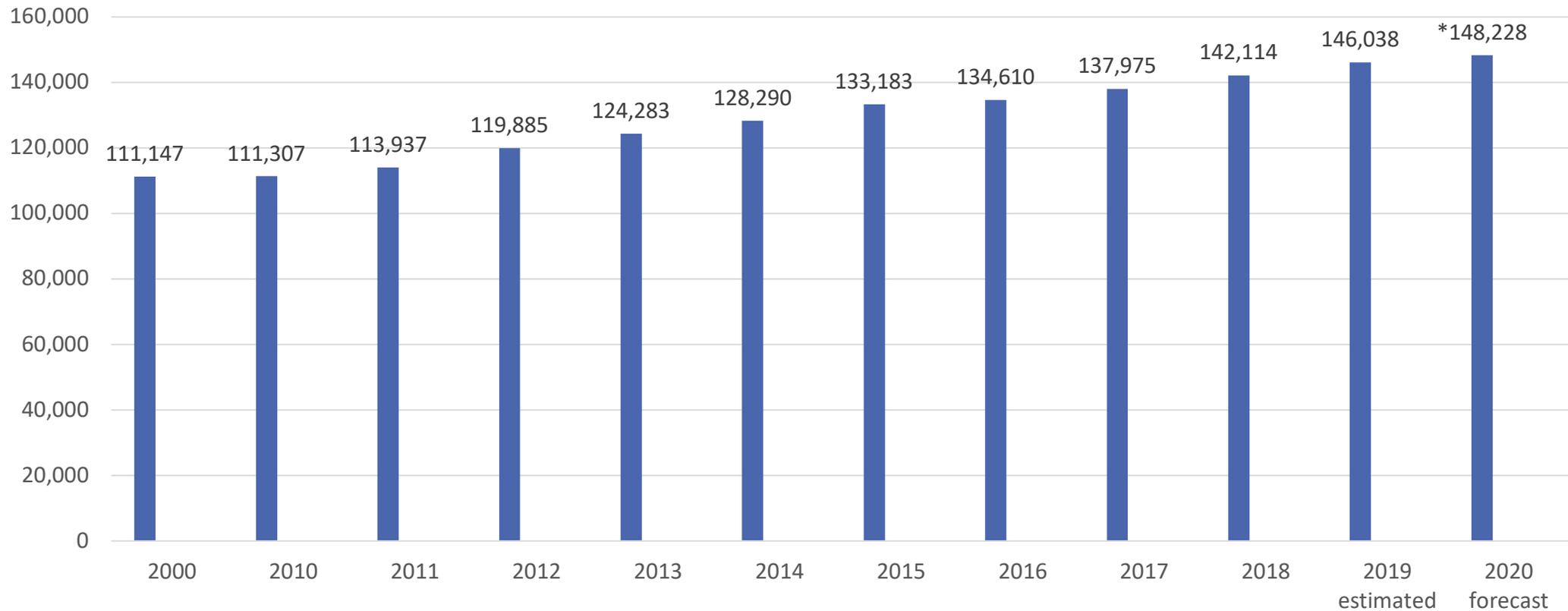


2021 Budget Workshop

CITY OF MIDLAND

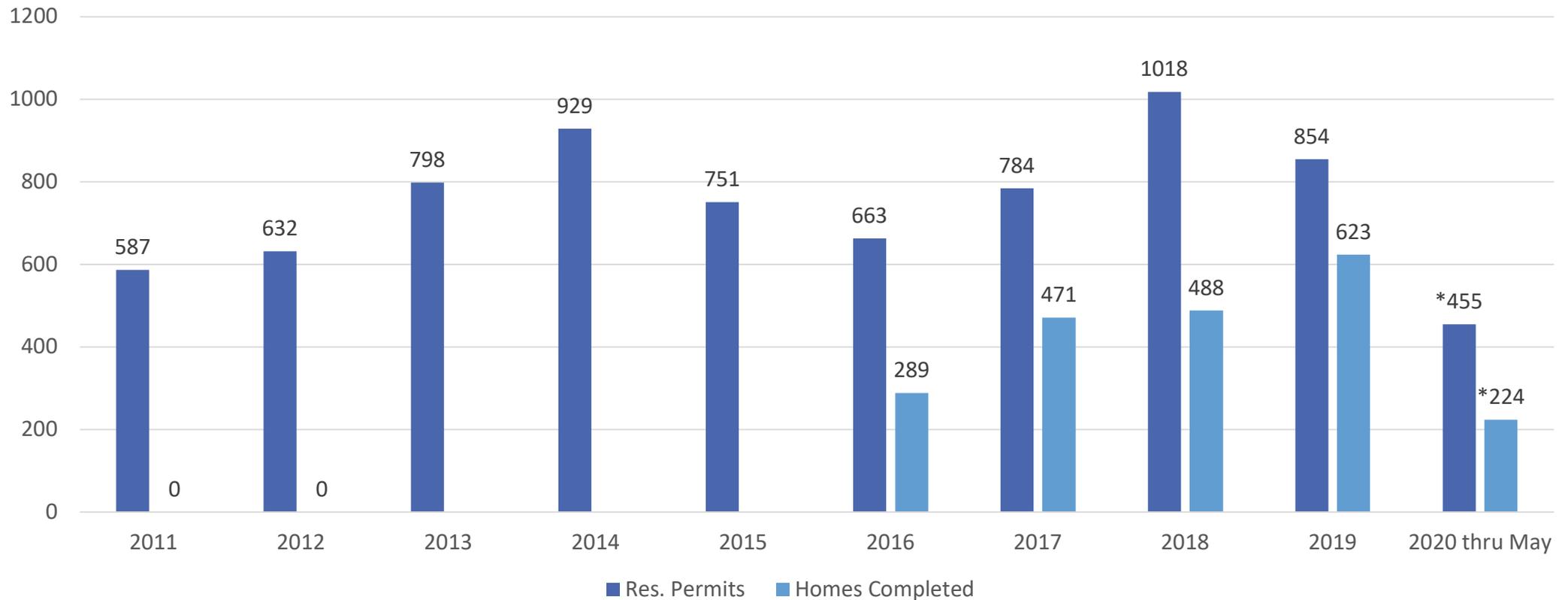


POPULATION



*At an average 1.5% growth rate the estimated population at the end of 2021 would be 150,451

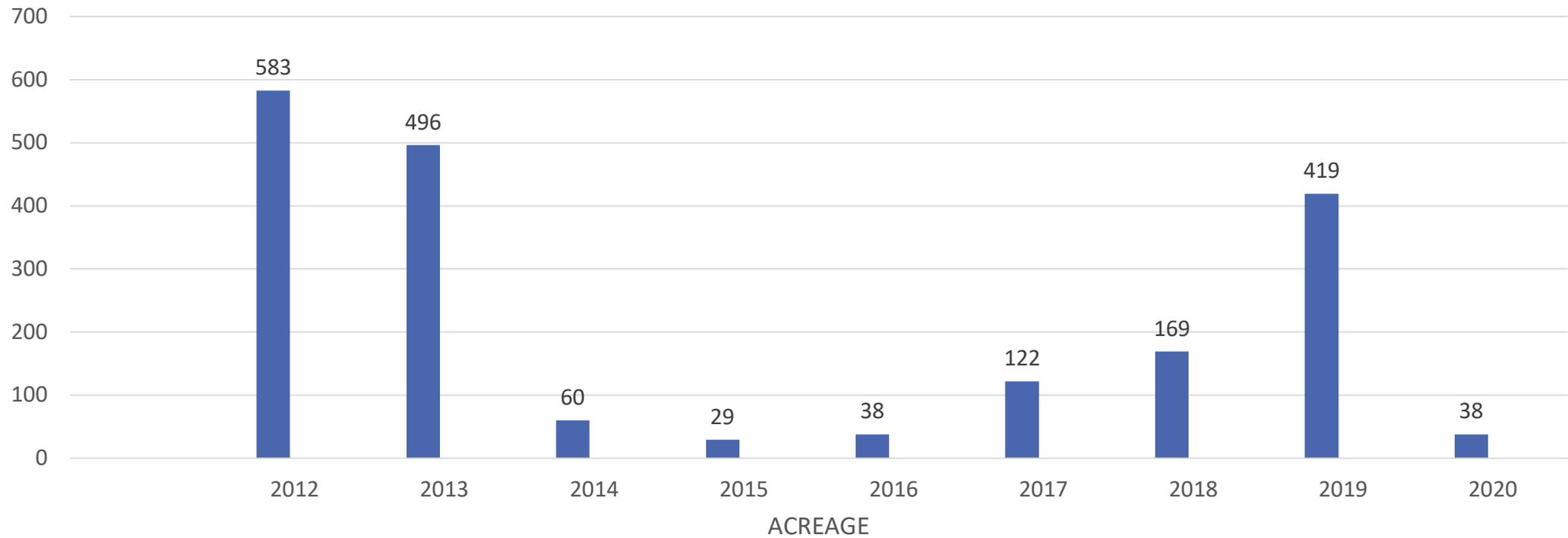
RESIDENTIAL PERMITTING (per calendar year)



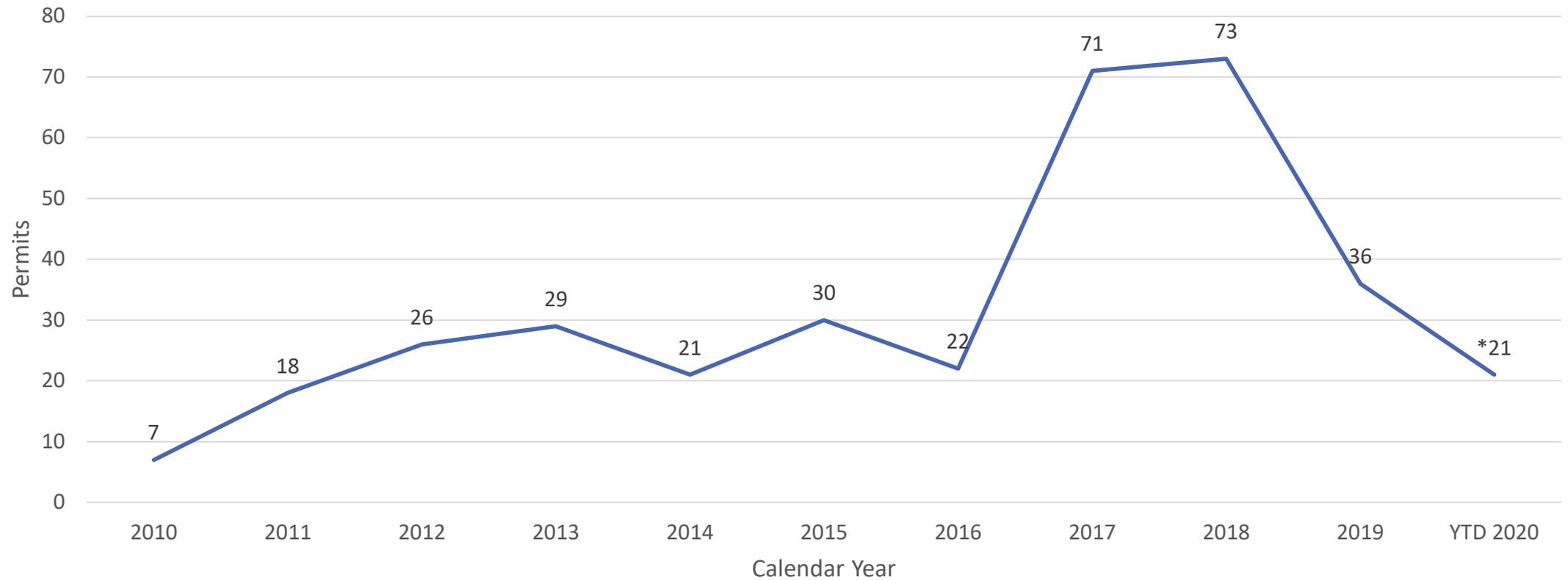
*Residential Permits through the end of 2020 is estimated at 650

*Homes Completed through the end of 2020 is estimated at 400

ANNEXATIONS (per calendar year)



ANNUAL OIL AND GAS PERMITS



*Projection for the rest of 2020 is 21-24 permits

BUDGET PRIORITIES

1. Maintain city personnel and our service to the public.
2. Maintain funding for street improvements in the General Fund
3. Replacement of equipment and vehicles
4. Maintain investment in city property
5. Maintain funding for traffic control upgrades in the General Fund
6. Evaluate major revenue streams

BUDGET HIGHLIGHTS

○ MAINTAIN CITY PERSONNEL AND OUR SERVICE TO THE PUBLIC

- Reduction of 26 positions
- No Cost of Living increases
- Creation of 9 new positions
 - One Superintendent in Community Services to manage the Sports Complex (General Fund)
 - One Superintendent and two Program Specialists for the New Senior Services Division (General Fund)
 - One Pre-Treatment Coordinator for Water and Sewer (Pioneer Project)
 - One Meter Changeout Specialist in Customer Service (Water and Sewer Fund)
 - One Fire Fleet Specialist II EVT Mechanic in the Garage Fund
 - Two Equipment Operator II's for the Landfill (Sanitation Fund)
- Police Department will implement a Lieutenant pay increase, additional overtime budget, and further certification pay
- Sworn personnel will receive a 3% step increase and non-sworn personnel will receive 3% progression pay

BUDGET HIGHLIGHTS

○ MAINTAIN FUNDING FOR STREET IMPROVEMENTS

- Proposed budget maintains \$6 million in street maintenance and \$4.6 million in street improvements, totaling \$10.6 million

○ REPLACEMENT OF EQUIPMENT AND VEHICLES

- \$7.7 million is included in the proposed budget for the replacement and purchase of new vehicles including:
 - Eight replacement Police Package SUV's
 - One new Fire Engine
 - Two replacement Ambulances

BUDGET HIGHLIGHTS

○ MAINTAIN INVESTMENT IN CITY PROPERTY

- \$1.1 million is allocated for Facilities capital improvements at the following locations:
 - The Southeast Senior Center will replace exterior LED lights, exterior ceiling tiles, and paint. Outdoor benches will be installed.
 - The Parks office on Elizabeth street will be replacing roof shingles on two buildings.
 - The Warehouse Office (Orchard Yard building 4), will replace flooring, paint, update ceilings, and replace counter tops.
 - The Meter shop (building 4) will be replacing the roof, soffit and exterior trim.
 - The Central Fire Station will install a personal protective equipment extractor, then replace flooring, paint and update ceilings.
 - Fire Stations 2 & 3 will install Personal Protective Equipment Lockers
 - Fire Station 8 will replace carpet in the halls and bedrooms.
 - City Hall plans to remodel a total of six restrooms, and to replace carpet and paint.
 - A budget was set aside for other various City of Midland buildings repairs such as roof leaks broken windows, office paint, HVAC and plumbing.
- Additionally, \$500,000 was added to the Engineering budget for a capital land purchase of a 10.3 acre parcel

BUDGET HIGHLIGHTS

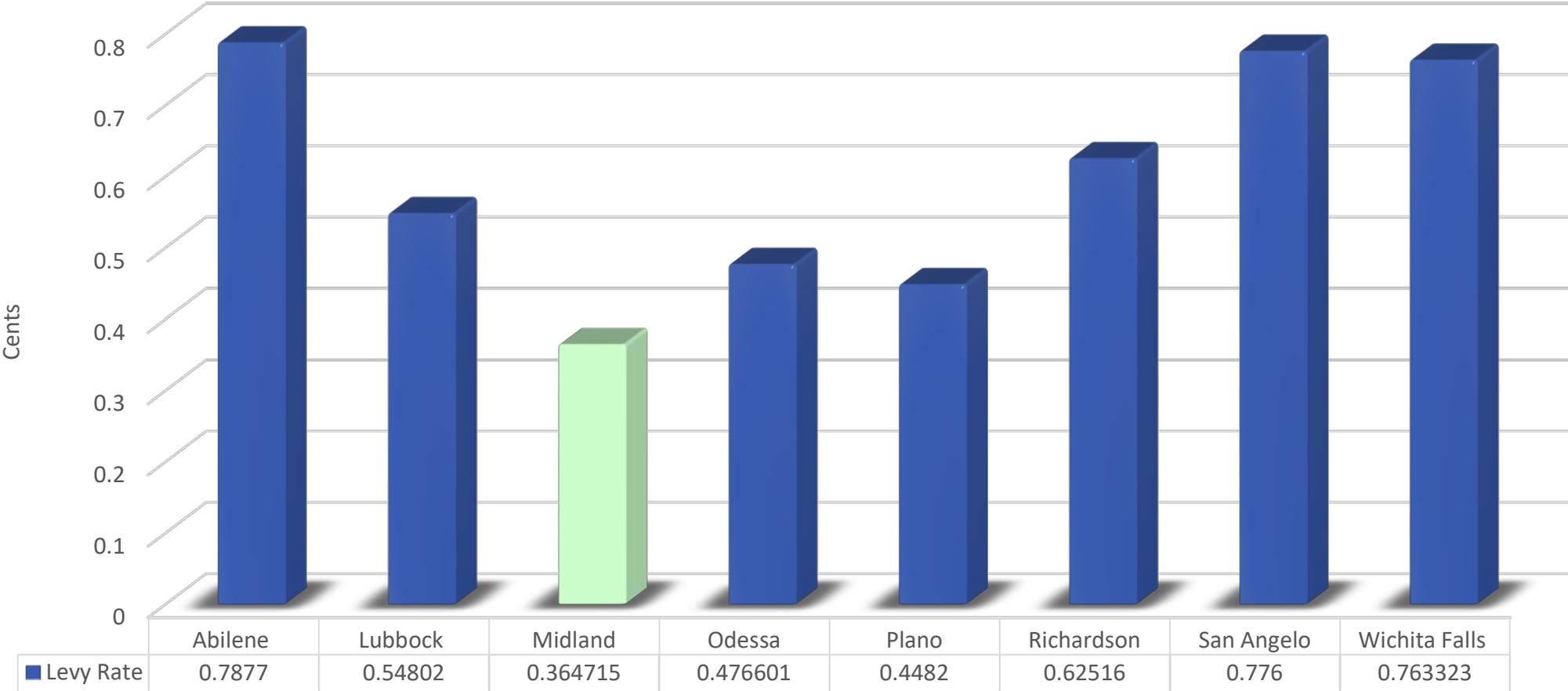
- MAINTAIN FUNDING FOR TRAFFIC CONTROL UPGRADES IN THE GENERAL FUND

- In addition to the annual program for signal system maintenance, the proposed budget includes an additional \$500,000 to upgrade two Downtown Signal intersections and other roadway lighting on City Streets per the nine-year plan.

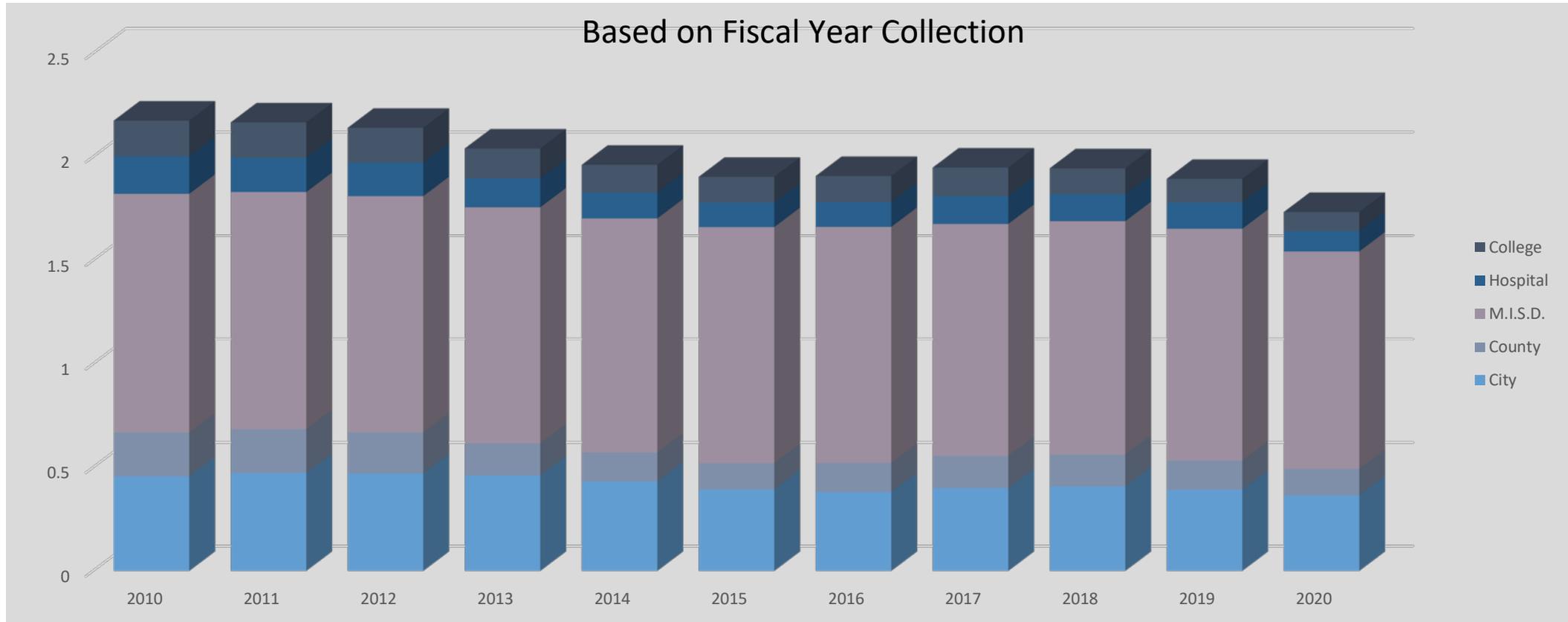
- EVALUATE MAJOR REVENUE STREAMS FOR GENERAL FUND SPECIFICALLY SALES TAX REVENUE

- A decrease in sales tax revenue is anticipated from the FY20 level of \$55 million to \$49.7 million.
- Property tax budget increases by \$3.6 million

OTHER CITY 2019-2020 PROPERTY TAXES



MIDLAND COMBINED TAX RATE



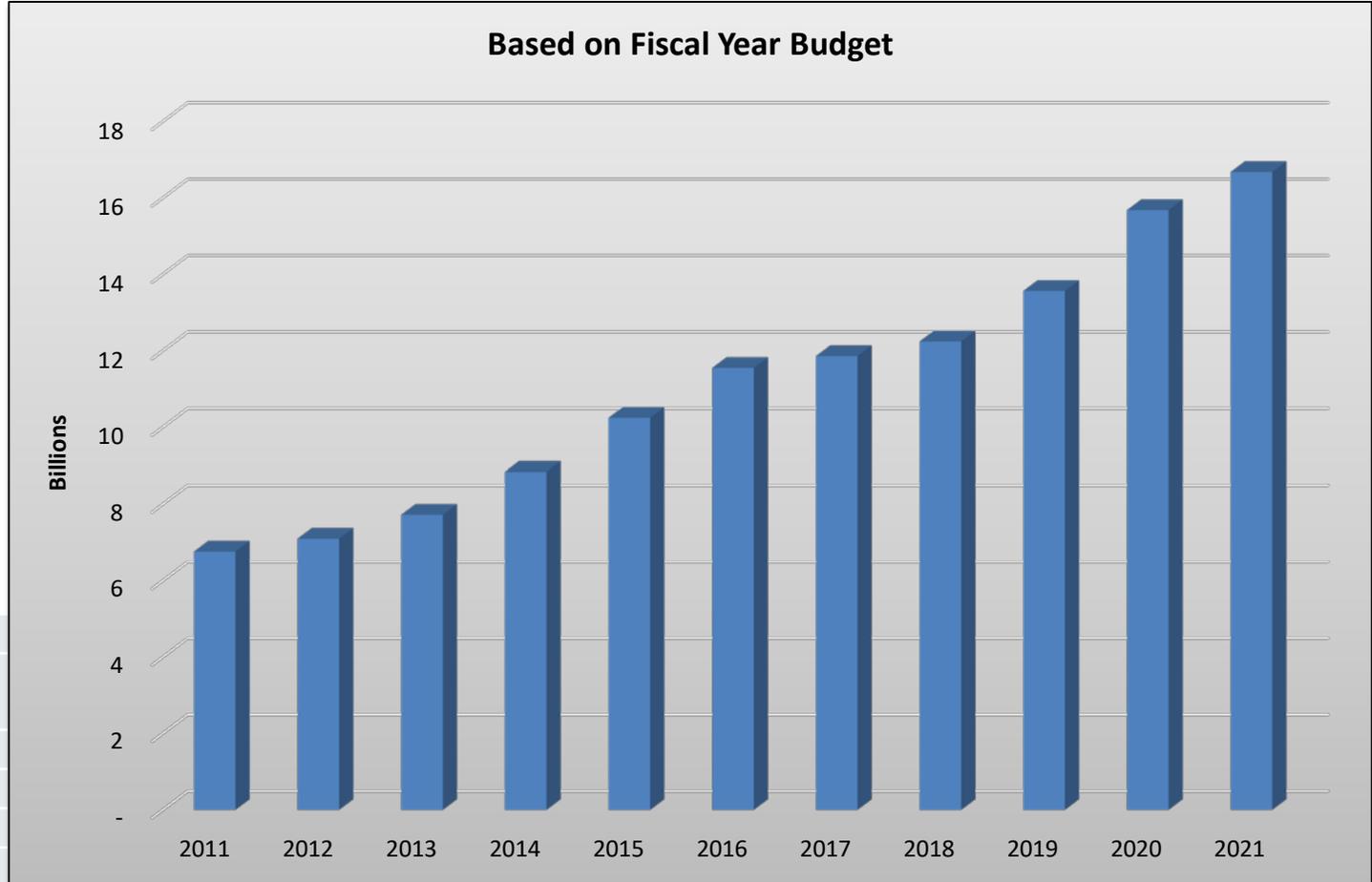
PROPERTY TAX VALUATION

Year	Assessed Valuation
2010	6,514,167,632
2011	6,756,772,320
2012	7,094,923,400
2013	7,721,328,048
2014	8,837,556,221
2015	10,243,855,382
2016	11,549,753,322
2017	11,859,309,962
2018	12,241,760,880
2019	13,500,656,618
2020	15,790,830,168
2021	16,677,570,938

- Average Home Value for 2021: \$272,779
Taxes of \$1,001.27
- Average Home Value for 2020 :\$269,475
Taxes were \$982.82

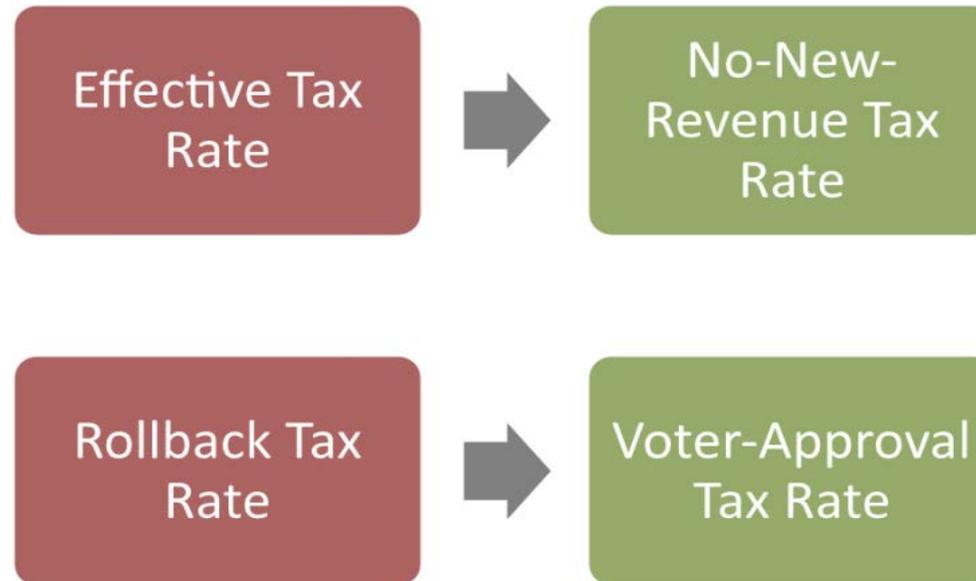


	Budget FY2021	Budget FY2020	% Change
Average Home Value	\$272,779	\$269,475	1.23%
Personal Property	\$1,214,966,093	\$1,100,784,820	10.37%
Real Estate	\$14,030,802,555	\$13,422,598,138	4.53%
Minerals	\$1,062,650,486	\$861,544,380	23.34%
Business Property	\$369,151,804	\$405,902,830	-9.05%



SENATE BILL 2: NEW TAX TERMS

New Terminology



SB2: VOTER APPROVAL RATE CALCULATION



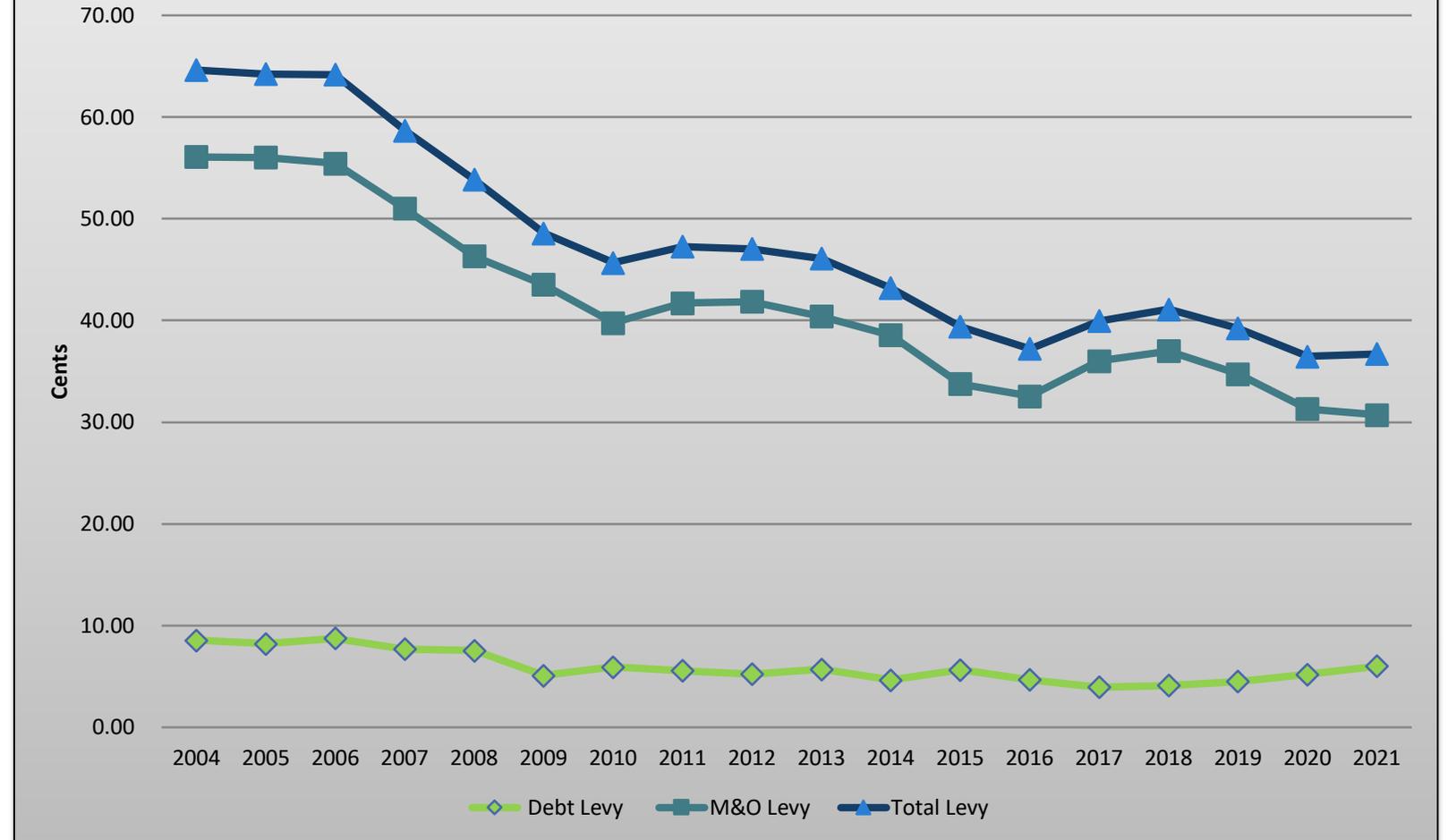
SENATE BILL 2

- Concessions made to expedite tax rate adoption process include:
 - a) Only one required tax rate hearing if city proposes a rate that does not exceed the voter-approval tax rate
 - b) Tax rate can be adopted at the public hearing on the tax rate

TAX RATES AND LEVY

Description	Tax Rate Per \$100	This Year's Tax Levy
No-New-Rev Rate	0.354648	\$59,146,671
Voter Approval Tax Rate	0.374862	\$62,517,876
Last Years Rate	0.364715	\$57,591,526
Proposed Tax Rate	0.367061	\$61,216,859
General Fund	0.307112	\$51,218,822
Debt Service	0.059949	\$9,998,037
Per 1% Increase	0.358194	\$591,386
Per 1 cents increase	0.364648	\$1,667,757

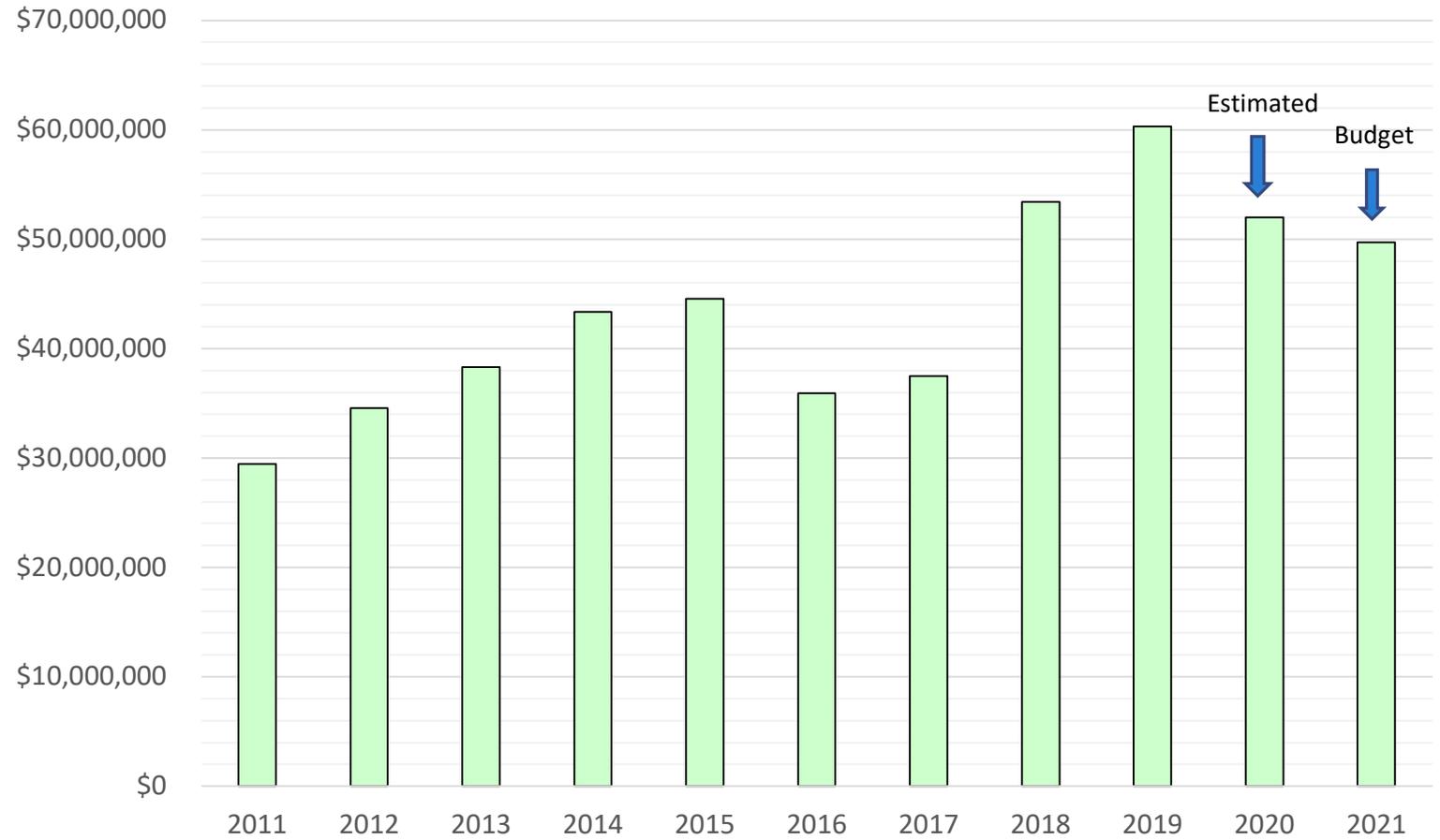
Historical Tax Levy: Fiscal Year 2004 to Proposed 2021



Home Value of \$100,000
 2020 Proposed M&O Taxes: \$312.90
 2021 Taxes: \$307.11
 Change: \$-5.79

TEN YEARS OF SALES TAX REVENUE

Annual Sales Tax



GENERAL FUND REVENUES BY TYPE

BUDGET \$136,485,964

OTHER CHARGES

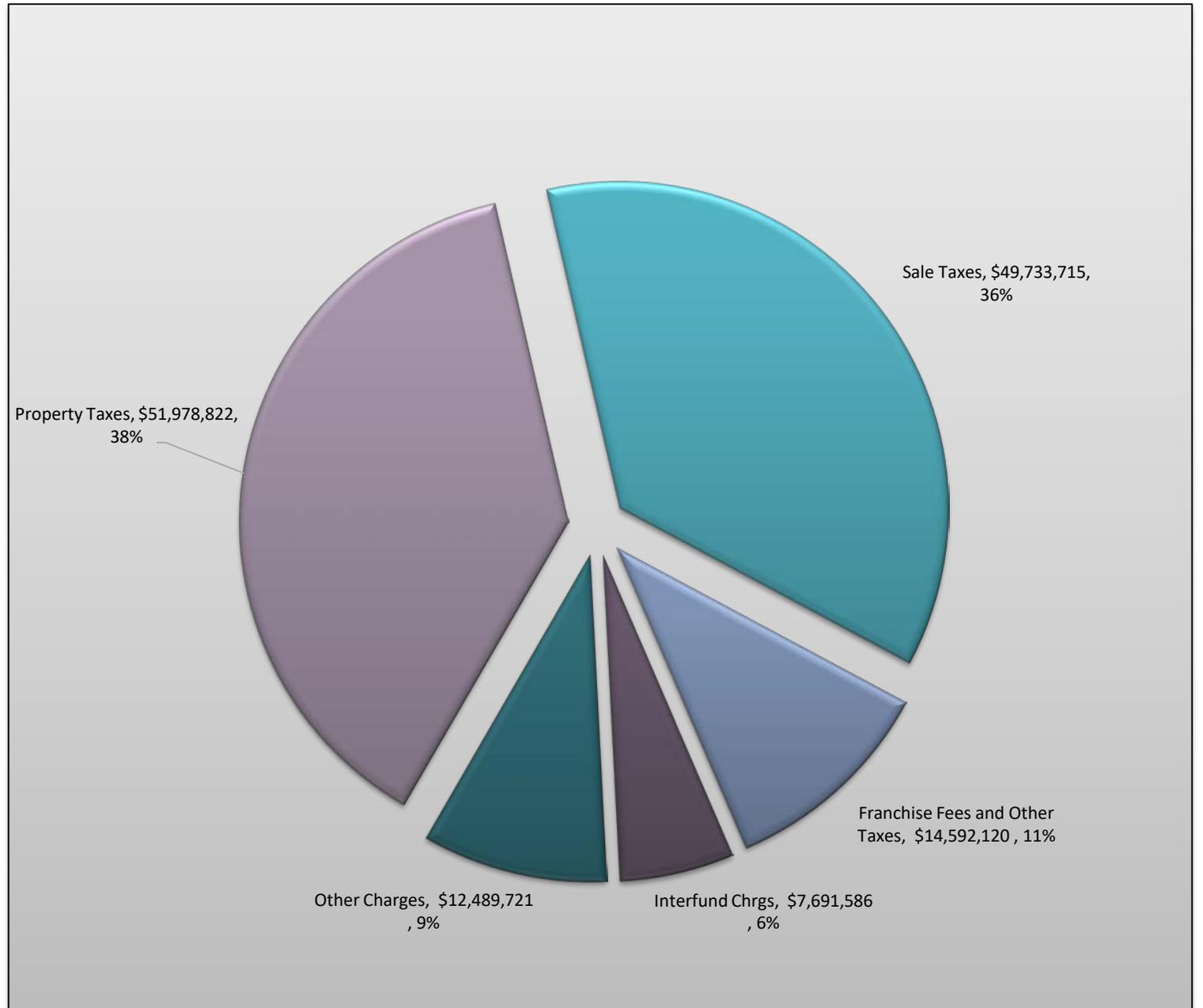
Court Fines and Fees: \$3,010,000

Ambulance Fees: \$2,300,000

Oil and Gas: \$2,500,000

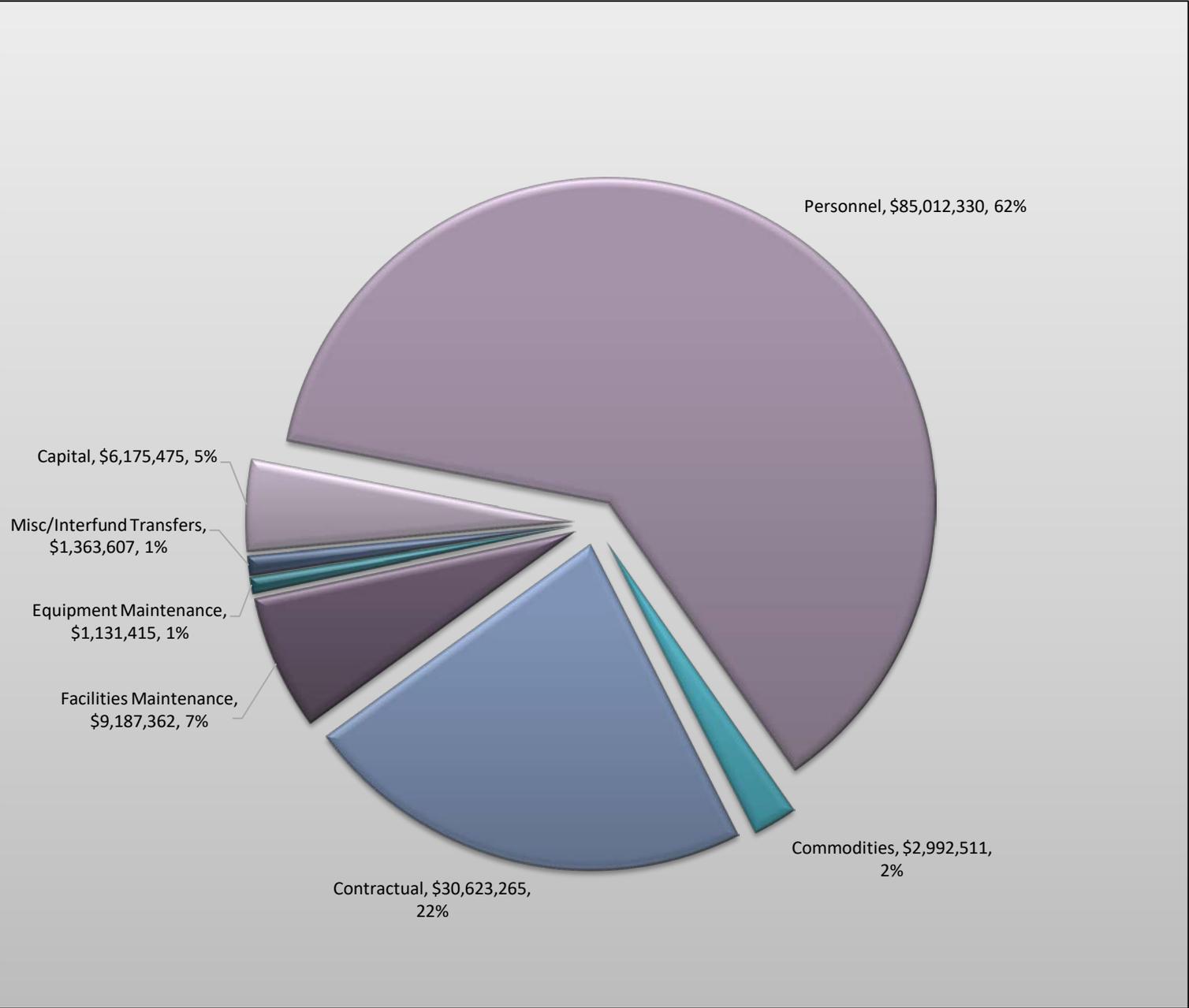
License, Permits and Other: \$3,100,515

Miscellaneous: \$1,579,206



GENERAL FUND EXPENDITURES

BUDGET \$136,485,964

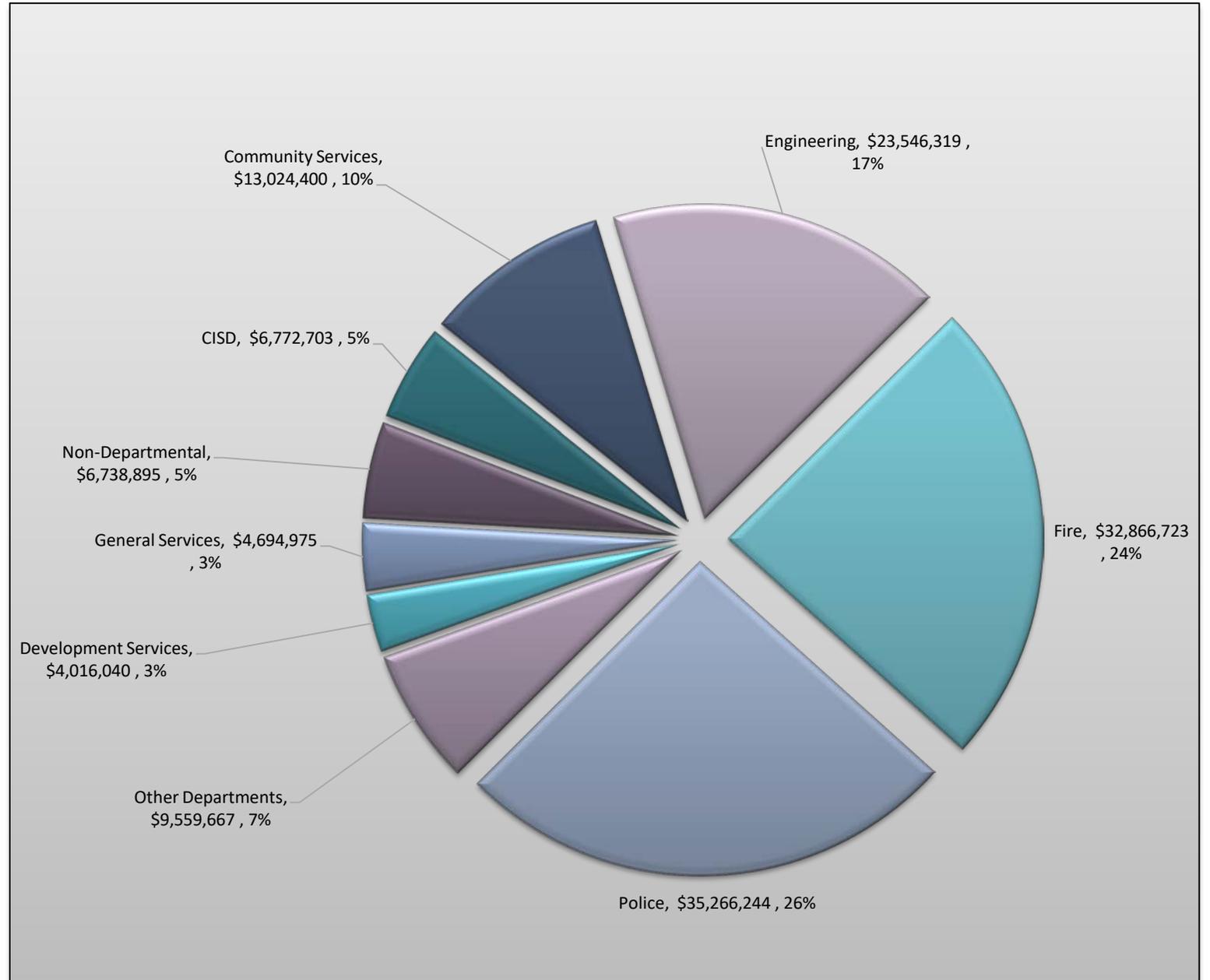


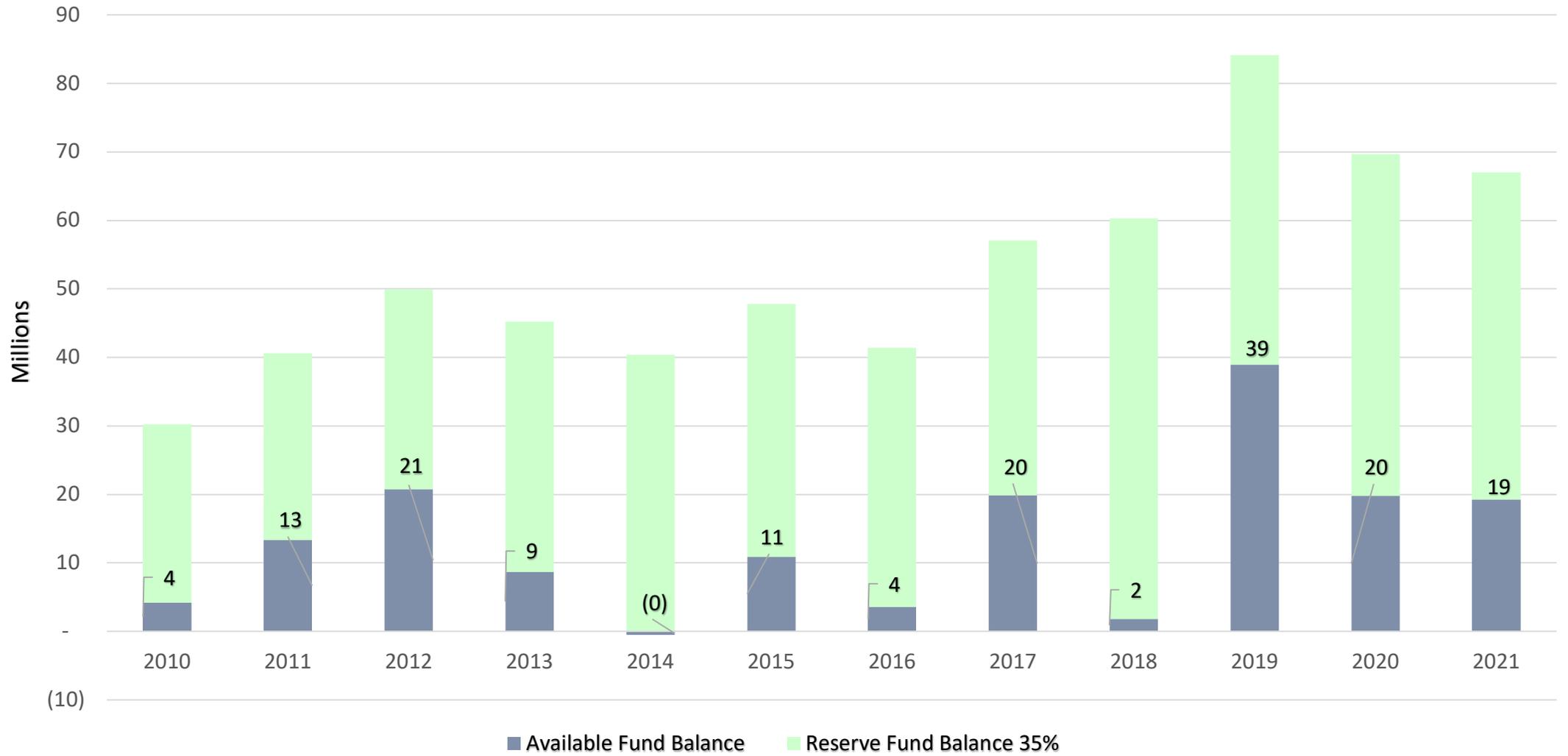
GENERAL FUND EXPENDITURES

BUDGET \$136,485,964

OTHER DEPARTMENTS

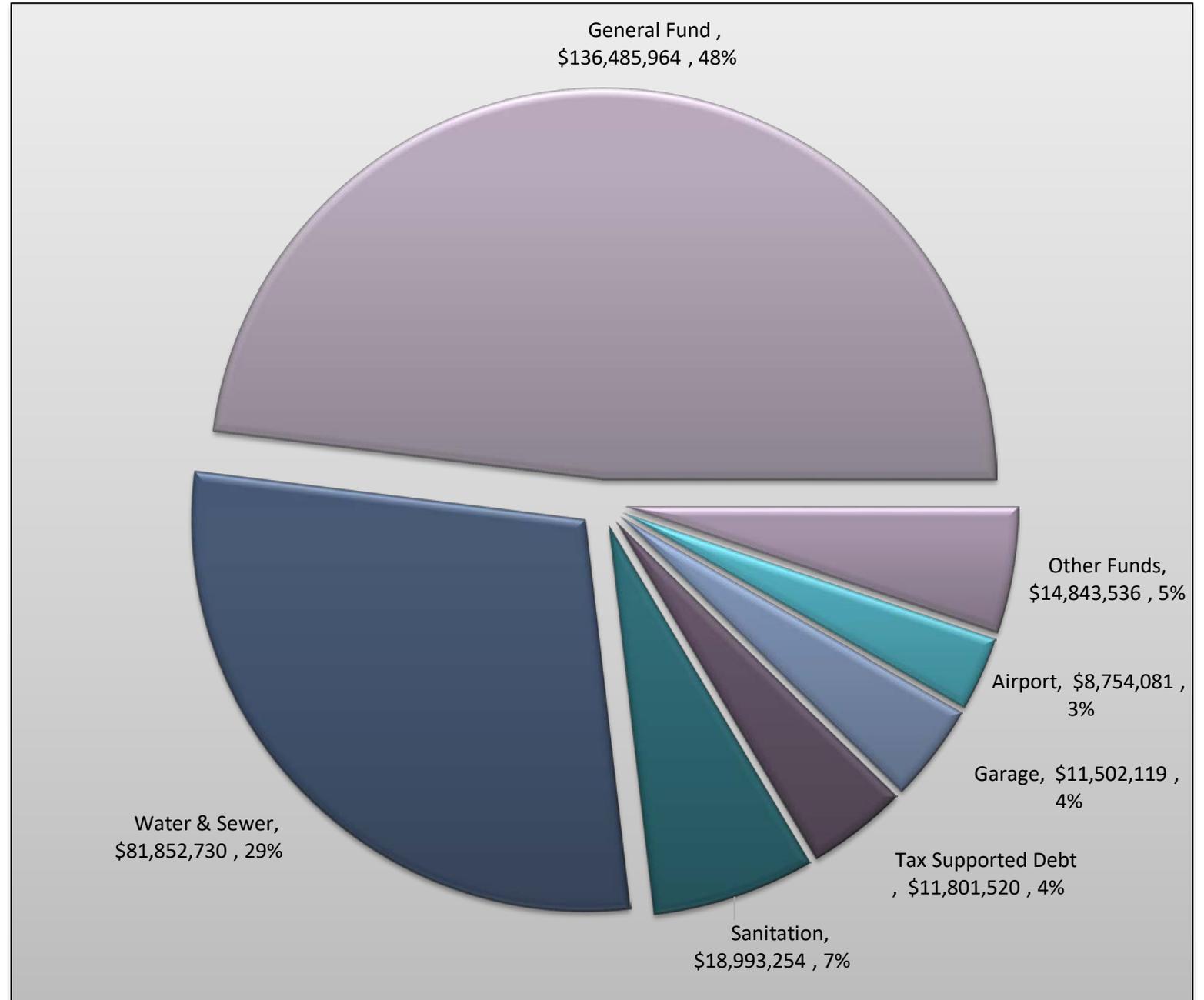
Legislative	\$44,172
Interfund Transfers	\$428,280
City Secretary	\$488,196
Legal Department	\$1,270,066
City Manager's Office	\$1,383,125
Administrative Services	\$1,486,821
Municipal Court	\$2,221,186
Finance	\$2,237,820





GENERAL FUND BALANCE

MAJOR FUND EXPENDITURES BY FUNCTIONS



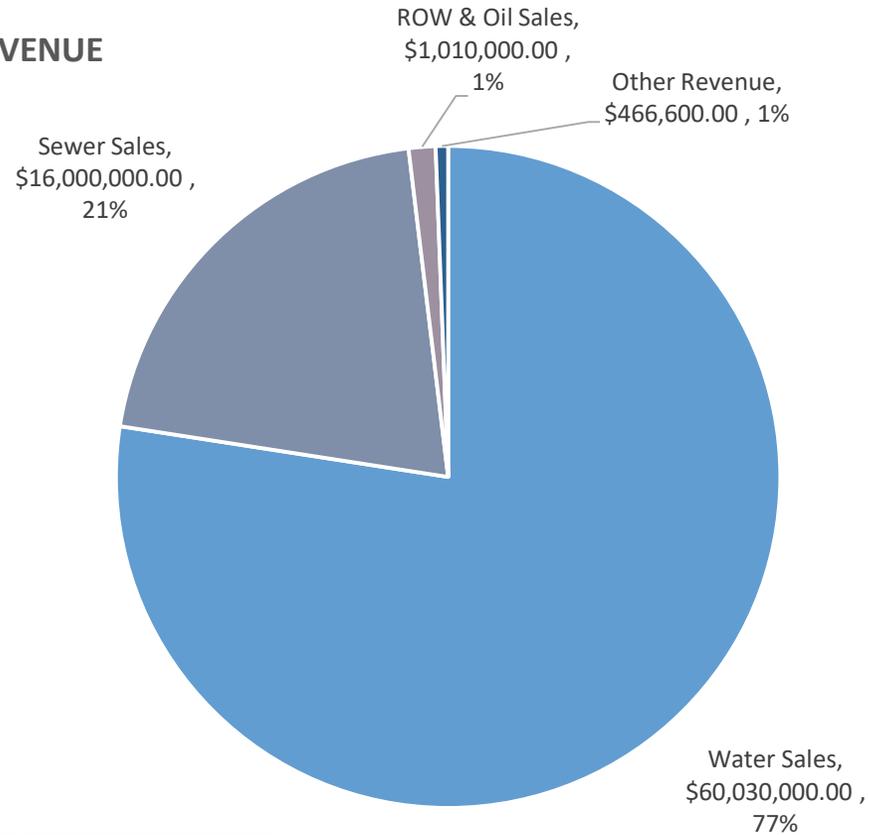
OTHER FUNDS

Drainage	\$325,099
Technology	\$2,167,134
Golf Course	\$2,847,040
Scharbauer Spts Cmplx	\$3,162,167
Hotel/Motel	\$6,342,095

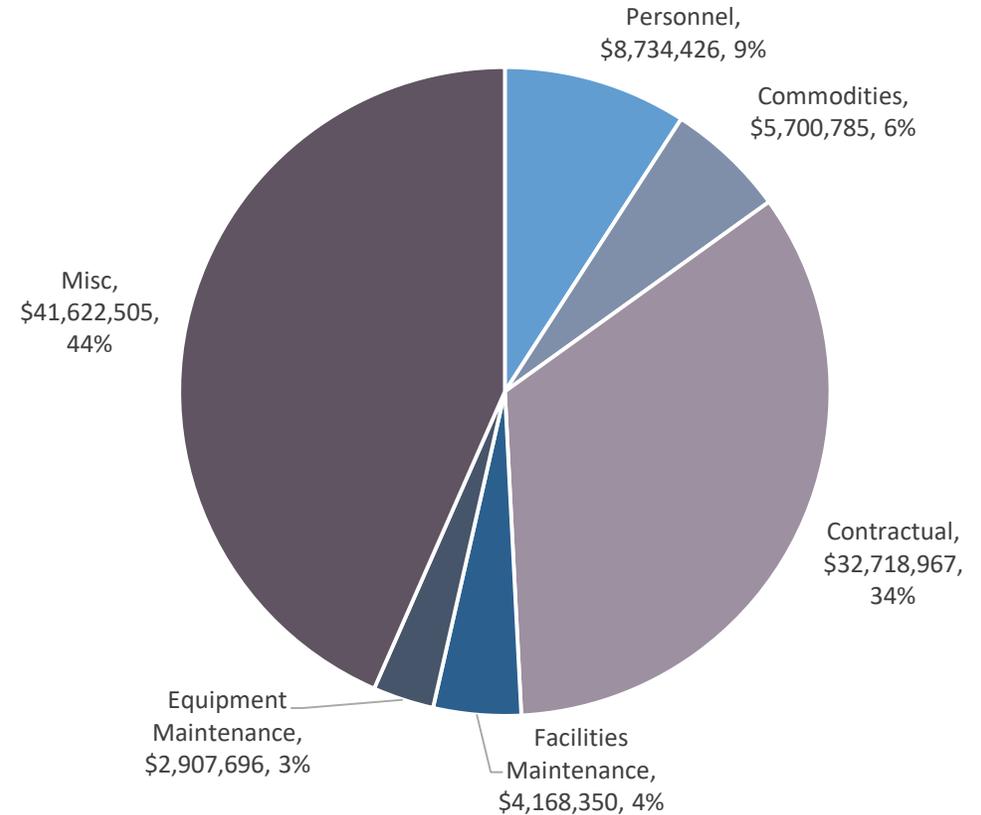
WATER AND SEWER FUND

Depreciation: \$14,000,000
 General Fund Services: \$1,898,343
 Franchise Fee: \$4,200,000

REVENUE



EXPENSES



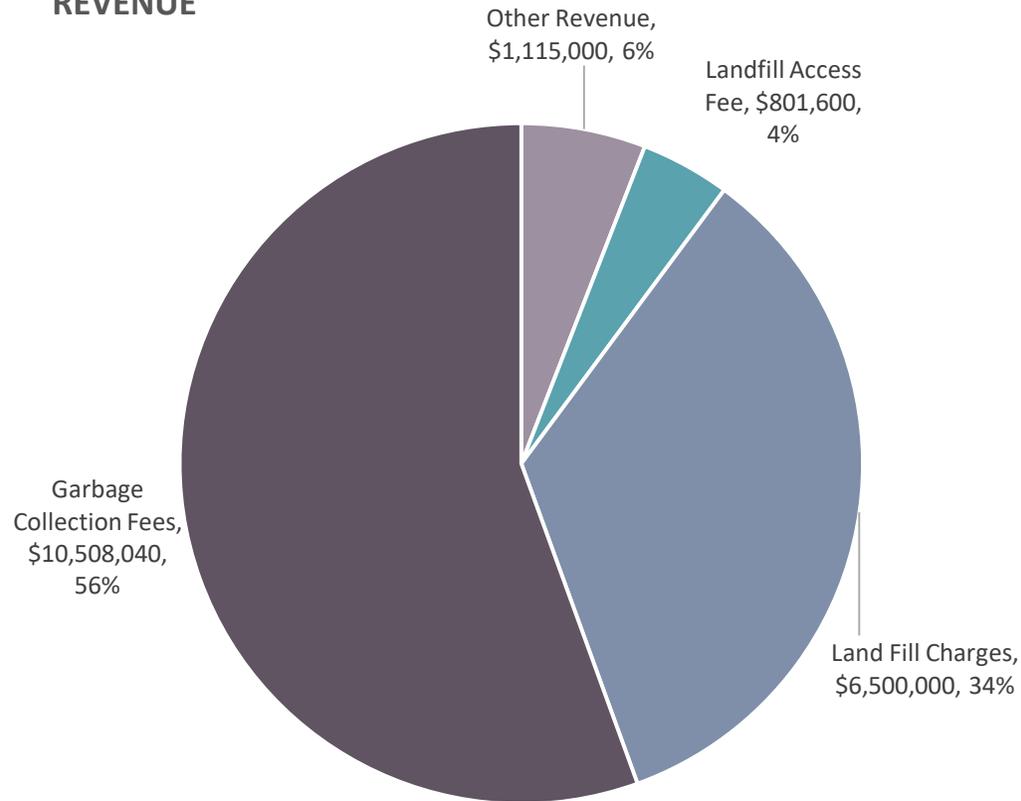
Taps	\$	190,000.00
Penalties & Billing Fees	\$	270,000.00

Sale Of Recyclables	\$20,000
Penalties	\$60,000
Special Collections	\$80,000
Haulers Permit Fee	\$80,000
Interest	\$125,000
Recycle Fee	\$250,000
Litter Fee	\$500,000

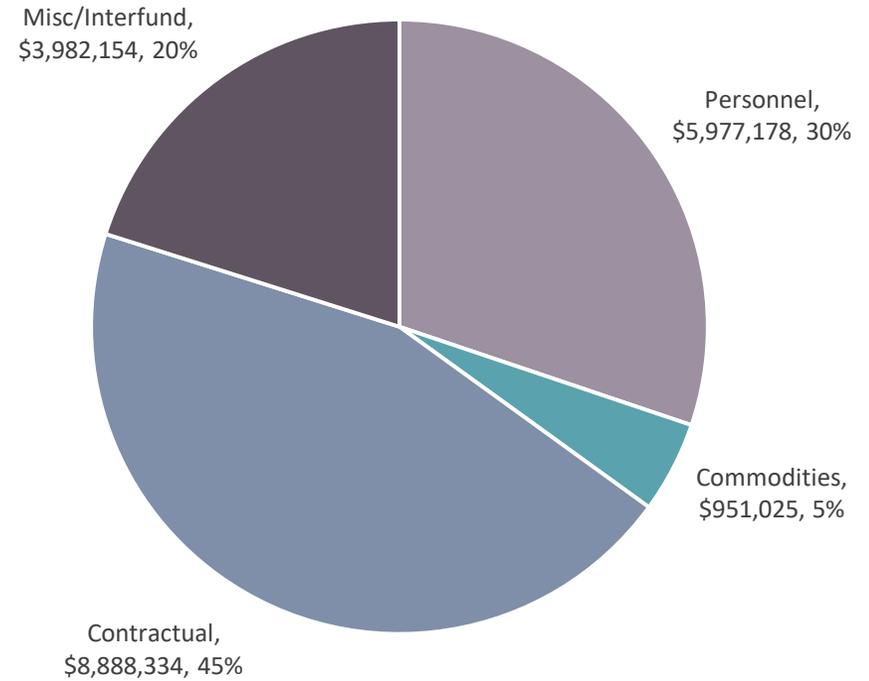
SANITATION FUND

Depreciation: \$900,000
 General Fund Services: \$765,829
 Closure/Postclosure: \$1,500,000
 Franchise Fee: \$639,120

REVENUE



EXPENSES



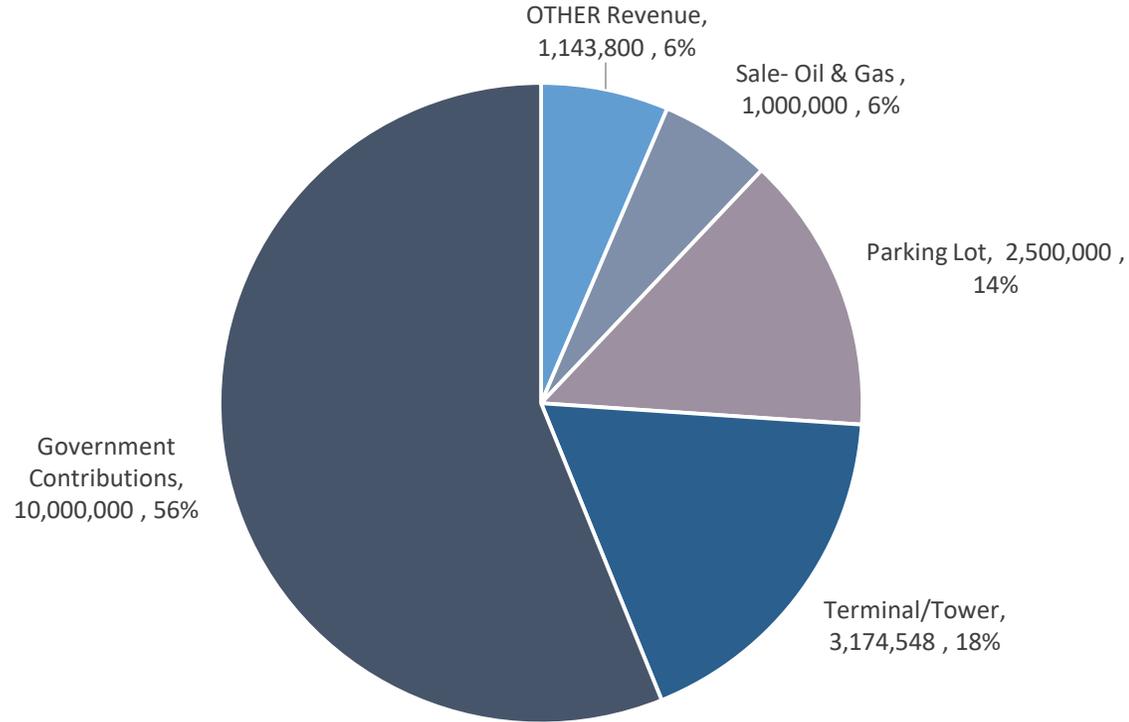
Facilities Maintenance	\$51,600
Equipment Maintenance	\$42,963

Employee Parking	\$3,000
Gas & Oil (Airpark)	\$10,000
Off Airport Parking	\$20,000
Royalty	\$30,000
Interest	\$30,000
Gas & Oil	\$70,000
Misc	\$75,000
ROW Sales	\$100,000
Aviation (Airpark)	\$195,800
Landing Fees	\$250,000
Aviation	\$360,000

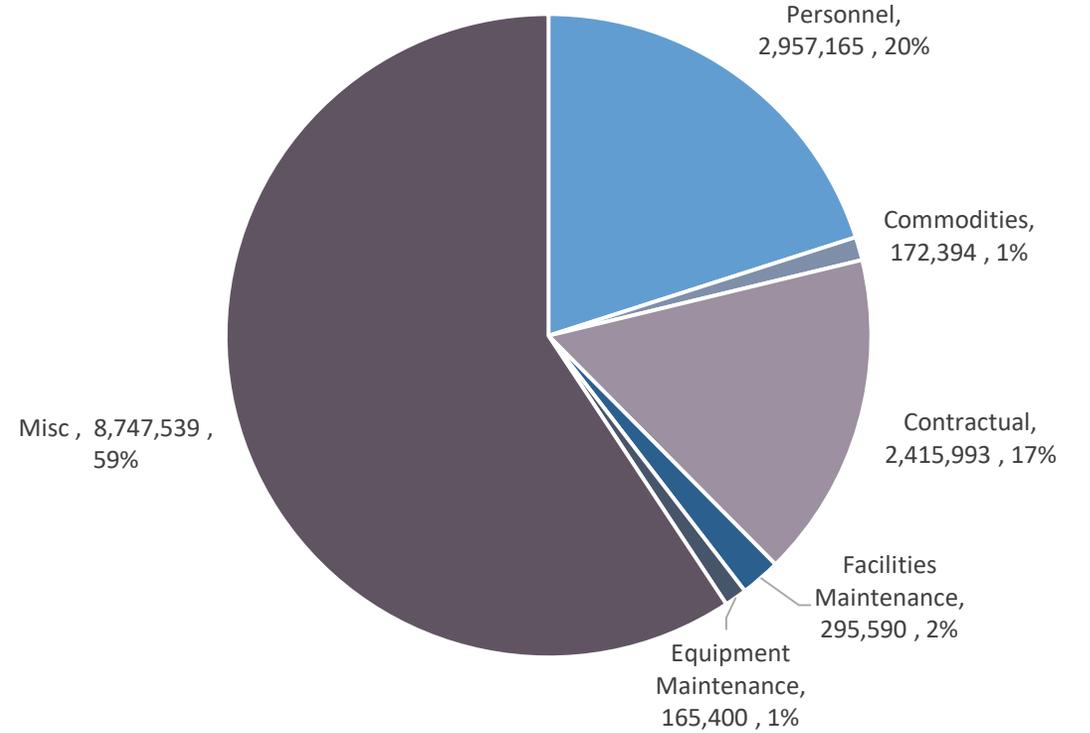
AIRPORT FUND

Depreciation: \$6,000,000
 General Fund Services: \$2,547,539

REVENUE



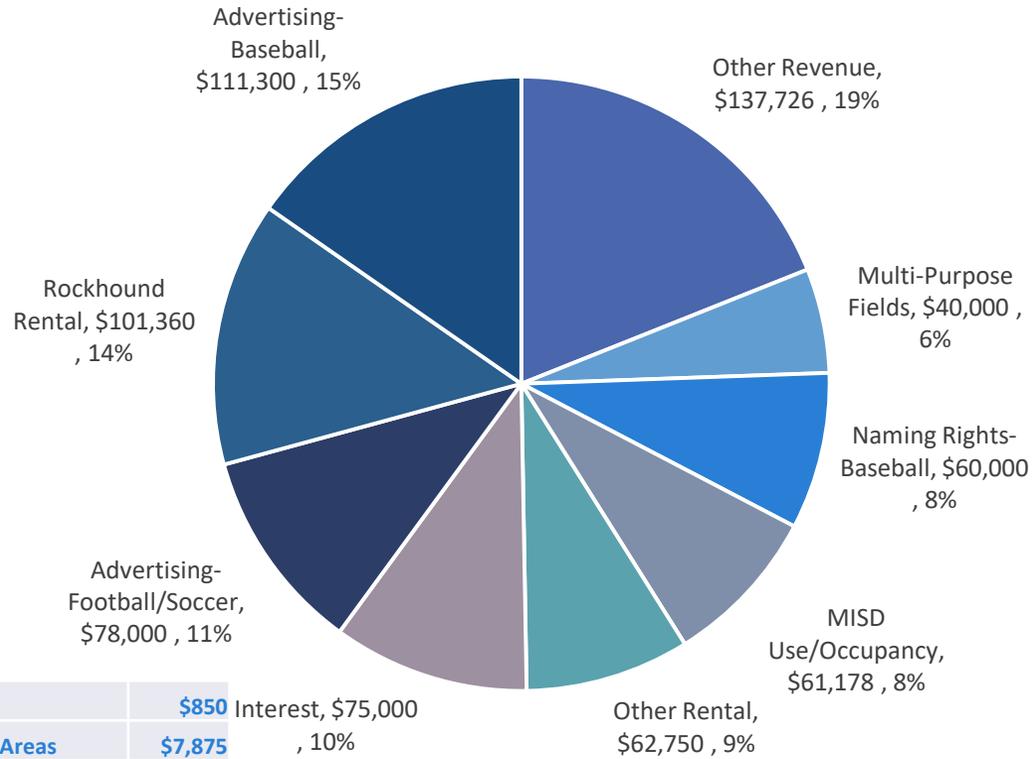
EXPENDITURES



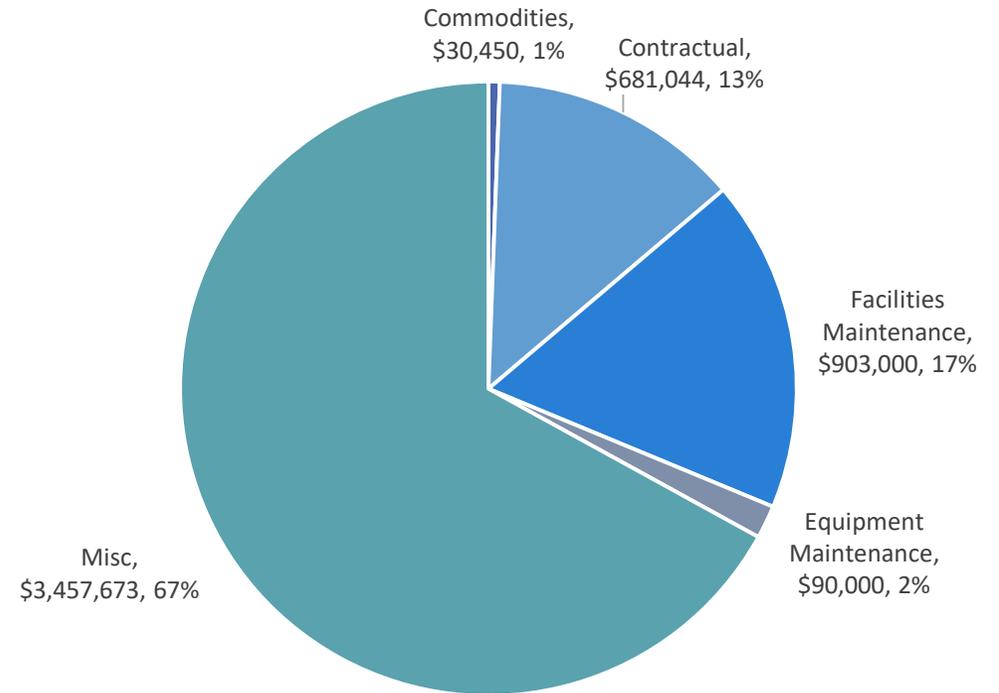
SPORT COMPLEX FUND

Depreciation: \$2,000,000
 General Fund Services: \$1,351,673

REVENUE



EXPENSES

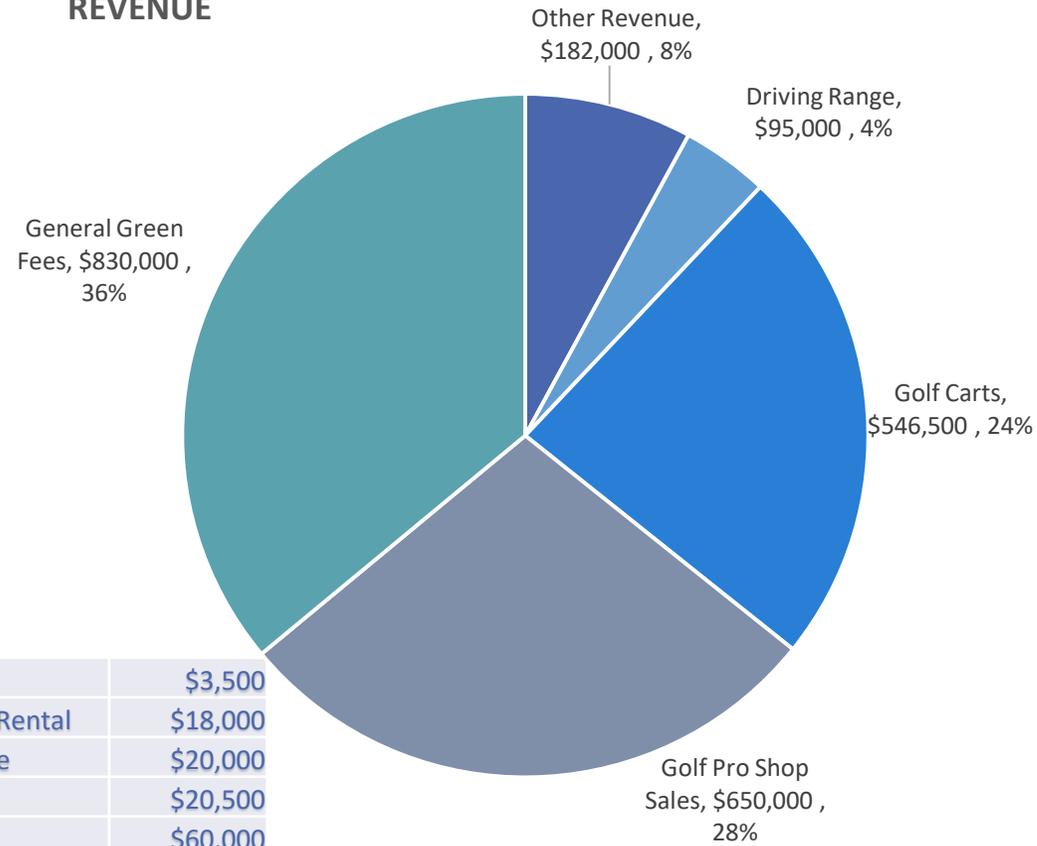


Baseball Concession	\$850
Advertising-Common Areas	\$7,875
Rental-Common Areas	\$20,520
Football-Soccer Concession	\$21,750
Naming Rights-Football/Soccer	\$24,375
Misd Operating Contribution	\$30,000
Other Rental	\$32,356

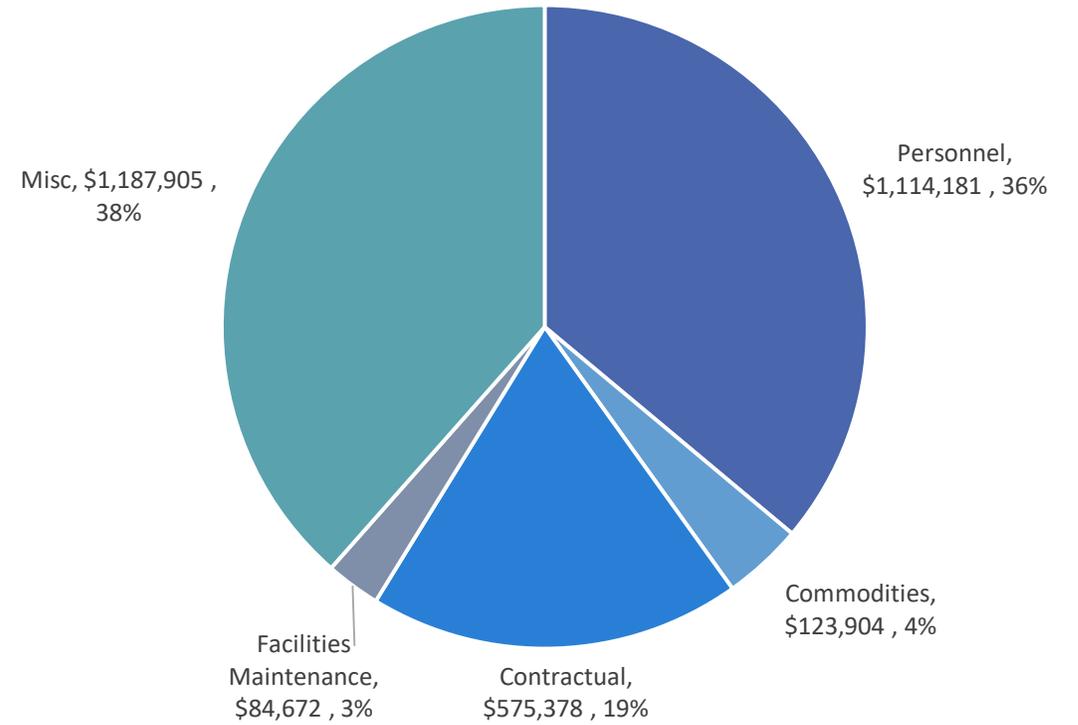
GOLF COURSE FUND

Depreciation: \$250,000
 General Fund Services: \$303,538

REVENUE



EXPENSES



Interest	\$3,500
Golf Pro Shop Equip Rental	\$18,000
Tournament Revenue	\$20,000
Other Fees	\$20,500
Senior Rates	\$60,000
Snack Bar Rentals	\$60,000

BUDGET CALENDER

July 28

- Council to establish proposed tax rate

August 25

- Public Hearing on Budget
- Public Hearing on Tax Increase
- Ordinance First Readings
 - Council to Adopt Budget Ordinance (1st Reading)
 - Adopt Tax Rate Ordinance (1st Reading)

September 8

- Ordinance Second Readings
 - Council to Adopt Budget Ordinance (2nd Reading)
 - Adopt Tax Rate Ordinance (2nd Reading)