



Revenue Policy

I. Authority

The Fort Worth City Council is responsible for legislation, policy formulation, and overall direction setting of the government. This includes the approval of financial policies which establish and direct the operations of the City of Fort Worth. The City Manager ~~is~~and Assistant City Managers are responsible for carrying out the policy directives of the City Council and managing the day-to-day operations of the executive departments, including the Department of Finance. This policy shall be administered on behalf of the City Manager and Assistant City Managers by the Chief Financial Officer / Director of Finance.

Formatted: Justified, Right: 0.49"

II. Purpose

This policy is intended to establish guidelines for the management of certain City of Fort Worth revenues in order to design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.

Formatted: Justified, Right: 0.49"

III. Applicability and Scope

This policy shall apply to all funds under the budgetary and fiscal control of the City Manager and the Mayor and City Council.

Formatted: Justified, Right: 0.49"

IV. Glossary

See definitions related to this policy provided in the appendix.

Formatted: Justified, Right: 0.49"

V. Policy:

A. -Balance and Diversification in Revenue Sources

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one revenue source due to changes in national or local economic conditions; which adversely impact that source.

B. User Fees

For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. The City Council shall determine the appropriate cost recovery level and establish the fees. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.



Revenue Policy

C. Property Tax Revenues/Tax Burden

The City shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation of user fees, and economic development. The City shall also strive to minimize the property tax burden on Fort Worth citizens.

D. ~~Utility~~/Enterprise Funds User Fees

It is the intention of the City that all utilities and enterprise funds be self-supporting. As a result, utility rates and ~~enterprise funds~~ user fees shall be set at levels sufficient to cover operating ~~expenditures~~ expenses, meet debt obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. The City shall seek to eliminate all forms of subsidization to ~~utility~~ enterprise funds from the General Fund.

E. Administrative Services Charges

The City shall establish a method to ~~annually~~ determine ~~annually~~ the administrative services charges due the General Fund from ~~enterprise~~ other funds for overhead and staff support. Where appropriate, ~~the enterprise~~ governmental and proprietary funds shall ~~pay~~ reimburse the General Fund for direct services rendered.

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Formatted: Condensed by 0.35 pt

F. Revenue Estimates for Budgeting

In order to maintain a stable level of services, the City shall use a conservative, objective, and, analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

G. Revenue Collection and Administration

The City shall maintain high collection rates for all revenues by keeping the revenue system as simple as possible in order to facilitate payment. In addition, since revenue should exceed the cost of producing it, the City shall strive to control and reduce administrative costs. The City shall pursue, to the full extent allowed by state law, all delinquent taxpayers and others overdue in payments to the City.

H. Write-Off of Uncollectible Accounts

The City shall monitor payments due to the City (accounts receivable) and



Revenue Policy

periodically write-off accounts where collection efforts have been exhausted and/or collection efforts are not feasible ~~–or~~ cost-effective.

I. DFW Airport Car Rental Revenue Sharing

All revenues derived from the DFW Airport car rental revenue sharing shall be dedicated to facility improvements of the Fort Worth Convention Center and the Will Rogers Memorial Center.

J. Use of One-time Revenues

The City shall discourage ~~the use of~~using one-time revenues ~~for to fund~~ ongoing expenditures.

K. Use of Unpredictable Revenues

The City shall exercise caution ~~with the use of~~when using unpredictable revenues ~~for to fund~~ ongoing

Formatted: Font: 14.5 pt

Formatted: Normal, Left, Right: 0", Space Before: 0.5 pt

Formatted: Font: 12 pt

Formatted: Heading 2, Indent: Left: 1.15", Space Before: 0 pt, Tab stops: 0.65", Left

Formatted: Condensed by 0.25 pt

Formatted: Justified, Right: 0.49"

Formatted: Not Expanded by / Condensed by

Formatted: Not Expanded by / Condensed by

Revenue Policy

expenditures.



Formatted: Body Text, Indent: Left: 1.07", Right: 0.49"