity River Authority	13,263,982	10,958,419	11,670,485	712,065
Mansfield	6,615,422	5,869,707	6,163,193	293,486
Other Customers	12,739,432	11,200,000	11,425,000	225,000
Total Gallage (000's)	135,894,207	117,496,671	121,119,614	3,622,943

FY24 Budgeted Water Usage



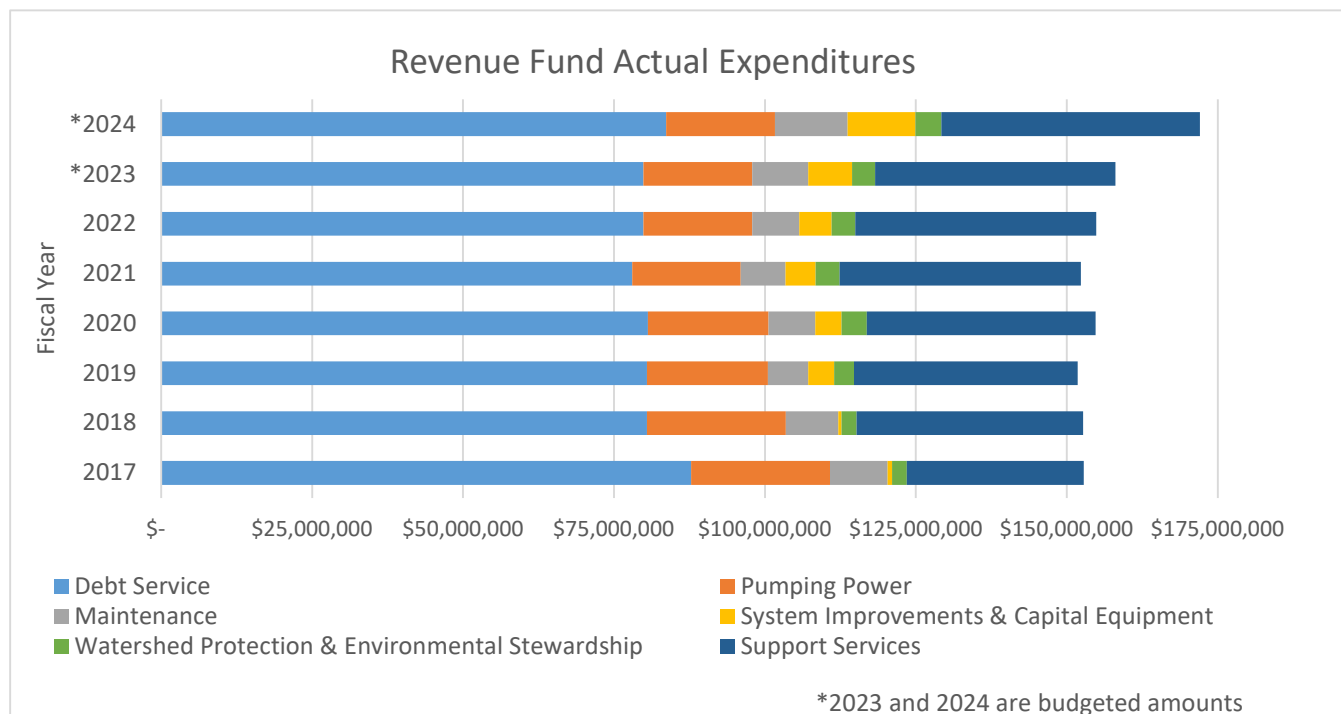
Revenue Fund: Expenditures

Expenditures Summary

Delivering a reliable and resilient water supply to over 2 million customers requires a combination of long-term planning and constant evaluation of the current system needs. Pumping power and maintenance provide a consistent supply of water through the existing system, while debt issuances for large capital projects, system improvements, and capital equipment allow the District to continue building the system needed to meet the rapid growth in the community. In fiscal year 2024, all of these areas, except pumping power, are budgeted to increase due to large capital projects, aging infrastructure, and system studies for long-term planning and efficiencies.

The system is supported through administrative and professional services, information technology, and a diverse, well-trained workforce committed to being ready when the public needs them the most. The fiscal year 2024 budget includes increases in headcount and technology to match the increasing system size.

Budget Categories	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Debt Service	\$ 72,740,016	\$ 79,901,067	\$ 83,204,886	\$ 3,303,819
Pumping Power	21,007,947	18,000,000	18,000,000	-
Maintenance	7,532,940	9,304,243	12,495,336	3,191,093
System Improvements & Capital Equipment	11,225,724	7,227,474	10,451,679	3,224,205
Watershed Protection & Environmental Stewardship	3,147,924	3,841,147	4,024,455	183,308
Support Services	33,671,708	39,800,962	43,587,335	3,786,373
Total	\$ 149,326,259	\$ 158,074,893	\$ 171,763,691	\$ 13,688,798

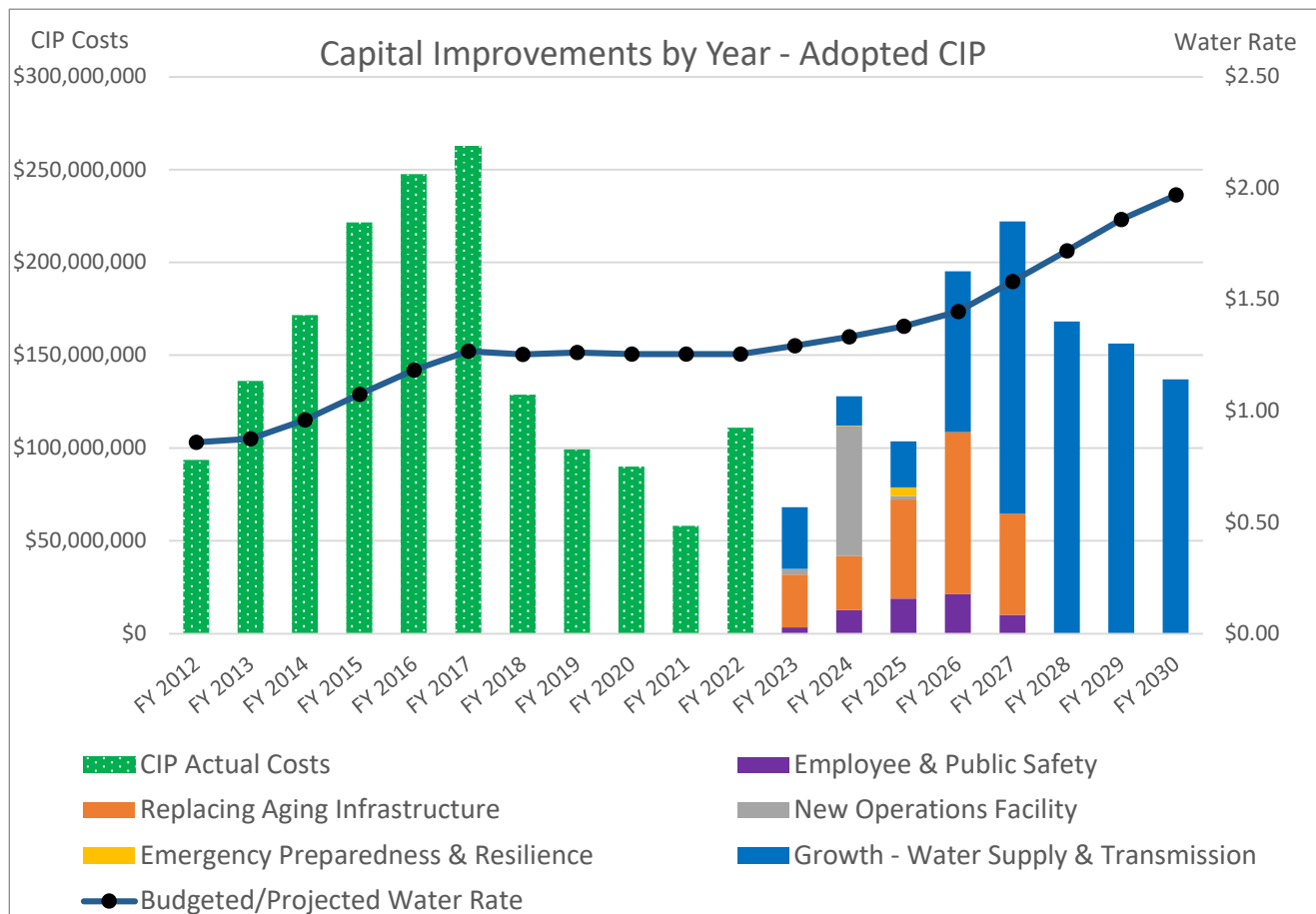


Debt Service Expenditures

The District is sensitive to the tension always present in providing reliable water supply service at the most affordable level. One key factor in keeping the water supply rate low is the issuance of debt, which distributes costs between current and future rate payers.

The \$2.6 million increase in interest expense for fiscal year 2024 is due to the anticipated issuance of \$150 million in bonds in fiscal year 2024 to support large capital projects, including the new Cedar Creek wetlands, replacement of aging infrastructure, expanded balancing reservoir capacity, a new operations facility, and the start of the IPL connection to Richland Chambers.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Bonds Payable	\$ 40,560,000	\$ 40,395,000	\$ 41,150,000	\$ 755,000
Interest Expense	32,114,716	39,480,767	42,029,236	2,548,469
Bond Issuance Expense	60,000	20,000	20,000	-
Paying Agent Fees	5,300	5,300	5,650	350
Total Debt Service	\$ 72,740,016	\$ 79,901,067	\$ 83,204,886	\$ 3,303,819



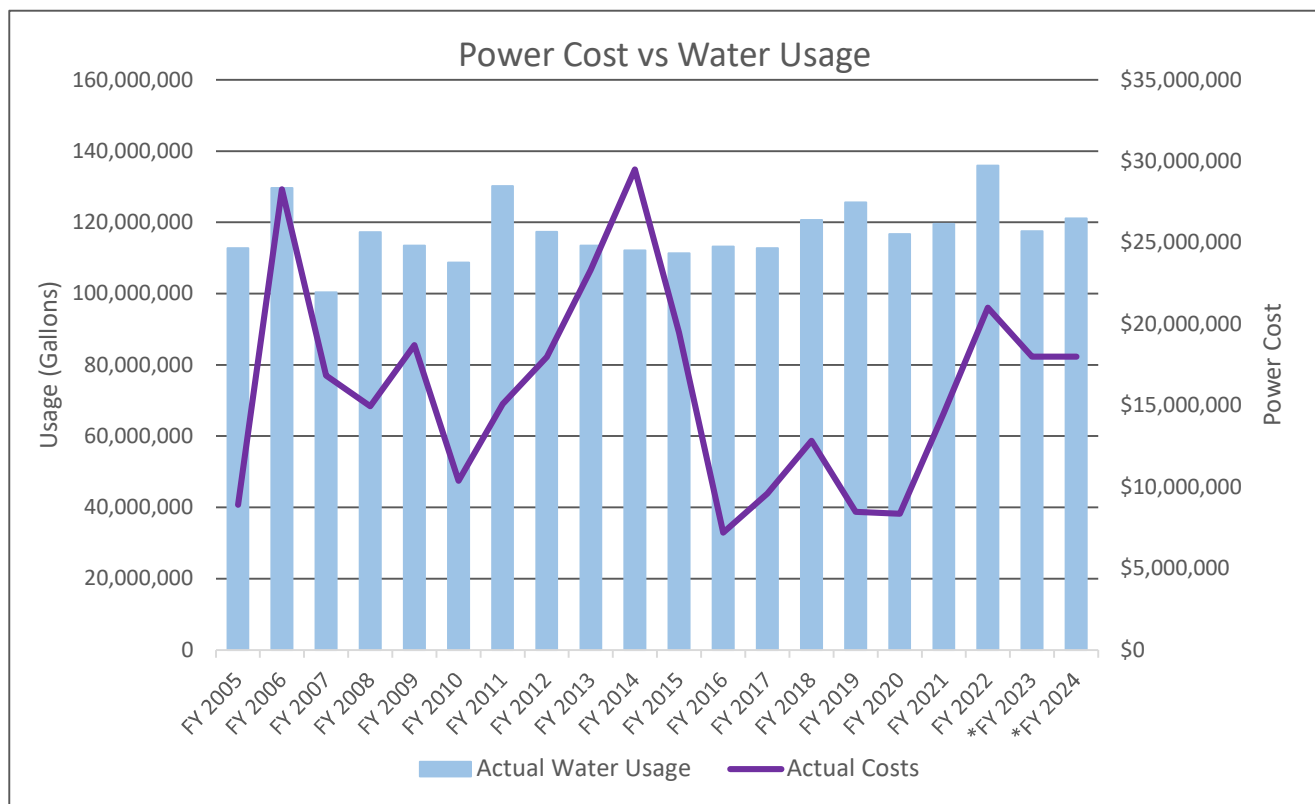
Pumping Power Expenditures

Pumping power is the cost of electricity needed to deliver water to the District's customers. Water usage and costs do not always have a direct correlation. From fiscal year 2014 to fiscal year 2016 the actual water usage stayed fairly level, but the cost of power dropped from \$30 million to \$10 million. The greater impact on actual costs is the amount of rainfall leading into the fiscal year and the overall cost of power per unit.

Due to the unpredictability of rainfall and power costs, the Customer Advisory Committee agreed in fiscal year 2016 to set the annual pumping power budget at \$23 million per year. The budget was reduced to \$20 million in fiscal year 2019 and again to \$18 million in fiscal year 2021.

Since the customers approved a Pumping Power contingency fund of \$5 million to help offset costs in years where pumping power is higher than budget, the District is currently holding the pumping power budget at \$18 million until the impact of the IPL, the increased population growth, and the weather patterns have more data on which to build future expectations.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Pumping Power	\$ 21,007,947	\$ 18,000,000	\$ 18,000,000	\$ -



*Budgeted Water Usage and Pumping Power costs for FY 2023 and FY 2024

Maintenance Expenditures

The water supply maintenance budget consists of the costs needed to keep the existing water supply system functioning as intended. More than half of the District's maintenance costs are for maintaining the pipeline and pump stations that move water from the reservoirs to the customers.

Pipeline and pump station maintenance increases for fiscal year 2024 are due mostly to an additional \$660 thousand for general maintenance on all pump stations and pipeline sections, \$400 thousand to purchase additional pipeline segments for the replacement project, \$250 thousand in valve upgrades, and \$225 thousand for pump unit rebuilding based on efficiency testing. The condition of the Cedar Creek transmission system requires significant investment and will continue requiring repairs and replacements for the next several years. Phase 1 and 2 of the IPL were completed and online in fiscal year 2022 and are now included in the full pipeline system preventative maintenance program.

Pipeline chemical costs are estimated by evaluating pumping demand projections and projected market costs for chemicals driven by industry demands. The budget increase is due primarily to increases in market costs (for example, the price of chlorine has more than doubled in the past 10 months), with higher projected pumping also increasing the overall budget.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Pipeline & Pump Station	\$ 2,516,393	\$ 3,536,015	\$ 5,335,000	\$ 1,798,985
Pipeline Chemicals	1,054,298	1,060,000	2,210,000	1,150,000
Facilities & Grounds Maintenance	1,571,879	2,227,204	2,162,105	(65,099)
Equipment & Fleet	708,583	807,319	978,266	170,947
Maintenance Support	693,857	874,340	964,965	90,625
USACE Benbrook Reservoir O&M	802,536	604,365	650,000	45,635
Stream Gauging Stations	185,394	195,000	195,000	-
Total	\$ 7,532,940	\$ 9,304,243	\$ 12,495,336	\$ 3,191,093



The Joint Cedar Creek (JCC1) pump station came online in fiscal year 2023, increasing pumping capacity and the need for additional chemicals.

System Improvements and Capital Equipment Expenditures

The Revenue Fund system improvements budget consists of shorter-term projects that enhance and rehabilitate the current system.

The two largest System Study and Design Projects are the Integrated Water Supply Plan (IWSP) and the System Operating Permit Evaluation. The IWSP will develop a comprehensive approach to provide a reliable supply to all water customers and the System Operating Permit Evaluation will evaluate the feasibility of pursuing a system operations permit for the overall TRWD system.

Now that the Integrated Pipeline Project is online, the District is able to begin projects that had been postponed because they required taking portions of the existing pipeline offline for more extensive system improvements, such as valve replacement, pump refurbishment, and variable frequency drive upgrades.

Construction and repair projects experienced the greatest increase in the fiscal year 2024 budget, the majority of which is the silt removal at Shannon Wetlands, which is vital to the proper function of the wetlands area. Additional improvements and restorations are also planned for the Benbrook pump stations, Cedar Creek dam, Richland Chambers water quality building, and JB3 cooling tower.

The water supply contract budget is a potential contract with the Trinity River Authority (TRA) to secure the rights to additional water supply when it comes available in the future. This contract is still in development.

Additional details are shown on the following page.

	FY23 Budget Approved	FY24 Budget Approved	Variance
System Study & Design Projects	\$ 2,191,600	\$ 3,280,429	\$ 1,088,829
Pump & Valve Projects	2,567,000	2,535,000	(32,000)
Construction & Repair Projects	1,775,000	3,128,250	1,353,250
Water Supply Contract	-	570,000	570,000
Capital Equipment*	693,873	938,000	244,127
Total	\$ 7,227,473	\$ 10,451,679	\$ 3,224,206

*The District considers machinery or equipment purchases of \$10 thousand or more capital equipment.

Revenue Fund

System Study & Design Projects:

	FY24 Budget Approved
Integrated Water Supply Plan	\$ 800,000
System Operating Permit Evaluation	725,000
IPL Phase 1 and 2 Operating Manuals	319,429
Cedar Creek Wetlands Collaboration with NTMWD Study	200,000
Arc Flash Requirements Monitoring	214,000
CEQUAL-W2 Modeling	155,000
Sulphur River Basin Study	150,000
Aviso planning for Incorporation of RC and CC into the Flood Model	125,000
Miscellaneous System Study & Design Projects*	592,000
	3,280,429

Pump & Valve Projects:

Variable Frequency Drive Upgrades	865,000
Refurbish BB1 Pump	500,000
Control Valve Actuator Conversion at RC3L	450,000
Comprehensive Industrial Control System Upgrade at BB1/BB2	350,000
Replace WL2 Pump	260,000
Miscellaneous Pump & Valve Projects*	110,000
	2,535,000

Construction & Repair Projects:

Silt Removal at Shannon Wetlands	750,000
Benbrook Pump Stations Backup Power and HVAC	375,000
Cedar Creek Dam Relief Well Restoration	350,000
New Richland Chambers Water Quality Building	300,000
JB3 Cooling Tower Improvements	305,000
Richland Chambers Embankment Phase 1	250,000
Building Improvements	262,500
Grounds Improvements	185,000
Miscellaneous Construction & Repair Projects*	350,750
	3,128,250

Water Supply Contract:

570,000

Capital Equipment:

Pickup Trucks	411,000
Heavy Equipment	110,000
Dedicated Microwave Building & Generator at Waxahachie Tower	200,000
Other Pump Station and Environmental Equipment	217,000
	938,000

*Any project under miscellaneous projects is budgeted at \$100,000 or less.

Total \$ 10,451,679

Environmental Stewardship Expenditures

TRWD is committed to providing the public it serves with a clean, plentiful water supply and being a good steward of our watersheds and the environment. The Water Conservation Program has enabled TRWD to defer capital costs as people use less water than initially projected. The program has also expanded services and participation has steadily grown year over year. The approved expenditure increase will provide additional customer city classes, workshops and events, residential sprinkler system evaluations and landscape consultations, and outreach resources.

The District also forms relationships with residents and businesses in the TRWD watersheds in order to improve the quality of water before it enters the District's water supply.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Water Conservation Program*	\$ 2,470,914	\$ 2,895,502	\$ 3,096,002	\$ 200,500
Watershed Protection	329,989	395,484	409,890	14,406
Environmental Stewardship	288,765	442,460	437,960	(4,500)
Public Outreach	58,256	107,701	80,603	(27,098)
Total	\$ 3,147,924	\$ 3,841,147	\$ 4,024,455	\$ 183,308

* See next page for Water Conservation Program details.



TRWD actively participates in an average of 60 events per year with the TRWD Stream Trailer.

Water Conservation Program Revenues and Expenditures:

Program Area	FY23 Budgeted Expenditures	FY24 Budgeted Expenditures	FY24 Budgeted Contributions	TRWD Portion
"Water is Awesome" Campaign	\$ 2,050,002	\$ 2,035,002	\$ 1,166,668	\$ 868,334
Program Support (evaluations, watering advice, etc.)	416,000	570,500	20,000	550,500
School Education Program	313,000	313,000	-	313,000
Video and Promotional Items	50,000	88,500	-	88,500
Rain Barrel & Customer City Workshops	36,500	65,000	24,100	40,900
Regional Symposiums	24,000	24,000	19,000	5,000
Program Exhibits	6,000	-	-	-
Total	\$ 2,895,502	\$ 3,096,002	\$ 1,229,768	\$ 1,866,234

Water Conservation has successfully developed and managed effective outreach and education programs. Conservation is focused on customer city and community support to help build resilient and reliable long-term water supplies and advance the importance of water and related infrastructure. They strive to create relationships, partnerships and processes to accomplish impactful progress in local communities. Water Conservation outreach efforts emphasize the importance of customer city support, adult education, youth education, reducing waste from sprinklers, direct connections with residential water users and regional coordination.



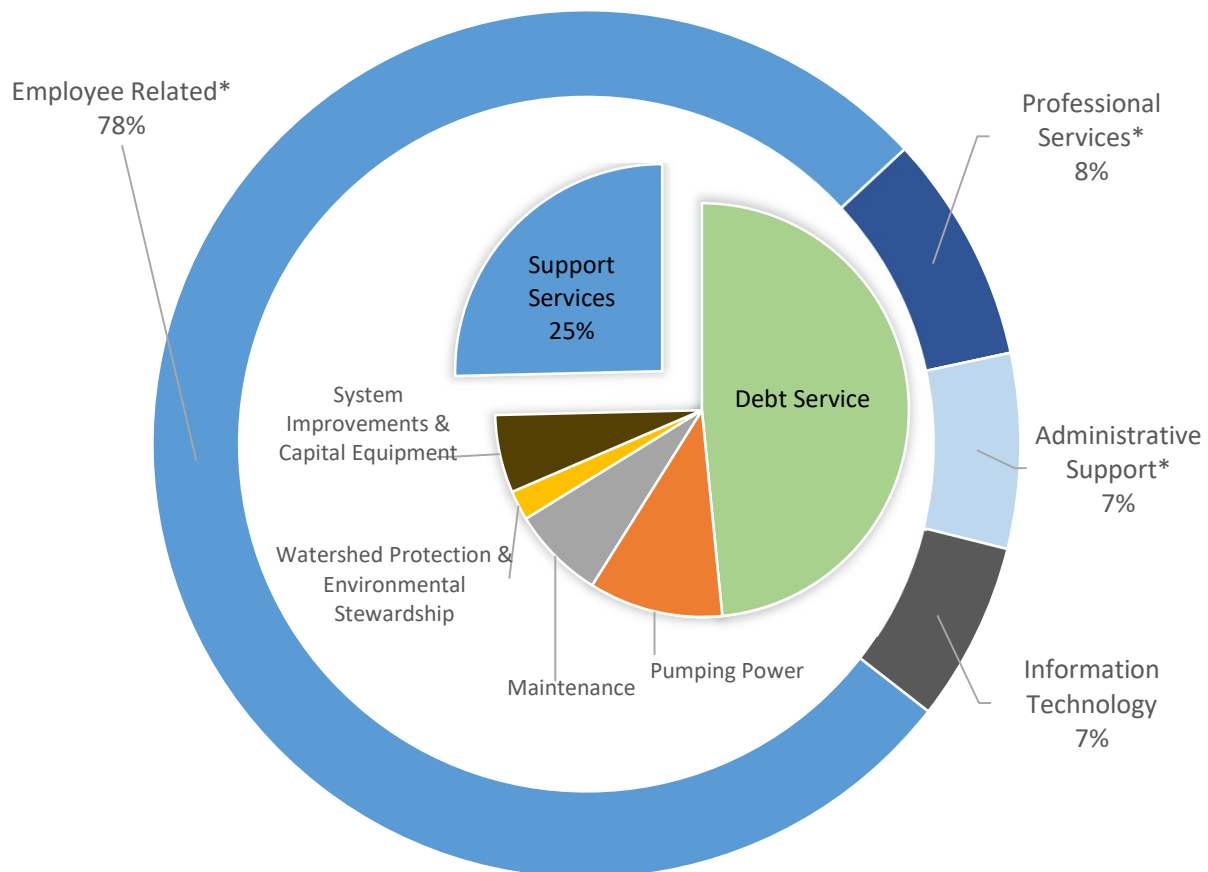
Support Services Summary

Support services make up 25% of the overall Revenue Fund budget and serve to support the District's efforts in supplying water to customers. The largest portion of this cost is the District's investment in its people, resulting in strong employee retention, low turnover rates, high employee engagement, and a stable culture. Additional details are given on the following pages.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Employee Related*	\$ 26,290,227	\$ 30,769,144	\$ 33,801,466	\$ 3,032,322
Professional Services*	2,677,607	3,403,783	3,712,153	308,370
Administrative Support*	2,638,355	2,927,803	3,167,783	239,980
Information Technology	2,065,519	2,700,232	2,905,933	205,701
Total Support Services	\$ 33,671,708	\$ 39,800,962	\$ 43,587,335	\$ 3,786,373

* Additional details on following pages.

FY24 Revenue Fund Expenditures

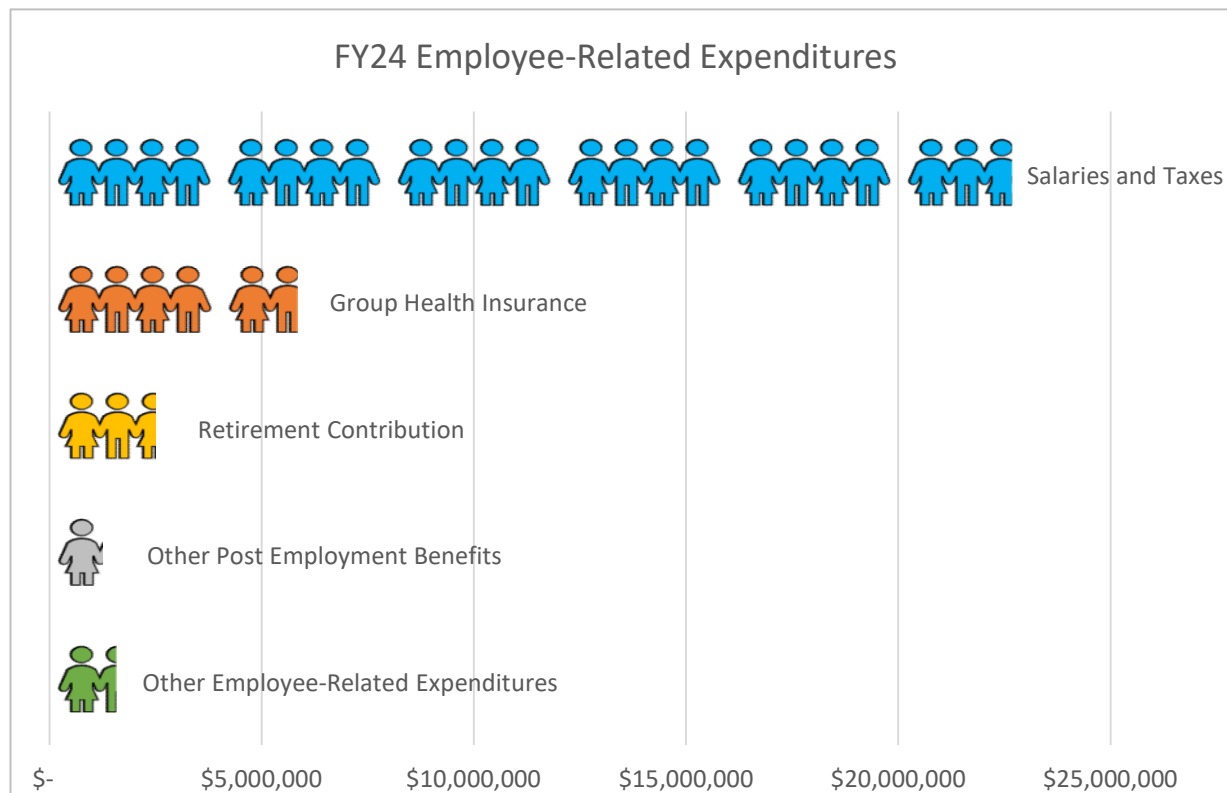


Support Services

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 salaries and taxes is due in part to 3 full-time equivalent (FTE) personnel additions, but the majority of the fiscal year 2024 investment is in the current workforce through raises, promotions, and an increase in the minimum hourly rate at the District. This growth was anticipated and included in the 10-year rate model as a part of operating and maintenance expenditures.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Salaries and Taxes	\$ 18,588,583	\$ 20,837,175	\$ 22,672,585	\$ 1,835,410
Group Health Insurance	3,591,475	5,319,896	5,828,647	508,751
Retirement Contribution	2,100,407	2,111,748	2,484,989	373,241
Other Post Employment Benefits	1,110,769	1,136,102	1,249,712	113,610
Other Employee-Related Expenditures	898,993	1,364,225	1,565,533	201,308
Total	\$ 26,290,227	\$ 30,769,145	\$ 33,801,466	\$ 3,032,321

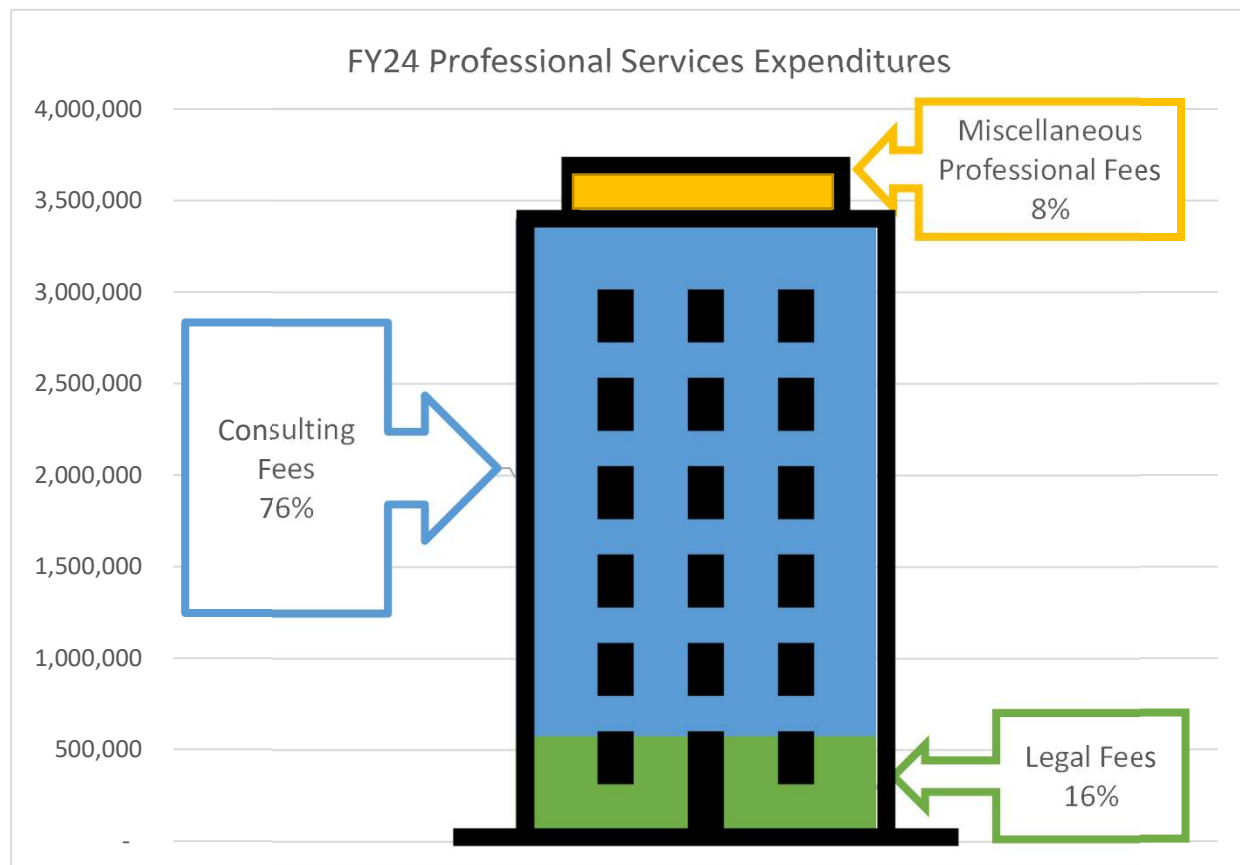


Support Services

Professional Services Expenditures

Professional services are provided by external vendors to support District efforts. The largest portion of this budget is consulting fees, the bulk of which provides support to the Information Technology, Infrastructure Engineering, Human Resources, and Water Resources departments through various analysis and assessment services.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Consulting Fees	\$ 1,642,872	\$ 2,523,757	\$ 2,823,292	\$ 299,535
Legal Fees	800,134	581,800	576,500	(5,300)
Miscellaneous Professional Fees	234,601	298,226	312,361	14,135
Total	\$ 2,677,607	\$ 3,403,783	\$ 3,712,153	\$ 308,370

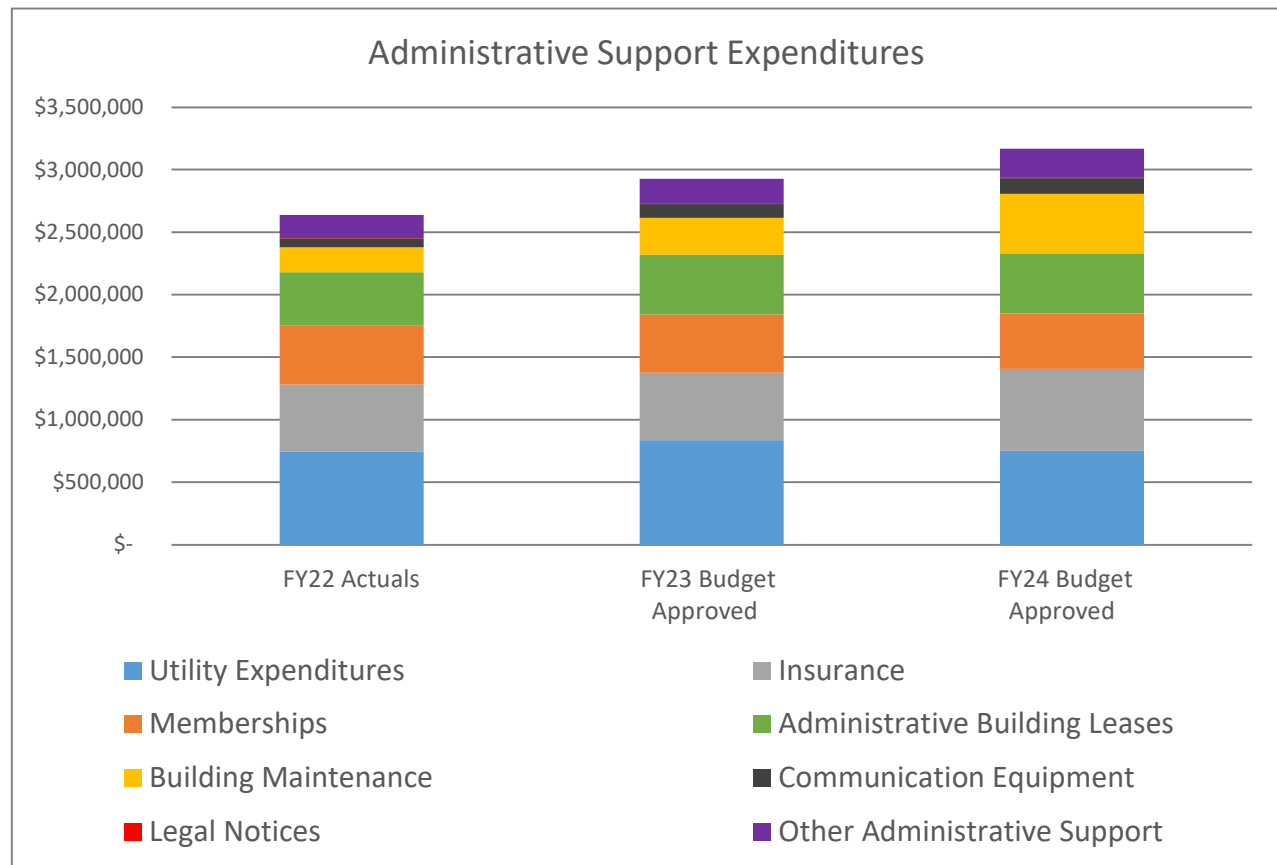


Support Services

Administrative Support Expenditures

Administrative support services consist of a variety of overhead expenditures that support the District's water supply system as a whole. These categories tend to remain relatively stable from year to year. The greatest increase for fiscal year 2024 is in building maintenance, which is due to the replacement and maintenance of the HVAC system in all administrative buildings. Insurance costs have also increased due to the District's need to protect additional capital assets.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Utility Expenditures	\$ 745,083	\$ 835,776	\$ 750,980	\$ (84,796)
Insurance	536,047	538,413	653,850	115,437
Memberships	469,708	466,645	444,631	(22,014)
Administrative Building Leases	427,698	479,796	479,796	-
Building Maintenance	199,646	295,178	476,751	181,573
Communication Equipment	73,139	109,945	125,010	15,065
Legal Notices	8,456	6,860	8,450	1,590
Other Administrative Support	178,578	195,190	228,315	33,126
Total	\$ 2,638,355	\$ 2,927,803	\$ 3,167,783	\$ 239,980



Revenue Fund: Revenues

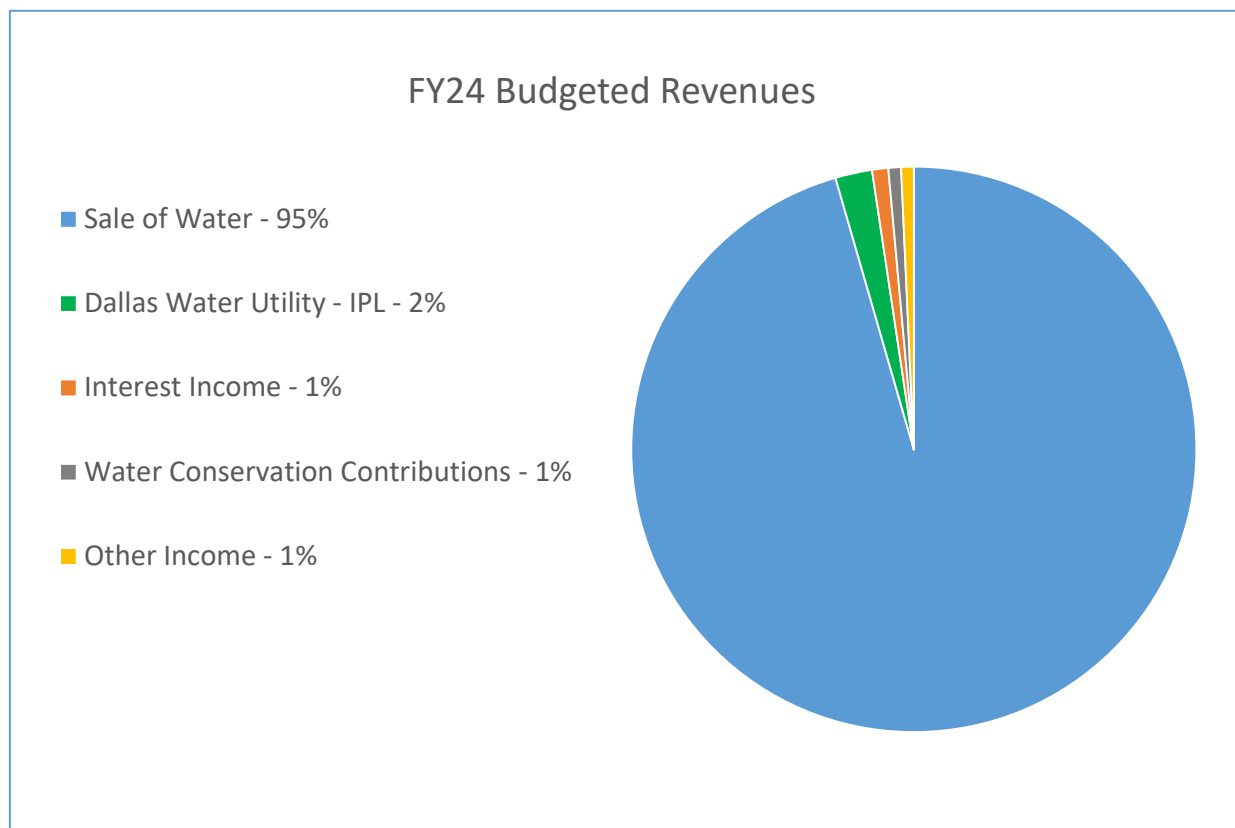
Sources of Revenue

Summary

The primary source and largest single component of income to the Revenue Fund is the sale of water, which makes up 95% of the total budgeted revenues for fiscal year 2024. Interest earned on investments, contributions to the water conservation program, and other income (leases, permit revenues, and other water sales) comprise approximately 3% of the budgeted revenues for fiscal year 2024. The remaining 2% consists of maintenance costs shared with Dallas Water Utilities on the Integrated Pipeline (IPL) project.

Sources	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Sale of Water*	\$ 137,885,560	\$ 151,795,320	\$ 164,091,374	\$ 12,296,054
Dallas Water Utility - IPL*	1,521,954	2,798,048	3,590,578	792,530
Interest Income*	895,175	1,125,000	1,600,000	475,000
Water Conservation Contributions*	1,102,988	1,205,668	1,229,768	24,100
Other Income	5,116,011	1,150,858	1,251,971	101,113
Total	\$ 146,521,688	\$ 158,074,894	\$ 171,763,691	\$ 13,688,797

*Additional details on the following pages

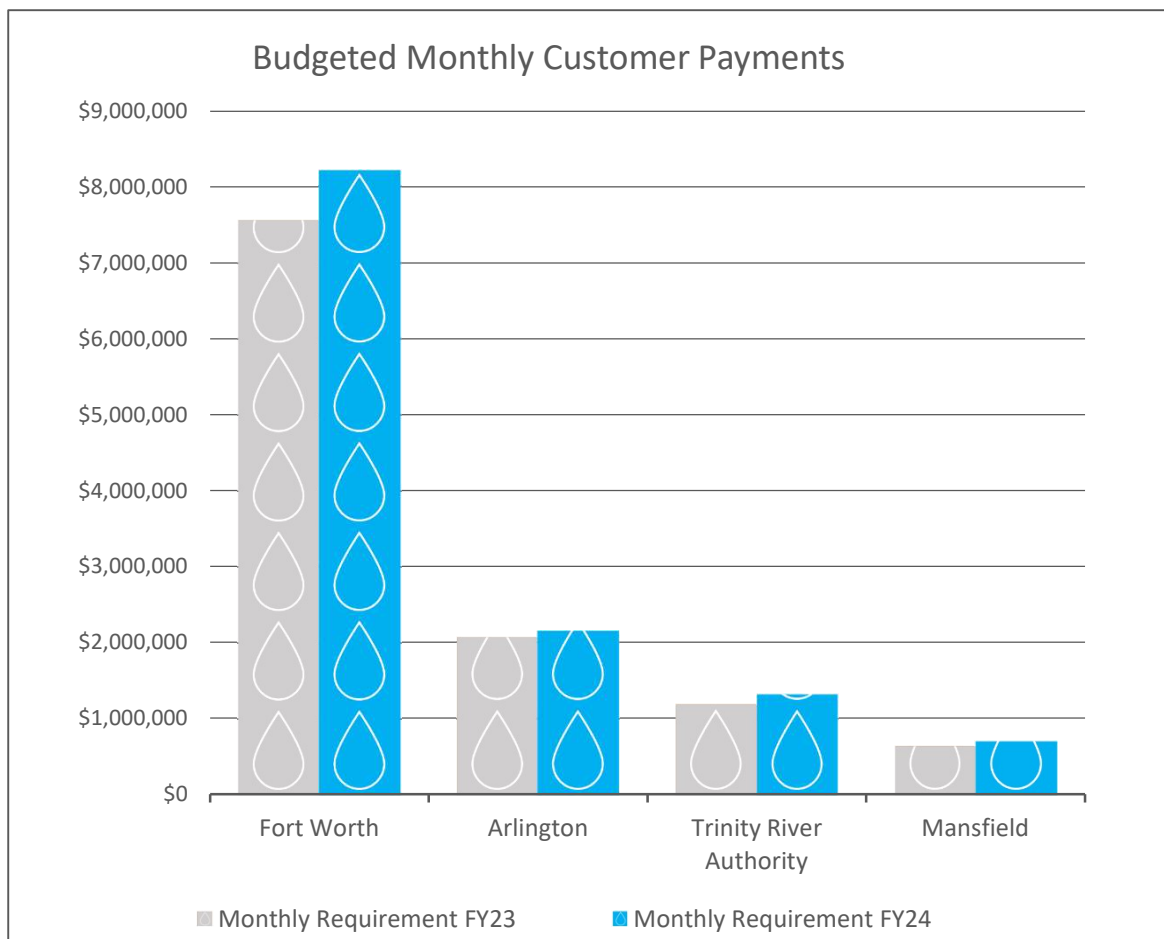


Sources of Revenue

Sale of Water

Customer Monthly Payments

	Fort Worth	Arlington	Trinity River Authority	Mansfield
FY 2024 Estimated Usage (000's)	72,796,920	19,064,016	11,670,485	6,163,193
FY 2024 Rate per 1,000 Gallons	\$1.35479	\$1.35479	\$1.35479	\$1.35479
FY24 Budgeted Revenue Requirement	\$98,624,379	\$25,827,696	\$15,811,030	\$8,349,819
FY23 Budgeted Revenue Requirement	\$90,772,509	\$24,812,948	\$14,157,310	\$7,583,143
Monthly Requirement FY24	\$8,218,698	\$2,152,308	\$1,317,586	\$695,818
Monthly Requirement FY23	\$7,564,376	\$2,067,746	\$1,179,776	\$631,929



Sources of Revenue

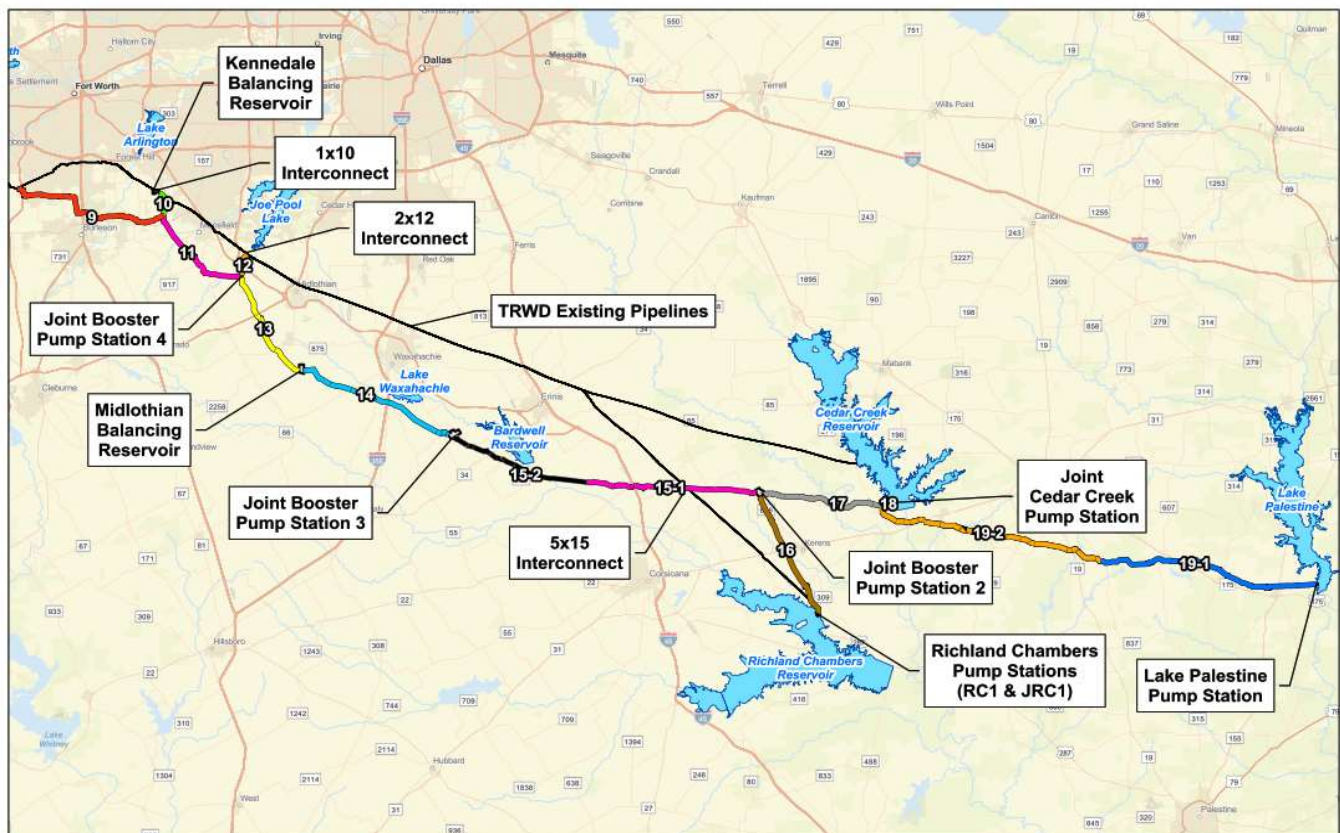
Dallas Water Utility - Integrated Pipeline Project

The District and Dallas Water Utilities (DWU) share costs on certain portions of the Integrated Pipeline project. The costs shown below are added as revenues to the Revenue Fund budget to offset a portion of current operating and maintenance (O&M) and capital replacement costs.

Direct O&M costs are incurred specifically on joint or Dallas-only sections of the pipeline system. Direct labor hours are also billed directly to specific portions of the pipeline. Indirect O&M costs and Capital Replacement costs benefit the District water supply system as a whole and are allocated between the District and DWU based on each entity's applicable share of system asset value.

Indirect labor costs similarly are for departments and personnel that provide support to the water supply system overall, and therefore their personnel costs are split based on the system asset value.

	Dallas Portion	TRWD Portion
Direct O&M Costs	\$ 488,601	\$ 1,060,448
Direct O&M Labor	455,573	598,319
Total Direct Operating Costs	944,174	1,658,767
Indirect O&M Costs	1,274,032	2,456,620
Indirect O&M Labor	1,095,952	3,287,469
Capital Replacement Costs	276,420	536,580
Total Indirect Operating Costs	\$ 2,646,404	\$ 6,280,670
Total FY24 DWU Budgeted Revenues	\$ 3,590,578	



Sources of Revenue

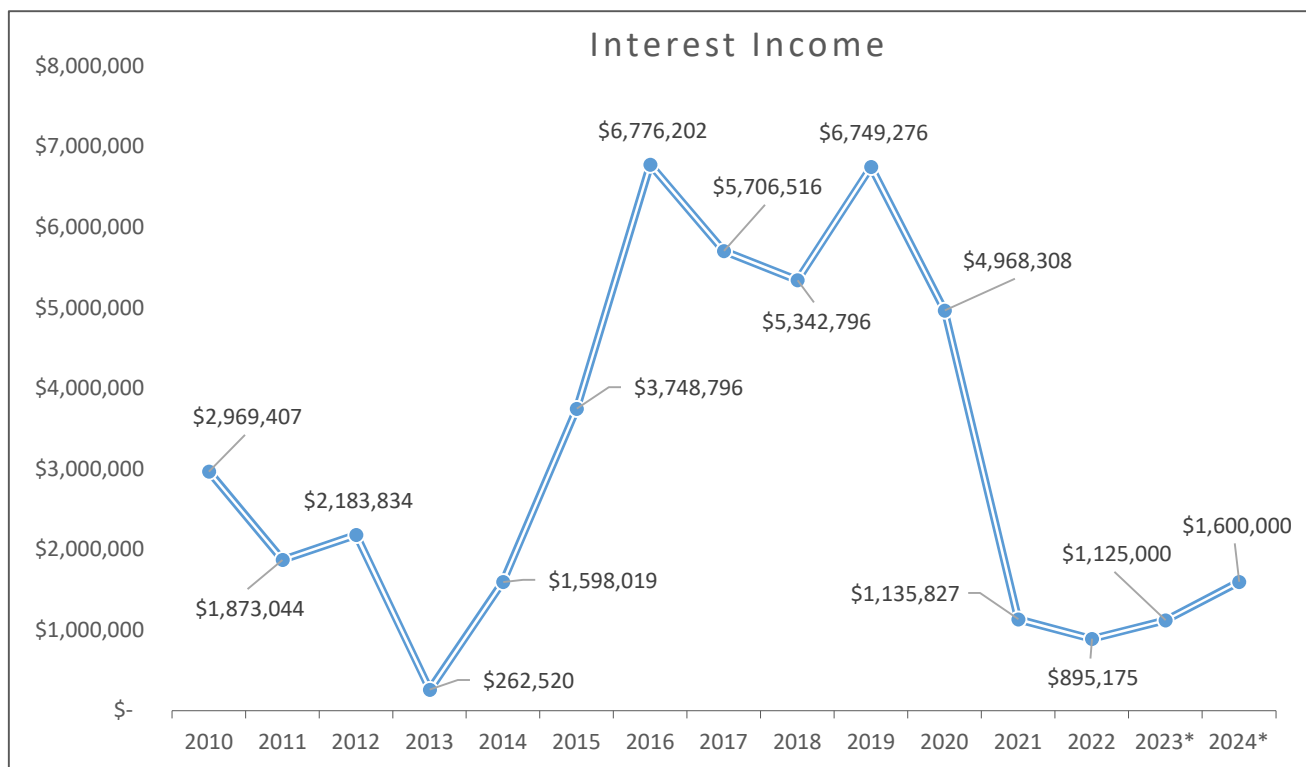
Interest Income

The Revenue Fund budgeted interest income includes interest generated from the operating Revenue Fund as well as the Bond Reserve Fund and unspent bond proceeds. The majority of the income comes from the Reserve Fund which holds a balance equal to the largest annual debt service payment, per bond covenant requirements, which can be invested in longer-term investments.

With the addition of the option to issue Extendible Commercial Paper Bonds (ECP Bonds), now the District can evaluate the market to determine whether long-term bonds should be issued once projects have known costs, or ECP Bonds should be issued as project costs are incurred. If the District only issues for project costs as incurred, funds will not be available to invest, but the offset will be lower interest expense. To be conservative, the District is assuming the issuance of ECP Bonds and fixed-rate bonds in fiscal year 2024.

Even with the issuance of ECP Bonds, interest income is still expected to increase compared to the fiscal year 2023 budget due to a rising interest rate environment. To be conservative, the District is assuming a 2% interest rate in fiscal year 2024. The District invests in US government and agency fixed income securities as well as investments in Local Government Investment Pools.

The graph below illustrates the actual interest earned on investments for the past 10 years as well as budgeted interest income for fiscal years 2023 and 2024.



*Budgeted Interest Income

Sources of Revenue

Water Conservation Contributions

Contribution revenues help off-set the District's expenses for the water conservation Program. In fiscal year 2024, these revenues will account for \$1.23 million in income for the Revenue Fund.

The five-year memorandum of understanding (MOU) for the regional Public Outreach & Education campaign with the City of Dallas (Dallas) and North Texas Municipal Water District (NTMWD) expires in fiscal year 2023. Both Dallas and NTMWD have expressed the desire to renew the Public Outreach & Education campaign, also known as "Water is Awesome," in early fiscal year 2024 at the current budget of \$583,334 each.

The new MOU with Dallas will also contain an agreement to contribute \$20,000 to Program Support for the Weekly Watering Advice service. Additionally, Dallas, NTMWD and Upper Trinity Regional Water District each contribute to the Regional Water Conservation Symposium. New this year is an expected \$24,000 from participant cost-share for Tarrant County Master Gardener Association rain barrel workshops with customer cities.

Water Conservation Program Revenues	FY23 Budget Approved	FY24 Budget Approved
Public Outreach & Education - City of Dallas	\$ 583,334	\$ 583,334
Public Outreach & Education - NTMWD	583,334	583,334
Program Support (evals, watering advice, etc.)	20,000	20,000
Rain Barrel & Customer City Workshops	-	24,100
Regional Symposiums - City of Dallas	5,000	5,000
Regional Symposiums - NTMWD	5,000	5,000
Regional Symposiums - UTWD	5,000	5,000
Regional Symposiums Registration Fees	4,000	4,000
Total Water Conservation Program Revenues	\$ 1,205,668	\$ 1,229,768



Revenue Fund FY24 Budget

Expenditures	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
Debt Service	\$ 72,740,016	\$ 79,901,067	\$ 83,204,886	\$ 3,303,819	
Pumping Power	21,007,947	18,000,000	18,000,000	-	
<u>Maintenance</u>					
Pipeline & Pump Station	2,516,393	3,536,015	5,335,000	1,798,985	1
Pipeline Chemicals	1,054,298	1,060,000	2,210,000	1,150,000	2
Facilities & Grounds Maintenance	1,571,879	2,227,204	2,162,105	(65,099)	
Equipment & Fleet	708,583	807,319	978,266	170,947	
Maintenance Support	693,857	874,340	964,965	90,625	
Benbrook Reservoir O&M	802,536	604,365	650,000	45,635	
Stream Gauging Stations	185,394	195,000	195,000	-	
Total Maintenance	7,532,940	9,304,243	12,495,336	3,191,093	
System Improvements & Capital Equipment	11,225,724	7,227,474	10,451,679	3,224,205	3
<u>Watershed Protection & Environmental Stewardship</u>					
Water Conservation Program	2,470,914	2,895,502	3,096,002	200,500	
Watershed Protection	329,989	395,484	409,890	14,406	
Environmental Stewardship	288,765	442,460	437,960	(4,500)	
Public Outreach	58,256	107,701	80,603	(27,098)	
Total Watershed Protection & Environmental Stewardship	3,147,924	3,841,147	4,024,455	183,308	
<u>Support Services</u>					
Employee Related	26,290,227	30,769,144	33,801,466	3,032,322	4
Professional Services	2,677,607	3,403,783	3,712,153	308,370	
Administrative Support	2,638,355	2,927,803	3,167,783	239,980	
Information Technology	2,065,519	2,700,232	2,905,933	205,701	
Total Support Services	33,671,708	39,800,962	43,587,335	3,786,373	
Total Expenditures	\$ 149,326,259	\$ 158,074,893	\$ 171,763,691	\$ 13,688,798	
Revenues	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
Sale of Water	\$ 137,885,560	\$ 151,795,320	\$ 164,091,374	\$ 12,296,054	
Dallas Water Utility - IPL	1,521,954	2,798,048	3,590,578	792,530	5
Interest Income	895,175	1,125,000	1,600,000	475,000	6
Water Conservation Contributions	1,102,988	1,205,668	1,229,768	24,100	
Other Income	789,733	630,858	731,971	101,113	
Other Water Sales	951,181	520,000	520,000	-	
Excess Reserve Funds	3,323,130	-	-	-	
Total Revenues	\$ 143,146,591	\$ 158,074,893	\$ 171,763,691	\$ 13,688,798	

*See explanations for significant variances on next page

Variance Explanations

1 Pipeline & Pump Station Maintenance

This increase is mostly due to an additional \$660,000 for general maintenance on all pump stations and pipeline sections, \$400,000 to purchase additional pipeline segments for the replacement project, \$250,000 in valve upgrades, and \$225,000 for pump unit rebuilding based on efficiency testing.

2 Pipeline Chemicals

The budget increase is due primarily to increases in market costs with higher projected pumping also increasing the overall budget.

3 System Improvements & Capital Equipment

The three largest projects are the Integrated Water Supply Plan (IWSP), the System Operating Permit Evaluation, and the silt removal at Shannon Wetlands. The IWSP will develop a comprehensive approach to provide a reliable supply of water to all customers. Additional improvements and restorations are also planned for the Benbrook pump stations, Cedar Creek dam, Richland Chambers water quality building, and JB3 cooling tower.

4 Employee-Related Expenditures

The overall increase in salaries and taxes is due in part to 3 FTE personnel additions, but the majority of the fiscal year 2024 investment is in the current workforce through raises, promotions, and an increase in the minimum hourly rate at the District. This growth was anticipated and included in the 10-year rate model as a part of operating and maintenance expenditures.

5 Dallas Water Utility - IPL

This increase is due to the increase in IPL sections coming online, leading to more maintenance costs shared with Dallas.

6 Interest Income

Interest income is expected to increase compared to the fiscal year 2023 budget due to a rising interest rate environment. To be conservative, the District is assuming a 2% interest rate in fiscal year 2024.

General Fund Flood Control



Trinity River

TRWD General Fund - Flood Control FY24 Budget Summary

TRWD Flood Control 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 that will be implemented over the next four years that includes investing in a diverse workforce through training, safety, and the planning and support needed to live TRWD values. 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 2024 is mostly due to expenditures for the personnel that maintain the Fort Worth floodway and support the District overall. Additional expenditures for trailhead maintenance, lake and river trash bashes, Twin Points Park, Eagle Mountain Park, kayak launches, the recreation master plan, and additional programs have moved from the Special Projects/Contingency Fund to the General Fund.

The General Fund budget is primarily supported by tax revenues. The tax rate is currently budgeted to drop to \$0.0267 from \$0.0269 per \$100 valuation.

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

Approved FY24 General Fund Budget

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved
Expenditures			
Operating Expenditures	\$ 15,078,686	\$ 19,228,627	\$ 24,150,639
System Improvements & Capital Equipment	1,437,507	3,138,736	4,275,250
Total Expenditures	16,516,193	22,367,363	28,425,889
Revenues			
Taxes	24,689,890	24,600,000	28,242,000
Contributions	-	-	310,000
Interest Income	293,178	200,000	-
Total Revenues	24,983,068	24,800,000	28,552,000
Budgeted Net Increase to Equity	\$ 8,466,875	\$ 2,432,637	\$ 126,111

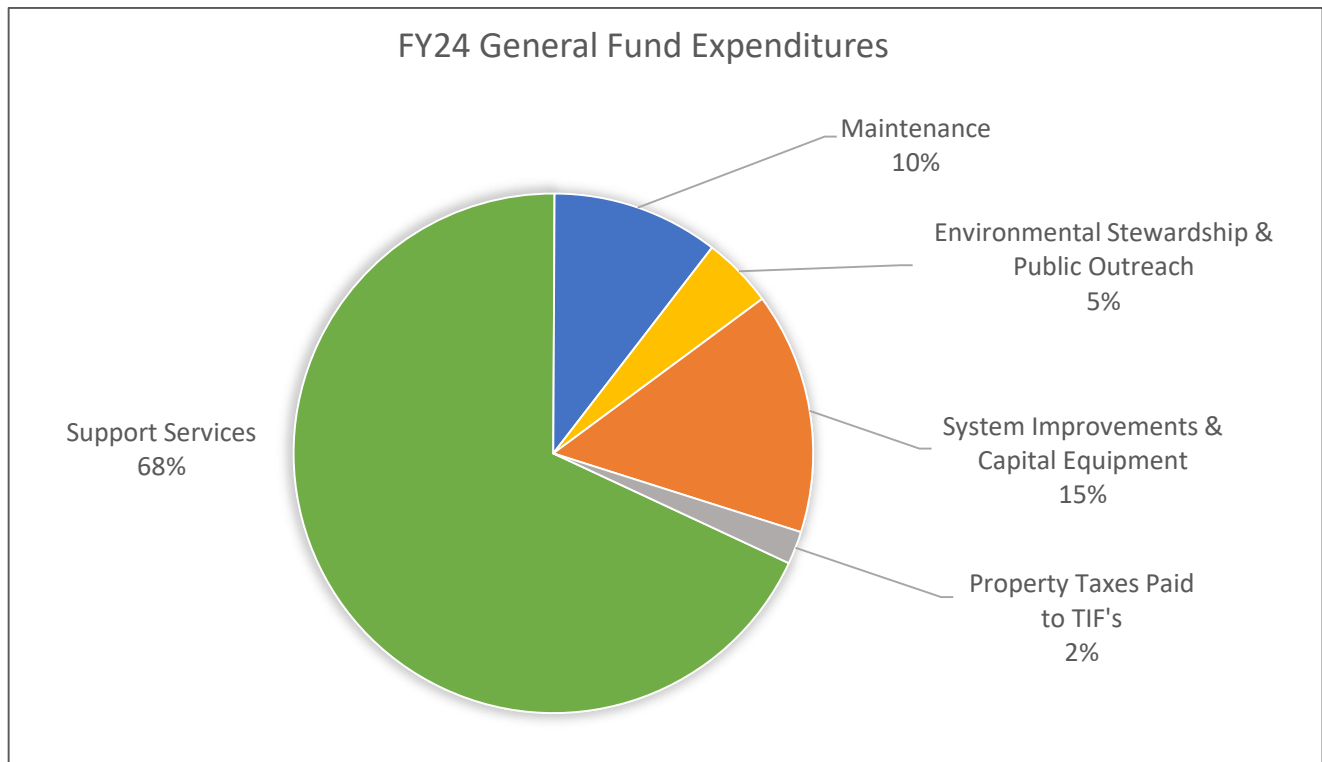
General Fund: Expenditures

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.

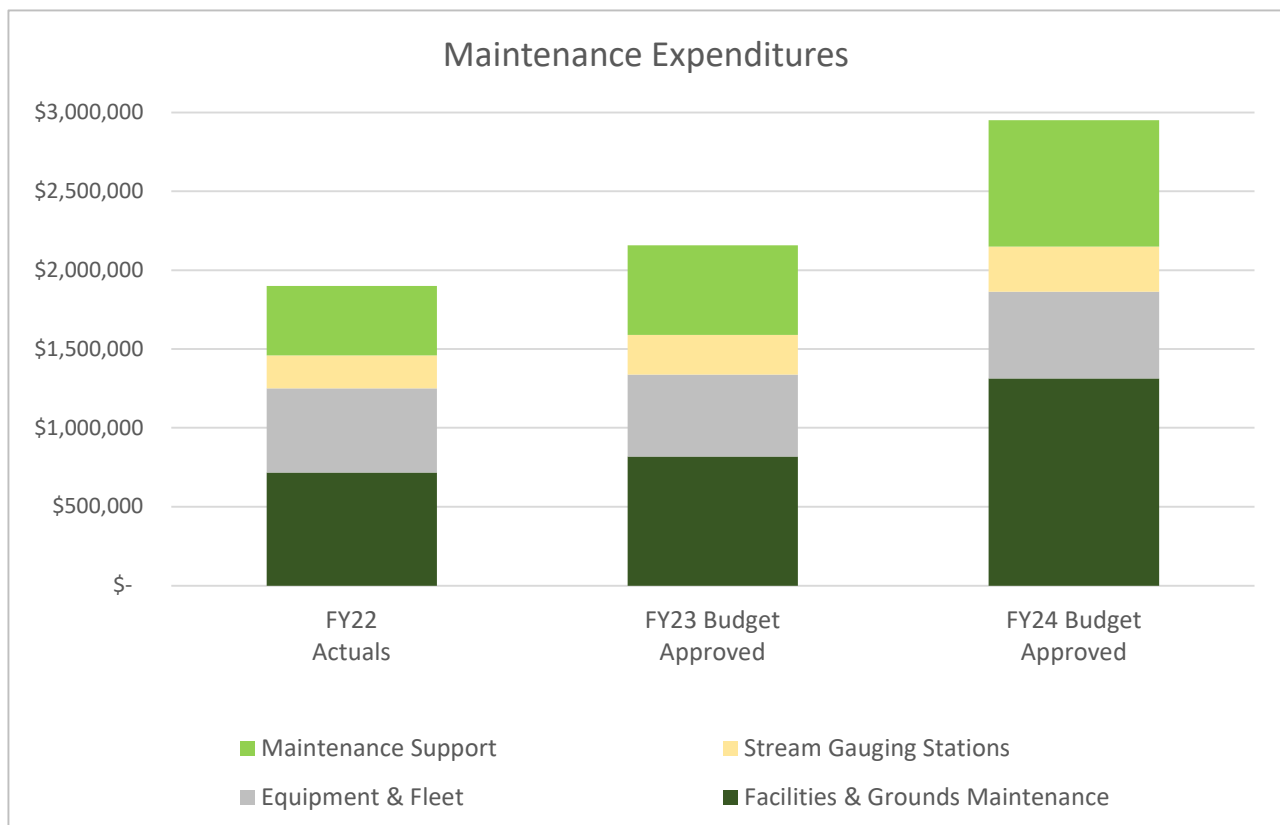
Budget Categories	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Maintenance	\$ 1,899,093	\$ 2,158,181	\$ 2,951,603	\$ 793,422
System Improvements & Capital Equipment	1,437,507	3,138,736	4,275,250	1,136,514
Environmental Stewardship & Public Outreach	165,746	243,302	1,254,307	1,011,005
Property Taxes Paid to TIF's	512,374	964,000	580,314	(383,686)
Support Services	13,013,847	15,863,144	19,364,415	3,501,271
Total	\$ 17,028,567	\$ 22,367,363	\$ 28,425,889	\$ 6,058,526



Maintenance Expenditures

The flood control maintenance budget consists of costs needed to preserve and upkeep the currently existing infrastructure. Maintenance expenditures increased in the fiscal year 2024 budget due to rising equipment and contract labor costs as well as additional trailhead maintenance costs, which were moved from the Special Projects/Contingency Fund to the General Fund. Also, the District is adding two stream gauges along the floodway located near Bonita Drive & Deering Drive and near East 4th Street & 4th Street Dam.

		FY22 Actuals		FY23 Budget Approved		FY24 Budget Approved		Variance
Facilities & Grounds Maintenance	\$	715,983	\$	818,030	\$	1,313,440	\$	495,410
Equipment & Fleet		534,039		518,761		549,618		30,857
Maintenance Support		440,171		569,390		801,545		232,155
Stream Gauging Stations		208,900		252,000		287,000		35,000
Total	\$	1,899,093	\$	2,158,181	\$	2,951,603	\$	793,422



System Improvement and Capital Equipment Expenditures

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

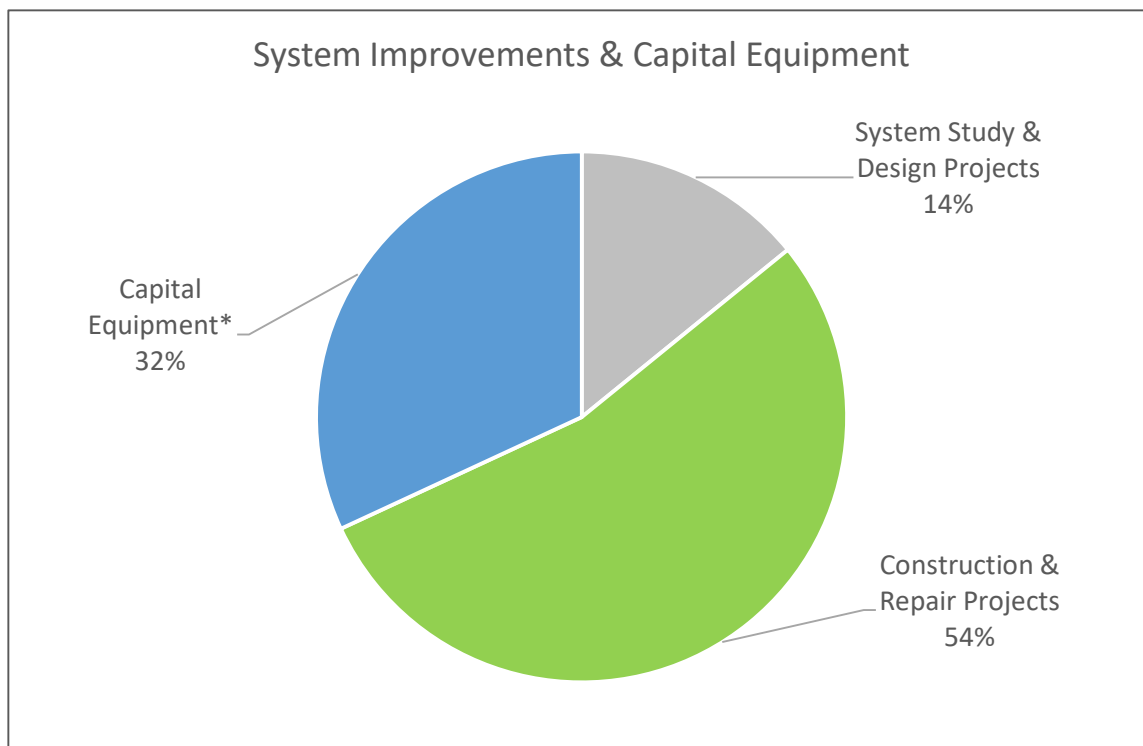
The largest System Study & Design Project is a continuing project from fiscal year 2023 to evaluate flood levels along the Fort Worth floodway. Construction & Repair projects include erosion repairs along the floodway and the repair and new construction of trails and trailheads, including the Ten Mile Trailhead and the Riverside Park kayak launch, which were moved from the Special Projects/Contingency Fund to the General Fund. All costs incurred for the Riverside Park kayak launch will be reimbursed by the City of Fort Worth.

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.

	FY23 Budget Approved	FY24 Budget Approved	Variance
System Study & Design Projects	\$ 600,000	\$ 605,000	\$ 5,000
Construction & Repair Projects	1,175,000	2,305,250	1,130,250
Capital Equipment*	1,363,736	1,365,000	1,264
Total	\$ 3,138,736	\$ 4,275,250	\$ 1,136,514

*The District considers machinery or equipment purchases of \$10 thousand or more to be capital equipment.



System Improvements and Capital Equipment Expenditures

	FY24 Budget Approved
<u>System Study & Design Projects:</u>	
Evaluations of Flood Levels for Fort Worth Floodway	\$ 355,000
Design for Erosion Repair Under Handley Ederville Road	150,000
Recreation Master Plan	100,000
	605,000
<u>Construction & Repair Projects:</u>	
Ten Mile Trailhead	500,000
Maintenance Road/Trail Replacement	500,000
Riverside Park Kayak Launch*	300,000
Lower West Fork Silt Removal And Toe Erosion Repair	280,000
Building Improvement at The Woodshed	263,000
Repair Erosion Under Riverside Drive	100,000
Perimeter Fence at Marine Creek Dam	150,000
Miscellaneous Construction & Repair Projects	212,250
	2,305,250
<u>Capital Equipment:</u>	
Heavy Duty Hydraulic Excavator	550,000
Heavy Duty Haul Truck	300,000
Heavy Duty Grapple Truck	275,000
Miscellaneous Capital Equipment	240,000
	1,365,000
Total	\$ 4,275,250

*The City of Fort Worth will reimburse the District for all costs related to the Riverside Park Kayak Launch.

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.

The District has realigned its public outreach events with its core mission, and has therefore moved these events from the Special Projects/Contingency Fund to the General Fund.

Public Outreach & Events Detail*	FY24 Budget Approved
Fort Worth's Fourth	\$ 275,000
Rockin' The River	118,500
Trash Bash	122,850
Sponsorships	74,052
Other Public Outreach & Events	182,505
Total	\$ 772,907

The District is also moving forward in a new direction when it comes to reducing the impact of trash and debris on the Trinity River in Fort Worth. In a partnership with the City of Fort Worth, a new trash wheel will be installed along the river that will gather unsightly floatables that are frequently washed into the river during heavy rain events.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Public Outreach & Events*	\$ 79,425	\$ 102,027	\$ 772,907	\$ 670,880
Stormwater Program	47,771	75,000	75,000	-
Environmental Stewardship	38,550	66,275	56,400	(9,875)
Clear Fork Trash Wheel	-	-	350,000	350,000
Total	\$ 165,746	\$ 243,302	\$ 1,254,307	\$ 1,011,005

*See details above.



Pictured above is a water wheel structure designed to pull trash out of the waterways.

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 2024 is mostly due to the ending of TIF #4 Medical District/Southside programs as well as TRWD reducing their tax rate.

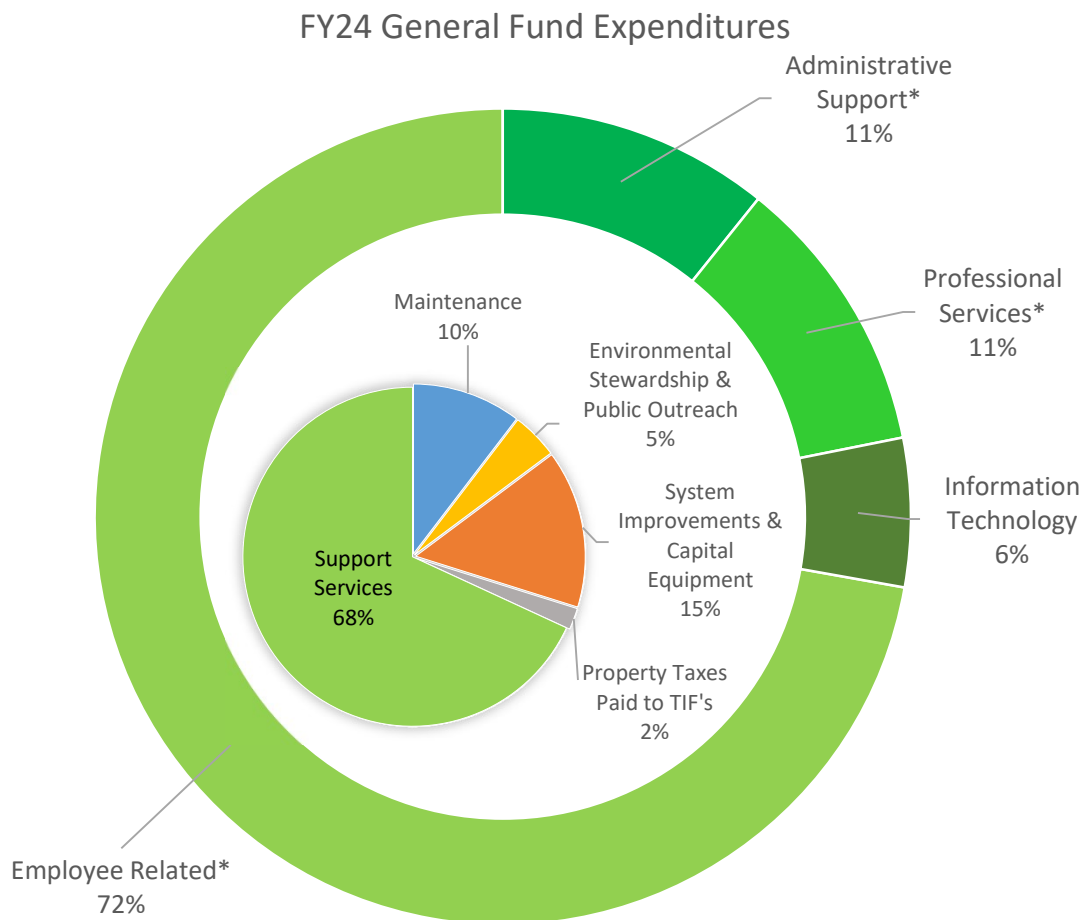
Property Taxes Paid to TIF's	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
TIF #3 Downtown	\$ 86,550	\$ 77,000	\$ 102,164	\$ 25,164
TIF #4 Medical District/Southside	-	340,000	-	(340,000)
TIF #8 Lancaster	58,981	74,000	59,444	(14,556)
TIF #9 Trinity River Vision	163,369	220,000	173,780	(46,220)
TIF #10 Lone Star	12,225	14,000	13,067	(933)
TIF #12 East Berry	34,025	34,000	34,285	285
TIF #13 Woodway	75,029	96,000	99,286	3,286
TIF #14 Trinity Lakes	55,756	65,000	63,974	(1,026)
TIF #15 Stockyards	26,439	44,000	34,314	(9,686)
Total	\$ 512,374	\$ 964,000	\$ 580,314	\$ (383,686)

Support Services Summary

Support services makes up 68% of the fiscal year 2024 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. Additional details are given on the following pages.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Employee Related*	\$ 9,646,388	\$ 11,197,211	\$ 13,986,296	\$ 2,789,085
Administrative Support*	1,507,719	1,826,944	2,086,645	259,701
Professional Services*	1,207,174	1,999,202	2,152,145	152,943
Information Technology	652,566	839,786	1,139,329	299,543
Total	\$ 13,013,847	\$ 15,863,144	\$ 19,364,415	\$ 3,501,271

*Additional details on the following pages.



Support Services

Employee Related Expenditures

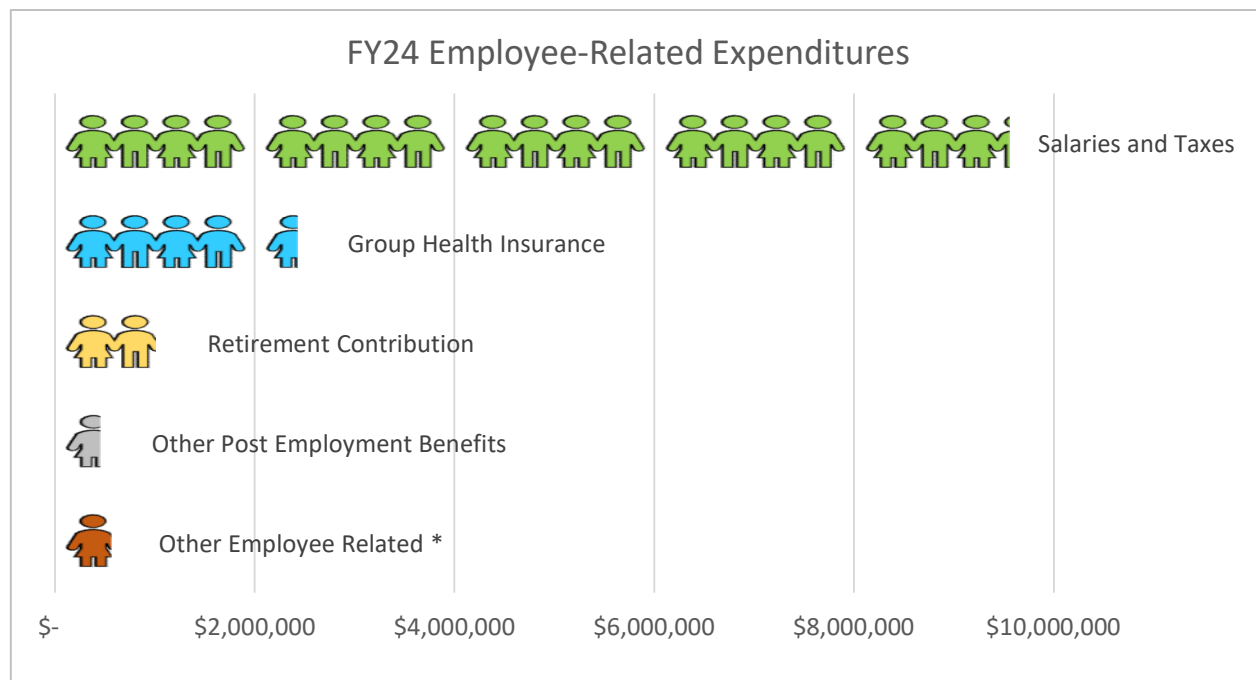
TRWD's strategic plan includes intentional investment in its people. The District plans to invest in a diverse workforce through training, a focus on safety, and the planning and support needed to live TRWD values. The overall increase in employee-related expenditures is due to an additional 11 full-time equivalent (FTE) positions to operate and maintain the floodway as well as a 6% increase in raises and promotions compounded by salary increases in fiscal year 2023 due to market conditions. The additional FTE positions are needed as the District is moving to a new level of service with increased community use and popularity of the floodway. Additionally, aging infrastructure is requiring additional maintenance.

Realignment of events and infrastructure maintenance with the District's core mission also includes bringing related personnel to the General Fund from the Special Projects/Contingency Fund.

The District has also started a new LAUNCH program that provides individuals with skills training for positions the District has struggled to fill in the past. The program provides life skills in addition to job training that will allow them to become marketable as long-term employees of the District in the future.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Salaries and Taxes	\$ 6,617,797	\$ 7,551,037	\$ 9,547,859	\$ 1,996,822
Group Health Insurance	1,612,564	2,022,318	2,422,518	400,200
Retirement Contribution	735,118	754,848	1,006,212	251,364
Other Post Employment Benefits	370,256	385,846	448,010	62,164
Other Employee Related *	310,653	483,162	561,697	78,535
Total	\$ 9,646,388	\$ 11,197,211	\$ 13,986,296	\$ 2,789,085

*Other employee-related costs include business and travel, education, and the employee wellness program.

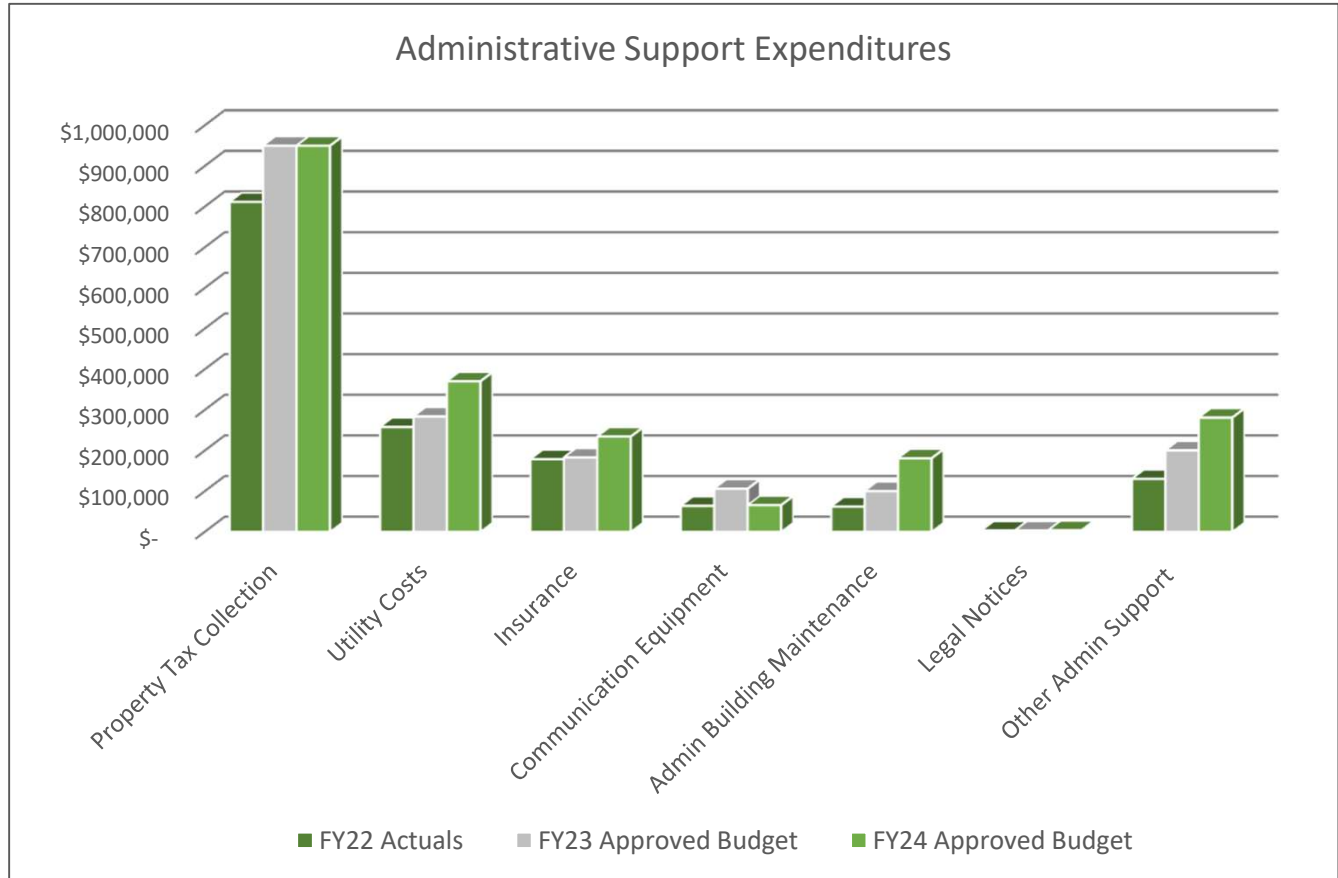


Support Services

Administrative Support Expenditures

Administrative support services consist of a variety of overhead expenditures that support the District's flood control system as a whole. Building maintenance costs have increased 80% due to the replacement and maintenance of the HVAC system in several administrative buildings. Insurance costs have also increased due to the District's need to protect additional capital assets. Increases in utility costs and other administrative support are due to bringing additional event and infrastructure expenditures from the Special Projects/Contingency Fund. The decrease in communication equipment cost is due to a reduced need for tower inspections and repair in fiscal year 2024.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Property Tax Collection	\$ 811,662	\$ 950,000	\$ 950,000	\$ -
Utility Costs	257,920	283,756	370,390	86,634
Insurance	178,682	182,857	234,400	51,543
Communication Equipment	63,976	106,170	65,730	(40,440)
Administrative Building Maintenance	62,029	100,249	180,911	80,662
Legal Notices	3,227	3,410	4,100	690
Other Administrative Support	130,223	200,502	281,114	80,612
Total	\$ 1,507,719	\$ 1,826,944	\$ 2,086,645	\$ 259,701

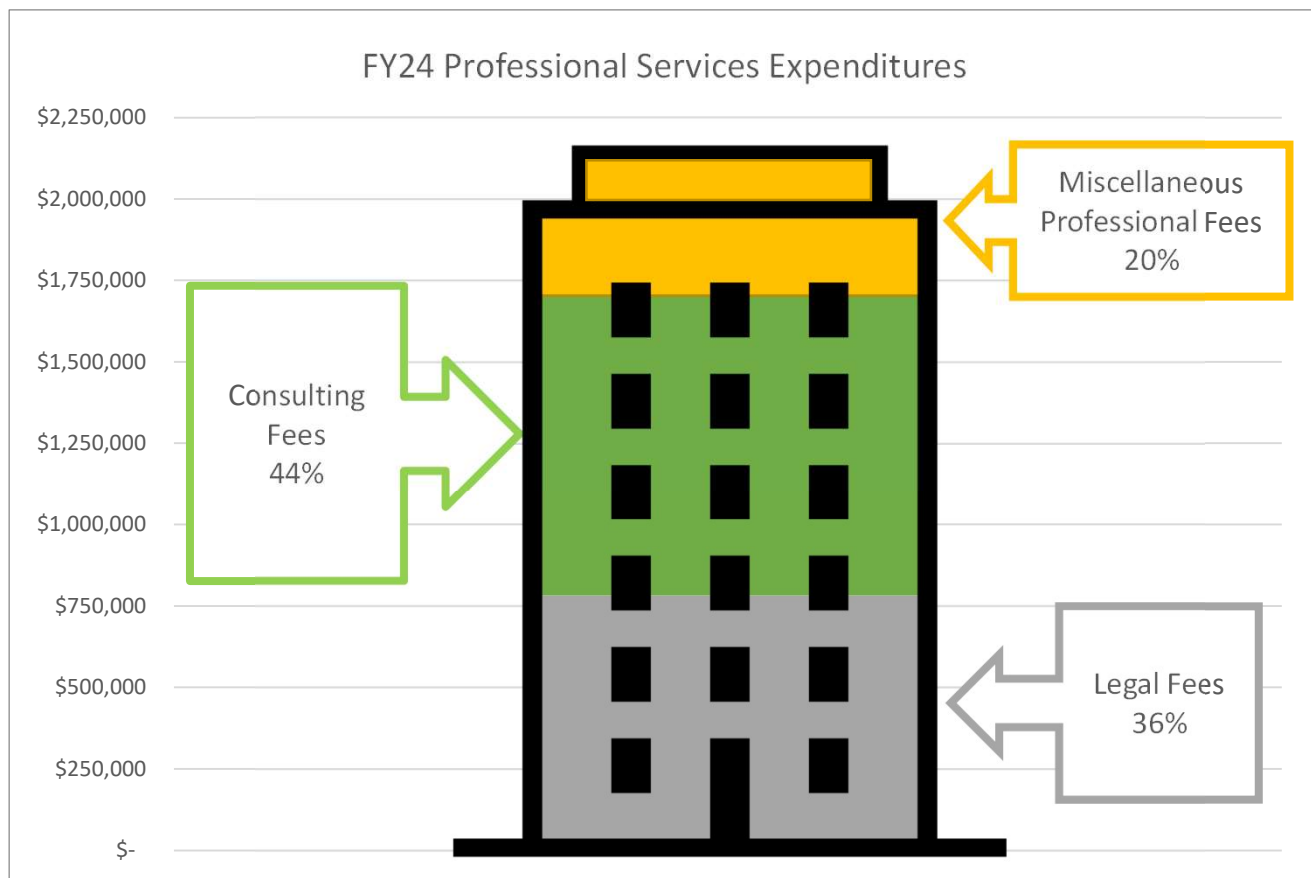


Support Services

Professional Services Expenditures

Professional services are provided by external vendors to support the District's flood control efforts. The largest portion of this budget is consulting fees, most of which provide support to the Information Technology, Finance, Water Resources, and Human Resources departments through various analysis and assessment services. The increase this year is due in part to the assessment of new technologies, including a new enterprise resource planning (ERP) system.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Consulting Fees	\$ 360,704	\$ 741,942	\$ 936,916	\$ 194,974
Legal Fees	589,430	783,900	782,600	(1,300)
Miscellaneous Professional Fees	257,040	473,360	432,629	(40,731)
Total	\$ 1,207,174	\$ 1,999,202	\$ 2,152,145	\$ 152,943



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 2024 budget currently includes reducing the tax rate to \$0.0267 from \$0.269 per \$100 valuation.

	FY22	FY23 Budget	FY24 Budget	Variance
	Actuals	Approved	Approved	
Taxes	\$ 24,689,890	\$ 24,600,000	\$ 28,242,000	\$ 3,642,000
Contribution Revenues*	-	-	310,000	310,000
Interest Income	293,178	200,000	-	(200,000)
Total Revenues	\$ 24,983,068	\$ 24,800,000	\$ 28,552,000	\$ 3,752,000

*Contribution Revenues are reimbursements that will be received for the Riverside Park Kayak Launch and Trinity Trails Benches.

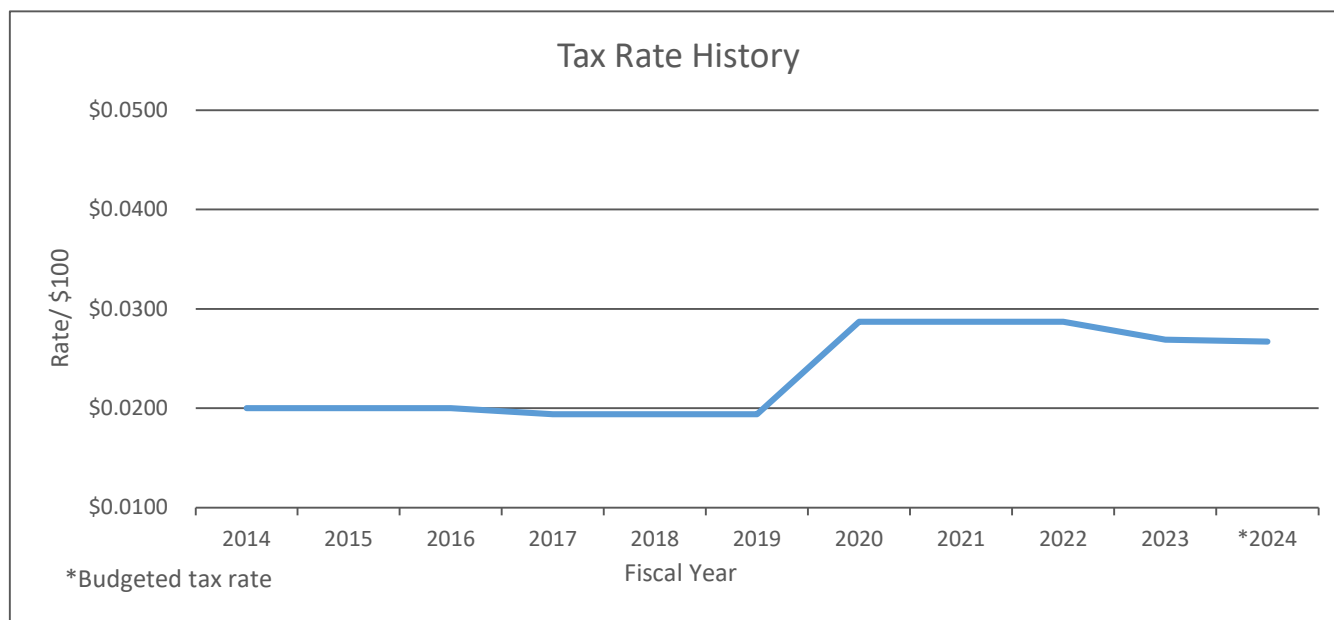
Sources of Revenue

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 has been approved to be set at \$0.0267 per \$100 valuation and is budgeted to generate \$28 million in revenues for the District. This is based on a net taxable value of approximately \$106 billion and represents a projected tax burden of approximately \$73.43 for an estimate average home valued at \$275,012.

TRWD participates 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.

Tax Revenues	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Property Taxes Collected	\$ 24,689,890	\$ 24,600,000	\$ 28,242,000	\$ 3,642,000
Less Property Taxes Paid to TIF's	(512,374)	(964,000)	(580,314)	383,686
Net Property Tax Revenue	\$ 24,177,516	\$ 23,636,000	\$ 27,661,686	\$ 4,025,686



General Fund - Flood Control FY24 Budget

Expenditures	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
<u>Maintenance</u>					
Facilities & Grounds Maintenance	\$ 715,983	\$ 818,030	\$ 1,313,440	\$ 495,410	1
Equipment & Fleet	534,039	518,761	549,618	30,857	
Maintenance Support	440,171	569,390	801,545	232,155	2
Stream Gauging Stations	208,900	252,000	287,000	35,000	
Total Maintenance	1,899,093	2,158,181	2,951,603	793,422	
System Improvements & Capital Equipment	1,437,507	3,138,736	4,275,250	1,136,514	3
<u>Environmental Stewardship and Public Outreach</u>					
Public Outreach & Events	79,425	102,027	772,907	670,880	4
Stormwater Program	47,771	75,000	75,000	-	
Environmental Stewardship	38,550	66,275	56,400	(9,875)	
Clear Fork Trash Wheel	-	-	350,000	350,000	5
Total Environmental Stewardship and Public Outreach	165,746	243,302	1,254,307	661,005	
Property Taxes Paid to TIF's	512,374	964,000	580,314	(383,686)	6
<u>Support Services</u>					
Employee Related	9,646,388	11,197,211	13,986,296	2,789,085	7
Administrative Support	1,507,719	1,826,944	2,086,645	259,701	
Professional Services	1,207,174	1,999,202	2,152,145	152,943	
Information Technology	652,566	839,786	1,139,329	299,543	
Total Support Services	13,013,847	15,863,144	19,364,415	3,501,271	
Total Expenditures	\$ 17,028,567	\$ 22,367,363	\$ 28,425,889	\$ 6,092,212	
Revenues	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
Taxes	\$ 24,689,890	\$ 24,600,000	\$ 28,242,000	\$ 3,642,000	
Contributions	-	-	310,000	310,000	8
Interest Income	340,023	200,000	-	(200,000)	9
Total Revenues	\$ 25,029,913	\$ 24,800,000	\$ 28,552,000	\$ 3,752,000	
Net Increase to Equity	\$ 8,001,346	\$ 2,432,637	\$ 126,111	\$ (2,340,212)	

*See explanations for significant variances on next page

Variance Explanations

1 Facilities & Grounds Maintenance

The General Fund will now cover maintenance of all floodway assets and properties, some of which were previously paid in the Special Projects/Contingency Fund.

2 Maintenance Support

The increased cost of contract labor is responsible for 75% of the increase in maintenance support. The remaining 25% is due to an increase in the cost of and need for rental equipment and a slight uptick in the cost of fuel.

3 System Improvements & Capital Equipment

This increase includes erosion repair along the floodway and the maintenance and construction of new and existing trails and trailheads, including the Ten Mile Trailhead and the Riverside Park kayak launch, which were moved from the Special Projects/Contingency Fund to the General Fund.

4 Public Outreach & Events

Public outreach events, like Fort Worth's Fourth and Rockin' the River, have been moved from the Special Projects/Contingency Fund to the General Fund as part of realigning such events to the District's core mission.

5 Clear Fork Trash Wheel

The District is assisting the City of Fort Worth with the purchase of a trash-collection wheel for the Clear Fork of the Trinity River.

6 Property Taxes Paid to TIF

Decrease due to TIF #4 Medical District/Southside ending in fiscal year 2023, as well as TRWD reducing their tax rate.

7 Employee Related

The overall increase in employee related expenditures is due to an additional 11 full-time equivalent (FTE) positions to operate and maintain the floodway as well as a 6% increase in raises and promotions compounded by salary increases in fiscal year 2023 due to market conditions. The additional FTE positions are needed as the District is moving to a new level of service with increased community use and popularity of the floodway. Realignment of events and infrastructure maintenance with the District's core mission also includes bringing related personnel from the Special Projects/Contingency Fund to the General Fund.

8 Contributions

The City of Fort Worth has agreed to fully reimburse the District for their costs to build and install the Riverside Park Kayak Launch. Streams and Valleys has agreed to reimburse the District for the installation of memorial benches along the Trinity River.

9 Interest Income

Interest income has been moved to the Special Projects/Contingency Fund due to its unpredictability as a revenue source.

Special Projects/ Contingency Fund



Airfield Falls Trails

Special Projects/Contingency Fund FY24 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. Details of the amounts below can be found on the following pages.

Expenditures	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Canals	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000
La Grave Stadium	185,381	20,000	195,000	175,000
Panther Island Land Strategy	-	100,000	100,000	-
Net Recreation Expense	1,016,947	1,711,262	-	(1,711,262)
Capital Expenditures	787,500	-	-	-
Total Expenditures	1,989,828	1,831,262	3,295,000	1,463,738

Revenues	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Oil & Gas Revenues	14,570,283	7,000,000	8,000,000	1,000,000
Leases, Permits & Fees	747,104	764,230	1,965,647	1,201,417
Interest Income	304,567	150,000	1,600,000	1,450,000
Sales & Other Income	59,808	122,700	236,200	113,500
Total Revenues	15,681,762	8,036,930	11,801,847	3,764,917

Debt Service/ Central City Project	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Debt Service/Project Costs	8,023,419	6,960,553	7,577,446	616,893
NCTCOG Bridge Repayment	-	350,000	350,000	-
TIF Revenues	(7,227,736)	(7,310,553)	(7,927,446)	(616,893)
Net Change in Debt Services Equity	(795,683)	-	-	-

Budgeted Net Increase to Equity	\$ 12,896,251	\$ 6,205,668	\$ 8,506,847	\$ 2,301,179
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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 and recreation missions of the District without using tax funding. 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. One small section has already been built, and the remaining design and construction is estimated to last over a 10-year period.

The District has realigned its event and trailhead maintenance costs with its core mission, and has therefore moved these expenses from the Special Projects/Contingency Fund to the General Fund. This includes events, like Fort Worth's Fourth and Rockin' the River, along with the maintenance and construction of new and existing trails and trailheads.

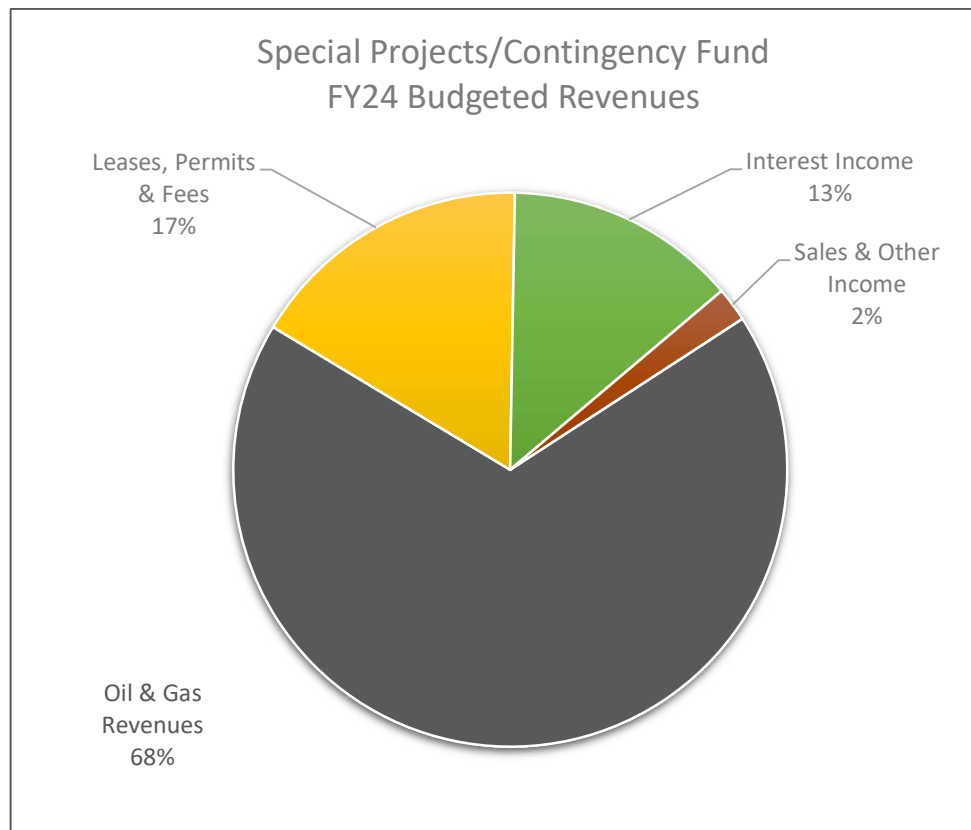
	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Canals	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000
La Grave Stadium	185,381	20,000	195,000	175,000
Panther Island Land Strategy	-	100,000	100,000	-
Net Recreation Expense	1,016,947	1,711,262	-	(1,711,262)
Total	\$ 1,202,328	\$ 1,831,262	\$ 3,295,000	\$ 1,463,738

Special Projects/Contingency Fund: Revenues

Sources of Revenue Summary

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

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Oil & Gas Revenues	\$ 14,570,283	\$ 7,000,000	\$ 8,000,000	\$ 1,000,000
Leases, Permits & Fees	747,104	764,230	1,965,647	1,201,417
Interest Income	304,567	150,000	1,600,000	1,450,000
Sales & Other Income	59,808	122,700	236,200	113,500
Total Revenues	\$ 15,681,762	\$ 8,036,930	\$ 11,801,847	\$ 3,764,917

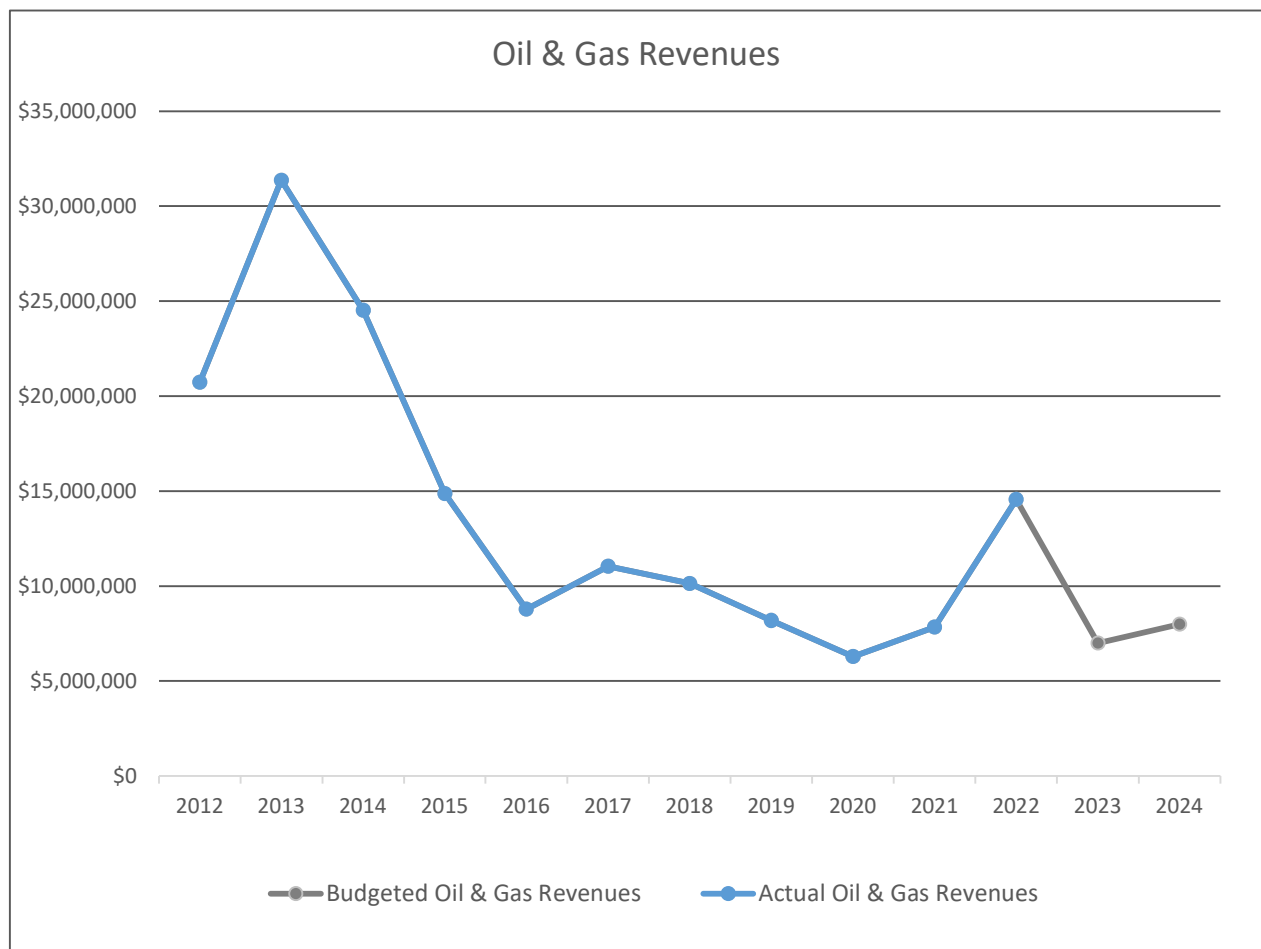


Sources of Revenue

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 11 years with the budgeted revenues for fiscal year 2023 and fiscal year 2024. Prior to fiscal year 2020, oil and gas revenues were in the General Fund. In fiscal year 2020 they were moved here to the Special Projects/Contingency Fund due to the variability of these revenue sources.

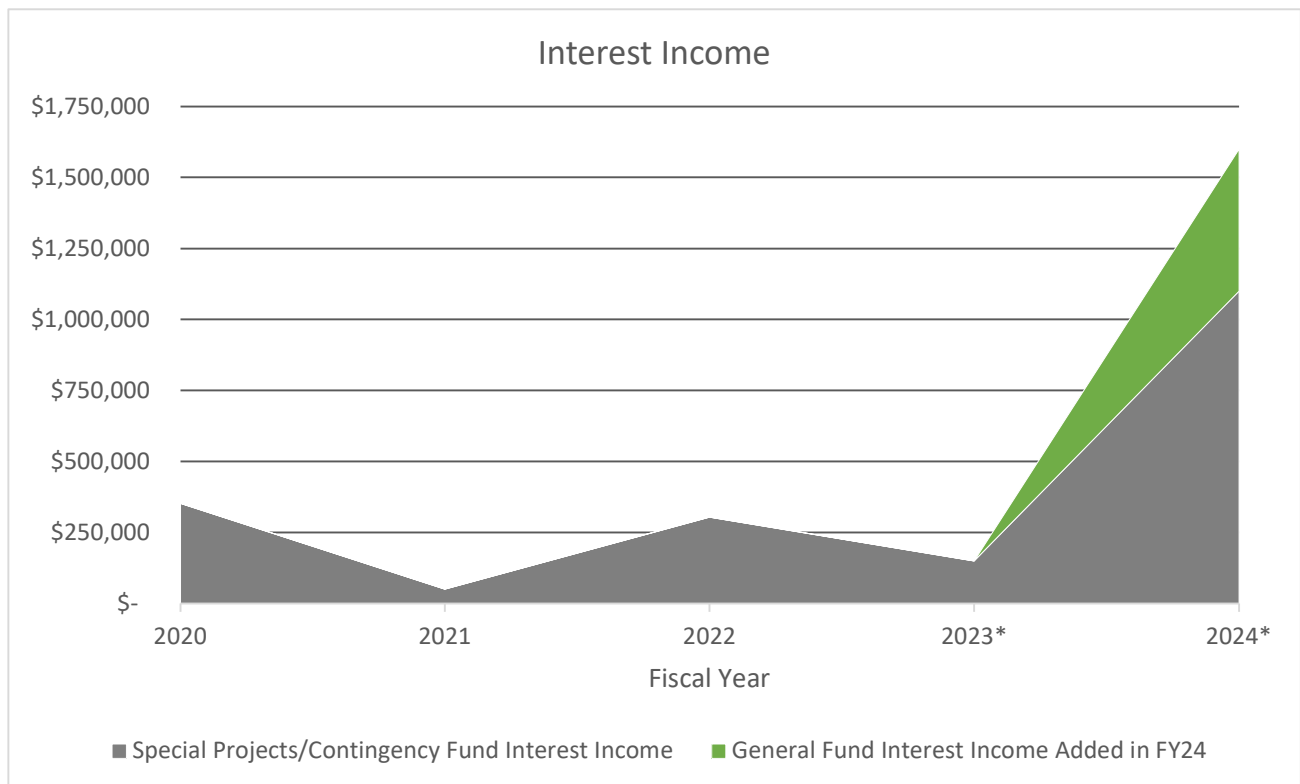


Sources of Revenue

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% interest rate in fiscal year 2024. Additionally, interest income from the General Fund was moved to the Special Projects/Contingency Fund due to its unpredictability as a revenue source.

	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Interest Income	\$ 304,567	\$ 150,000	\$ 1,600,000	\$ 1,450,000



*Budgeted amounts

Sources of Revenue

Leases, Permits & Fees

The District collects revenues from leases, permits, and fees paid to use District property. Historically, the annex and floodway leases were listed in Other Income, while revenues from Twin Points, Coyote Drive-in, Woodshed Restaurant, Panther Island, and Bridgeport/Eagle Mountain Lakes were netted against their related expenditures under Recreation Infrastructure. In fiscal year 2024 these related expenditures have been moved to the General Fund to better align with the District's core mission, while their revenues remained in the Special Projects/Contingency Fund.

Leases, Permits & Fees	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Annex East, West and Garage Lease	\$ 602,392	\$ 602,391	\$ 602,391	\$ -
Twin Points Park Fees	-	-	550,000	550,000
Coyote Drive-In Theater Lease	-	-	175,000	175,000
Woodshed Restaurant Lease	-	-	175,000	175,000
Bridgeport/Eagle Mountain Leases	-	-	165,725	165,725
Panther Island Venue Fees	-	-	150,000	150,000
Other Floodway Leases & Permits	144,712	161,839	147,531	(14,308)
Total	\$ 747,104	\$ 764,230	\$ 1,965,647	\$ 1,201,417

Sales & Other Income

The majority of the sales and other income budget consists of revenues earned on the sale of land, equipment and sand. The increase in revenues is mostly due to the inclusion of revenues earned on public outreach events. These revenues were previously shown as a net against the event expenses, which have now been moved to the General Fund, while the revenues remained in the Special Projects/Contingency Fund.

Sales & Other Income	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Land, Equipment & Sand Sales	\$ 59,808	\$ 94,000	\$ 113,500	\$ 19,500
Public Outreach Events	-	-	96,000	96,000
Miscellaneous Revenues	-	28,700	26,700	(2,000)
Total	\$ 59,808	\$ 122,700	\$ 236,200	\$ 113,500

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 2024.

Debt Service	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance
Debt Service/ Project Costs	\$ 8,023,419	\$ 6,960,553	\$ 7,577,446	\$ 616,893
NCTCOG Bridge Repayment	-	350,000	350,000	-
TIF Revenues	(7,227,736)	(7,310,553)	(7,927,446)	(616,893)
Net Change in Debt Service Equity	\$ 795,683	\$ -	\$ -	\$ -

Central City Flood Control Project Approved FY24 Budget

TRWD	FY24 Budget Approved
Cash Match	\$ 15,853,288
Bypass Local Share (Pedestrian Bridge Design)	3,901,945
Land Acquisition	3,609,359
Program Management	1,515,441
Relocation	1,156,386
Demolition	1,075,500
Environmental	888,277
NCTCOG Bridge Repayment	350,000
Bond Issuance Costs	30,000
Subtotal TRWD	28,380,196

City of Fort Worth	FY24 Budget Approved
Sewer & Water Relocation Reimbursement	53,086,738
Storm Water Relocation	29,592,179
Franchise Utilities	5,488,212
Subtotal City of Fort Worth	88,167,129

Total Central City Flood Control Project	\$ 116,547,325
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Special Projects/Contingency Fund - FY24 Budget

Expenditures	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
Canals	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	1
La Grave Stadium	185,381	20,000	195,000	175,000	2
Panther Island Land Strategy	-	100,000	100,000	-	
Net Recreation Expense	1,016,947	1,711,262	-	(1,711,262)	3
Capital Expenditures	787,500	-	-	-	
Total Expenditures	1,989,828	1,831,262	3,295,000	1,463,738	

Revenue	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
Oil & Gas Revenues	14,570,283	7,000,000	8,000,000	1,000,000	4
Leases, Permits & Fees	747,104	764,230	1,965,647	1,201,417	5
Interest Income	304,567	150,000	1,600,000	1,450,000	6
Sales & Other Income	59,808	122,700	236,200	113,500	7
Total Revenues	15,681,762	8,036,930	11,801,847	3,764,917	

Debt Service/ Central City Project	FY22 Actuals	FY23 Budget Approved	FY24 Budget Approved	Variance	Notes*
Debt Service/Project Costs	8,023,419	6,960,553	7,577,446	616,893	
NCTCOG Bridge Repayment	-	350,000	350,000	-	
TIF Revenues	(7,227,736)	(7,310,553)	(7,927,446)	(616,893)	
Net Project Expenses	(795,683)	-	-	-	

Net Increase to Equity	\$ 12,896,251	\$ 6,205,668	\$ 8,506,847	\$ 2,301,179	
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*See explanations for significant variances on the next page.

Variance Explanations

1 Canals

TRWD will need to build canals just north of downtown (Panther Island) that will function as flood control and stormwater transmission.

2 La Grave Stadium

The District is needing to increase funding to support the security and maintenance of La Grave Field after the previous purchaser defaulted on the contract.

3 Net Recreation Expense

The District has realigned its event and trailhead maintenance costs with its core mission, and has therefore moved these expenses from the Special Projects/Contingency Fund to the General Fund.

4 Oil & Gas Revenues

These revenues increased due to rising oil prices.

5 Leases, Permits & Fees

Historically, revenues from Twin Points, Coyote Drive-in, Woodshed Restaurant, Panther Island, and Bridgeport/Eagle Mountain Lakes were netted against their related expenditures under Recreation Infrastructure instead of being shown as separate Special Projects/Contingency Fund revenues.

6 Interest Income

With the uptake in current interest rates, the District has conservatively increased the expected interest income for fiscal year 2024, estimating a 2% average interest rate. Additionally, General Fund interest income has been moved to the Special Projects/Contingency Fund due to its unpredictability as a revenue source.

7 Sales & Other Income

This increase in revenues is due to the inclusion of revenues earned on public outreach events that were previously shown as a net against event expenses, which have now been moved to the General Fund.