

MIDLAND M^{omentum} MENTUM

CITY OF MIDLAND BUDGET BOOK

ADOPTED BUDGET
FISCAL YEAR 2025



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Midland
Texas**

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morill

Executive Director



**The Government Finance Officers Association
of the United States and Canada**

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

Finance Department
City of Midland, Texas



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards.

Executive Director

Christopher P. Movell

Date: **8/15/2024**

CITY OF MIDLAND, TX

ADOPTED BUDGET

FISCAL YEAR 2025



TABLE OF CONTENTS

ADOPTED BUDGET FISCAL YEAR 2025	4
Table of Contents	5
Mayor and City Council	8
City of Midland Demographics	9
City of Midland Vision, Mission and Core Values	12
INTRODUCTION AND OVERVIEW	14
Strategic Goals	15
Letter to City Council	20
Proposed vs. Adopted	22
FY 2025 Property Tax	26
Assessed Valuation	27
Staffing Summary	28
Staffing Explanation	29
FUND STRUCTURE AND PROCESS	30
Fund Structure	31
Department Fund Relationship	32
Fund Types Managed by the City	34
City Organizational Chart	35
Financial Policies	36
Procedures	37
Basis of Budgeting and Budget Process	38
FY 2025 Budget Calendar	42
Annual Budget Cycle	44
FINANCIAL SUMMARIES	45
Fund Overview	46
Fund Balances	47
Consolidated Funds	50
All Funds	52
Major Revenue by Function	53
Revenue Administration	55
Revenue Overview	56

TABLE OF CONTENTS CONTINUED

CAPITAL AND DEBT	63
Capital Budget	64
FY2025 Capital/Fixed Asset Budget	67
Capital Expenditures	68
CIP	70-73
Capital Projects 2024-2025	74-91
Debt Service Management	92
DEPARTMENTAL BUDGET DETAIL	94
General Fund Detail	95
General Fund Descriptions	96
General Fund Expenditures	103
City Council (Legislative)	104
City Managers Office	105
Strategic Communications	107
Municipal Court	109
City Attorney	111
Administrative Services	113
Information and Technology Systems (ITSD)	115
Finance	118
General Services	120
Development Services	122
Engineering Services	124
Parks and Recreation	126
Police	128
Fire Department Administration	130
Fire (Health Services)	132
Fire (Animal Services)	134
Non-Departmental	136
Enterprise Funds	138
Utilities Water and Sewer	139
Drainage Fund	142
Sanitation	143
Airport	145

INTERNAL SERVICE FUNDS	148
Internal Funds Descriptions	149
Garage Fund	151
Technology Fund	153
Risk Management Fund	154
Employee Benefits Fund	155
SPECIAL REVENUE FUNDS	157
Special Revenue Funds Descriptions	158
Special Revenue Funds Summary	160
Golf Course	161
Sports Complex	163
Hotel/Motel Fund	165
Parks Oil and Gas Special Purpose Fund	166
DEBT SERVICE FUNDS	167
APPENDIX	169
Budget Glossary	170
Tax Ordinance	173
Budget Ordinance	176

MAYOR AND CITY COUNCIL



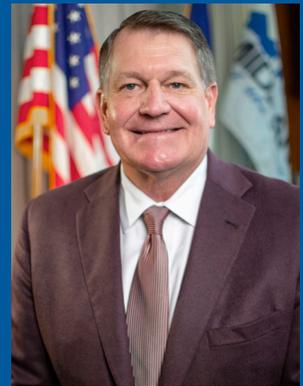
LORI BLONG
MAYOR



ROBIN POOLE
AT-LARGE



ERIC DAVIDSON
AT-LARGE



SCOTT DUFFORD
DISTRICT ONE



JOHN NORMAN
DISTRICT TWO



JACK LADD
DISTRICT THREE



AMY STRETCHER BURKES
DISTRICT FOUR

MIDLAND DEMOGRAPHICS

MIDLAND, TX HISTORY

Located in the Permian Basin in the plains of West Texas, the history of Midland, Texas is rich and diverse. In 1880, the Texas Pacific Railroad began to lay tracks westward from Fort Worth at about the same time that the Southern Pacific began building east from El Paso. The place where the tracks met became known as Midway. Later, the name was changed to Midland.

In its initial years, Midland was basically a small farming and ranching community. The discovery of oil in the Permian Basin in 1923 changed the area significantly. Soon, Midland had been transformed into the administrative center of the West Texas oil fields. The Second World War saw Midland becoming the largest bombardier training base in the United States, and post-war Midland saw its second boom period beginning with the discovery of what is still ranked today as the second largest oil and gas shale in the world. In the US, the Permian Basin plays a more important role in the nation's energy industry compared to any other city besides Houston.

Today, Midland is a thriving community in the heart of the Permian Basin oil region, which is the 2nd largest oil and gas shale in the world. In fact, outside of Houston, no other area in the US plays a more important role in the nation's energy industry than the Permian Basin. Midland is home to large international corporations, expanding family businesses, and entrepreneurs seeking growth opportunities. Our economy is growing and our residents enjoy the benefits of having the second highest personal income in the United States.

The city is also proud to be the hometown of former First Lady Laura Bush and the former home of two U.S. Presidents, George H.W. Bush and George W. Bush.

POPULATION GROWTH

In 1910, four years after Midland's incorporation, the population stood at 2,192. Since then the population has skyrocketed with the discovery of oil. The current population is approximately 140,232, it is the 25th largest city in Texas and the 204th largest city in the United States. Midland is currently growing at a rate of 1.33% annually and its population has increased by 26.17% since the 2010 census, which recorded a population of 111,147. Spanning over 75 miles, Midland has a population density of 1,846 people per square mile.

MIDLAND HISTORICAL POPULATION GROWTH

Year	Total Population	Growth	Growth Rate
2024	140,232	1,835	1.33%
2023	138,397	3,940	2.93%
2022	134,457	2,914	2.22%
2021	131,543	-1,347	-1.01%
2020	132,890	-12,732	-8.74%
2019	145,622	3,496	2.46%
2018	142,126	5,899	4.33%
2017	136,227	1,282	0.95%
2016	134,945	1,510	1.13%
2015	133,435	5,086	3.96%

MIDLAND POPULATION BY AGE

Midland population median age in Midland is 31.4 years, 31.4 years for males, and 31.3 years for females.

*For every 100 females there are 107 males

- Male (median range): 31.4
- Female (median range): 31.3
- Total Midland Median Age Range: 31.4

HOUSEHOLD TYPE

The median household income in Midland is \$90,448 with a poverty rate of 10.51%. Median and Mean incomes:

Household Type	Median	Mean
Households	\$90,448	\$123,556
Families	\$109,030	\$142,772
Married Families	\$133,006	\$166,392
Non-Families	\$53,373	\$79,763

HOME OWNERSHIP

Rate of Home Ownership is 63.9% vs 36.1% for renting.

*The YTD median house listing is **\$365,000**

*The average rental cost has been **\$1,477 per month**

Type	Owner	Renter
Married	82.0%	18.0%
Female	56.1%	43.9%
Male	42.3%	57.7%
Non-Families	43.9%	56.1%
All	63.9%	36.1%

RACE

Midland, Texas is a Hispanic-majority city. According to the state demographer, more migrants than ever moving into Texas are from an Asian country and have lived somewhere in the U.S. first.

Race	Population	Percentage
Hispanic	61,160	46.16%
White	56,031	42.29%
Black or African American	9,421	7.11%
Asian	2,471	1.87%
Native American	380	0.29%
Native Hawaiian or Pacific Islander	47	0.04%
Two or More Races	2,864	2.16%
Other	116	0.08%

JOB MARKET

Rank	Area	Unemployment Rate
1	Midland	2.6
2	Amarillo	3.0
3	College Station	3.2
4	Abilene	3.4
5	Austin-Round Rock	3.4

*TWC Labor Market Review, Unemployment Rate, October 2024 Report

MIDLAND METROPOLITAN STATISTICAL AREA

Midland Area has topped GDP growth among the 150 Extended Metropolitan Areas in the US at 5.2%. These areas include Austin (3.7%), San Fransisco (3.0%), Seattle (2.3%), Nashville (2.3%) and Dallas (2.0%).

*Kenan Institute of Private Enterprise, Jan 2024 report

MISSION, VISION & VALUES

Midland, Texas, is a city where progress meets tradition, offering a unique blend of small-town charm and big opportunities. Known for its pivotal role in the energy sector, Midland's innovative spirit drives its growing influence in business, culture, and community life. With a thriving downtown and a welcoming atmosphere, Midland is a place where ambition and quality of life go hand in hand.



MISSION

Deliver exceptional services and promote a high quality of life and place for ALL our citizens.



VISION

The City of Midland will be the premier and safest city in West Texas by providing world-class municipal services through operational excellence and a culture of innovation.



VALUES

COMMITMENT • ENGAGEMENT • EXCELLENCE • INNOVATION
INTEGRITY • INCLUSIVITY

IFORCE

The iFORCE Guiding Principles for the City of Midland are more than just words—they're the foundation of how every city employee approaches their work and serves the community. These principles—**Integrity, Financial Stewardship, Outstanding Service, Respect, Collaboration, and Excellence**—shape the daily experiences of both employees and residents.

At the heart of iFORCE is **Integrity**. Employees are encouraged to lead with honesty and strong moral principles, ensuring that every decision reflects the trust placed in them by the community. **Financial Stewardship** is about more than just balancing budgets; it's about managing public resources wisely, ensuring that every dollar spent serves the best interests of the city.

When it comes to **Outstanding Service**, employees strive to go above and beyond, dedicating themselves to meeting the needs of residents with care and commitment. **Respect** is woven into every interaction, with employees treating everyone they encounter with dignity, valuing the diverse perspectives that make Midland a vibrant community.

Collaboration is key to achieving the city's goals, with employees working together across departments and with the community, knowing that teamwork leads to better outcomes. Finally, Excellence drives every task, big or small, as employees strive to deliver the highest quality in all they do.

For the employees of the City of Midland, these guiding principles are not just ideals—they are the roadmap to making a real difference in the lives of the people they serve every day.



INTRODUCTION & OVERVIEW

STRATEGIC GOALS

1. Strong Economy with More Quality Jobs

1.1 Increase the Midland Sales Tax Base:

Develop strategies to expand the tax base by attracting businesses and supporting local commerce.

1.2 Enhance Visitor Revenue Opportunities:

Boost tourism through marketing and infrastructure improvements.

1.3 Continue Downtown and West Midland Redevelopment:

Promote revitalization efforts for a vibrant downtown.

1.4 Nurture Development Districts:

Establish key action plans honed to enhance Development Districts.

1.5 Grow the Core Business of Air Transportation:

Develop and transform the Midland airport system.

1.6 Diversify Midland's Economy:

Support initiatives that diversify the local economy and enhance resilience.

1.7 Expand Opportunities and Programming for General and Small Business:

Foster the growth, retention, and expansion of local small businesses as well as business in general.

1.8 Improve Speed to Market for Citizens, Builders, Developers, and Contractors:

Reduce wait times for permit review/approval and inspection process of permitted work.

1.9 Establish Our Community as a Premier Destination for Retail and Entertainment:

Offer unique and compelling experiences that draw visitors, ultimately driving economic growth and community vibrancy, while increasing tourism and business development.



2. Set the Standard for a Safe and Secure City

2.1 Be the Safest City in West Texas:

Enhance public safety programs.

2.2 Improve Pedestrian and Motorist Safety:

Invest in traffic management and infrastructure.

2.3 Implement Effective Code Enforcement Strategies:

Address nuisances to improve overall health and safety.

2.4 Revitalize Neighborhoods:

Utilize best practices to support the redevelopment of neighborhoods.

2.5 Enhance Animal Services:

Ensure the welfare of pets and wildlife in the city.

2.6 Grow and Retain Public Safety Resources:

Expand law enforcement presence as well as fire reduction and prevention programs while reducing attrition.

3. Quality of Life and Place

3.1 Enhance Community Engagement:

Champion innovative recreational, educational, and cultural programs that enrich residents' lives in partnership with the business community.

3.2 Foster Relationships with Foundations and Outside Businesses:

Collaborate to create world-class facilities and amenities.

3.3 Create an Attractive and Inclusive Living Environment:

Develop and enhance live, work, and play opportunities for our citizens.

3.4 Establish Beautification Programs:

Implement initiatives to make the community clean and bright.

3.5 Nurture and Promote a Healthy Community:

Increase healthy community living and education opportunities for citizens of all ages.

3.6 Build the Best Parks System in Our Region:

Offer diverse, accessible, and enjoyable green spaces, tournament-ready ball fields, safe playgrounds, and unique recreational opportunities that enhance the quality of life/quality of place for our community

4. Transparent and Consistent Communication

4.1 Set a climate of respect, collaboration, and team spirit:

Cultivate a culture of openness and respect.

4.2 Enhance communication efficiency and effectiveness:

Leverage and expand the use of technology to facilitate the exchange of information.

4.3 Enhance internal communication and employee engagement:

Strengthen information flow and collaboration among city staff.

4.4 Advance two-way communication of key messages:

Engage effectively with external stakeholders; foster community engagement.

4.5 Strengthen messaging opportunities through various media outlets:

Communicate the city's achievements and initiatives.



5. Provide Sound Governance & Fiscal Management

5.1 Recruit and Retain a Skilled and Diverse Workforce:

Invest in talent and diversity; grow our local pipeline of skilled employees.

5.2 Enhance Citizen Experience:

Improve employee working conditions to better serve citizens.

5.3 Hone Public Servant Proficiency:

Cultivate a culture of professional growth, skilled mastery, and information exchange.

5.4 Implement Cutting-Edge Practices:

Harness automation and Artificial Intelligence technology for efficient resource utilization.

5.5 Promote a Well-Balanced Customer Service Philosophy:

Consistently deliver excellent service to residents.

5.6 Deliver Services Timely and Efficiently:

Prioritize continuous improvement.

5.7 Ensure Continued Financial Stability and Accountability:

Maintain financial transparency.

5.8 Deliver Effective and Efficient Processes:

Maximize value in procurement.

5.9 Ensure Reliability and Safety:

Maintain existing assets and develop new city asset opportunities, including parks and other facilities, with a standard of excellence.

5.10 Create a Work Environment that Supports Bleeding-Edge Practices:

Encourage bleeding-edge practice that then cultivates an environment where employees can learn from their experiences and improve processes; thus, becoming a learning organization.



6. Strengthen and Sustain Our Infrastructure

6.1 Provide Reliable and Sustainable Utilities:

Guarantee water supply and distribution systems security and longevity.

6.2 Enhance Infrastructure for Economic Growth:

Improve competitiveness through infrastructure investments that includes collaboration with neighboring jurisdictions and exemplary peer agencies.

6.3 Streamline and Consolidate City Facilities:

Create synergy for improved services.

6.4 Standardize Infrastructure Processes Across the City:

Ensure consistency, timeliness, and accountability in infrastructure development.

6.5 Implement a Funding Stream for Infrastructure:

Establish reliable funding for continual improvements.

6.6 Strategize for and Monitor City Growth:

Develop proactive responses to growth rather than reactive.

6.7 Develop and Implement Comprehensive Road Planning and Maintenance Initiatives:

Ensure safe and maintained roads for existing and new developing areas and main thoroughfares.



LETTER FROM THE CITY MANAGER

TO: Honorable Mayor and City Council
FROM: Tommy Gonzalez, City Manager
SUBJECT: 2024-2025 Budget

I am pleased to present the City of Midland's Adopted Budget for Fiscal Year 2024-25 for your review, in accordance with the City Code of Ordinances and the City Charter. This balanced budget outlines our Strategic Plan for the 2025 fiscal year, running from October 1, 2024, to September 30, 2025. We are proud to offer a plan that reflects our commitment to the city's future and its ongoing development.

During the current fiscal year, the City of Midland has continued to experience economic growth, although it has also felt the impact of ongoing inflation. The General Fund's balance increased by \$2.7 million, reversing the earlier projection of a \$1.5 million decrease. Recent evaluations awarded the City an 'AAA' rating from Fitch and an 'Aa1' rating from Moody's, underscoring its strong financial health, overall stability, and solid reserves.

In October 2023, the City Council developed a five-year Strategic Plan outlining long-term objectives, new mission and vision statements, and a roadmap for achieving community goals. The Adopted FY 2025 Budget aligns with the Strategic Plan, focusing on the following key areas:

Communication: Enhancing transparency and community engagement.

High-Performing City Team: Investing in recruitment, training, and retention to maintain a high-performing workforce.

Customer Service: Prioritizing service excellence for our residents and stakeholders.

Legislation: Advocating for policies that support Midland's continued growth and sustainability.

Economic Development: Promoting initiatives that attract businesses and diversify the local economy.

Quality of Place: Creating vibrant public spaces and enhancing recreational and cultural amenities.

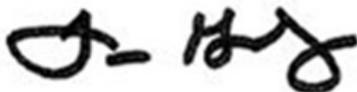
Fiscal Responsibility and Accountability: Ensuring sound financial practices and resource allocation.

This budget reflects our ongoing commitment to addressing Midland's priorities while preparing for future opportunities and challenges. By aligning financial resources with strategic goals, we aim to build on the city's momentum and ensure long-term sustainability.

We extend our gratitude to the Mayor, City Council, city staff, and our community partners for their continued collaboration and dedication. Your support and leadership have been instrumental in shaping this comprehensive financial plan.

We look forward to working together to achieve the goals outlined in the Strategic Plan and continuing to make Midland a premier place to live, work, and thrive.

Sincerely,
Tommy Gonzalez
City Manager
City of Midland





PROPOSED VS. ADOPTED

8-12-2024 Notice about 2024 Tax Rates for FY 2025

This notice concerns the 2024 property tax rates for City of Midland. This notice provides information about two tax rates used in adopting the current tax year’s tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given in \$ per \$100 of property value.

Tax Rate	FY 2024-2025
Voter-Approved Rate	.353200
No-New-Revenue Rate	.344044
Voter-Approval w/Increments	.361054
Voter-Approved M&O Tax Rate	.294858
Interest & Sinking (Debt Service)	.058342

Notice was initially set to go out by August 6th, but incorrect value produced in the Midland Central Appraisal District (MCAD) computer system required recalculation of the Property Tax Rate, delaying the Notice.

8-14-2024 Council Workshop and Establish Tax Rate Ceiling for FY 2025

The proposed budget was submitted and presented to the City Council at a Budget Workshop on August 14th, 2024. Since this time, the following changes have been made:

1) Adjustment to Ad Valorem Revenue in General fund after receiving updated certified numbers from MCAD. Total increase to Ad Valorem Revenue \$1,251,789. There will be no increase to Operating expenses with this budgeted revenue increase.

	Original Proposed Budget	Updated Proposed Budget
General Fund (Revenue)-Property Tax	\$62,312,441	\$63,564,230

2) Reduction of Operating Expense in General Fund of \$1,000,000 and adding an additional \$1,000,000 dollars to Road Maintenance. Total budgeted General Fund expenses unchanged.

3) Add Operating Budget for new Health Incentive Fund by reducing Operating Budget and increasing Transfer out for the below funds:

Fund	Amount
General Fund	\$216,934
Water Fund	\$38,092
Solid Waste Fund	\$30,927
Airport Fund	\$14,653
Garage Fund	\$11,549
Gen Liability Fund	\$8,322
Golf Course Fund	\$6,625
Sports Comp Fund	\$3,224
Benefits Fund	\$2,025
Tech Fund	\$1,637
Drainage Fund	\$882
Total to Health Incentive Fund	\$334,870

In the Budget Workshop, Council established a property tax rate ceiling of 35.0662 cents per \$100 valuation. The rate is comprised of the maintenance and operations portion (29.2320 cents) and the debt service portion (5.8342 cents). This rate was greater than No-New-Revenue Rate but less than the Voter-Approval Tax Rate.

Tax Rate	Adopted FY 2024	Proposed FY 2025
Adopted/Proposed Tax Rate	0.350662	0.350662
Voter-Approved Tax Rate	0.353162	0.353200
No-New-Revenue Rate	0.328693	0.344044
Adopted M&O Rate	0.267841	0.292320
No-New Revenue M&O Tax Rate	0.300330	0.285702
Interest & Sinking (Debt Service)	0.060852	0.058342

9-10-2024 Public Hearings and Vote on Tax Rate and Budget (Ordinance 1st Reading)

According to State Legislature requirements, Public Hearings were organized and citizens were notified of their opportunity to participate and provide feedback. The budget hearing took place first, followed by council action to vote in favor of a General Fund Budget of \$176.3 million. Next, the public hearing and first reading for the tax increase was held. City Council's vote did meet the super majority (60%) in favor of the 0.350662 tax rate proposed on August 14th. The tax rate would be discussed again next council meeting, where a tax rate will be voted on and ratified.

9-17-2024 Vote on Budget and Tax Rate (Ordinance 2nd Reading)

The FY2025 Budget consisted of \$176.3 million for General Fund Purpose.

The second reading of the Proposed tax rate that was previously voted on by council and did meet the super majority requirements. Council voted to ratify a rate .0020 lower than the Proposed rate, for a new rate of 0.348662. This rate is comprised of maintenance and operations portion (.290320) and the debt service portion (0.058342).

Proposed Tax Rate	0.350662
Adopted Tax Rate	0.348662

There would be no need to be reduce the General Fund Operating Budget, due to the earlier mentioned MCAD Tax Rate correction that provided greater revenue than was initially budgeted. Budgeted Property Revenue was updated to reflect the change

	Proposed Budget	Updated 8-12-2024	Updated 9-17-2024
General Fund (Revenue)			
Property Tax	\$62,312,441	\$63,564,230	\$63,130,200

Included in the FY2025 Adopted Budget are multiple projects. New bond funding will support the following projects:

Sinclair Backage Road (SH 158 to CR 1250)	\$9.0M
Mockingbird Lane (Holiday Hill – Midland Drive)	\$7.5M
Mockingbird Land at Whitman (by Summit Center)	\$3.0M
Avalon (Briarwood – Mockingbird LN)	\$4.5M
Wadley/Jal Draw Multiuse Trail	\$2.0M
Public Infrastructure	\$2.8M
Total	\$28.8M

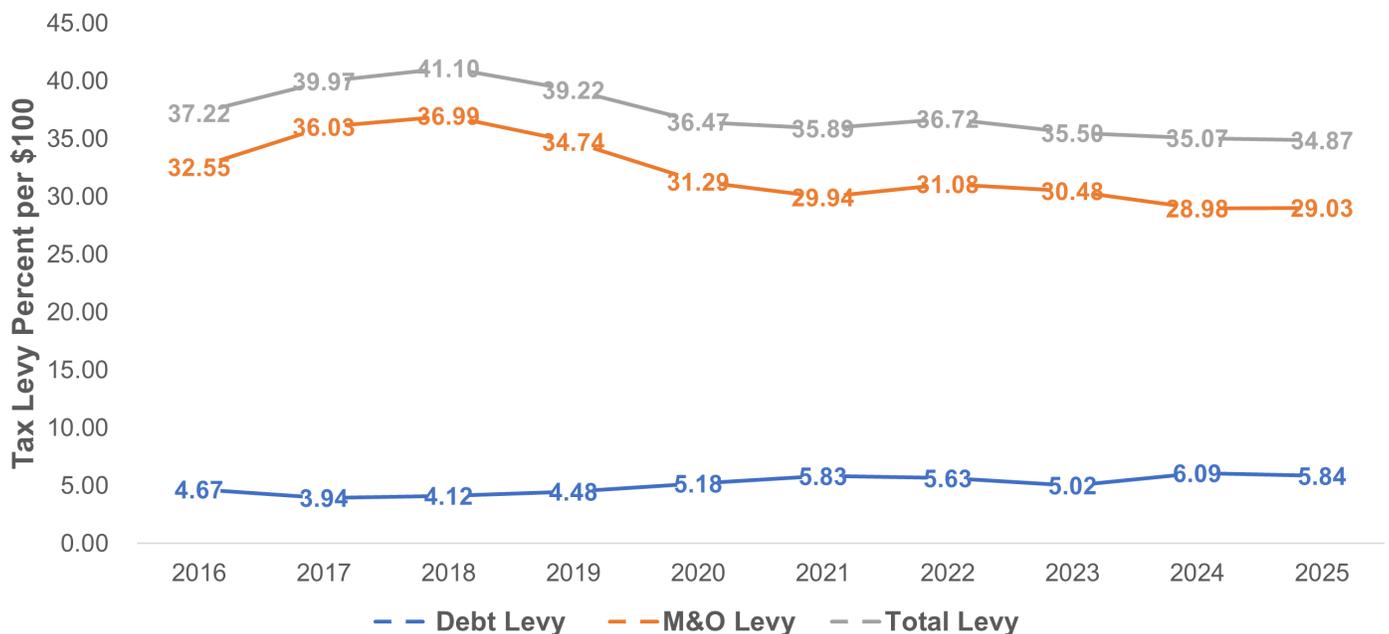


FY2025 PROPERTY TAX

A tax rate of 0.348662 per \$100 valuation has been adopted by the governing body of City of Midland. The no-new-revenue tax rate is the tax rate for the 2024 tax year (FY2025 Revenue) that will raise the same amount of property tax revenue for City of Midland from the same properties in the 2023 tax year (FY2024 Revenue). This does not include revenue from new property added to the tax rolls. The rate of .348662 is effectively a 2.61% increase in the tax rate. The municipal property tax rates for the preceding fiscal year, and each municipal property tax rate that has been adopted or calculated for the current fiscal year, include:

Tax Rate:	FY 2024	FY 2025
Adopted Tax Rate	.350662	.348662
No-New-Revenue Rate	.328693	.344044
Voter-Approval Tax Rate	.353162	.353200
Voter-Approval w/Increments	.380408	.361054
Interest & Sinking (Debt Service)	.060852	.058342

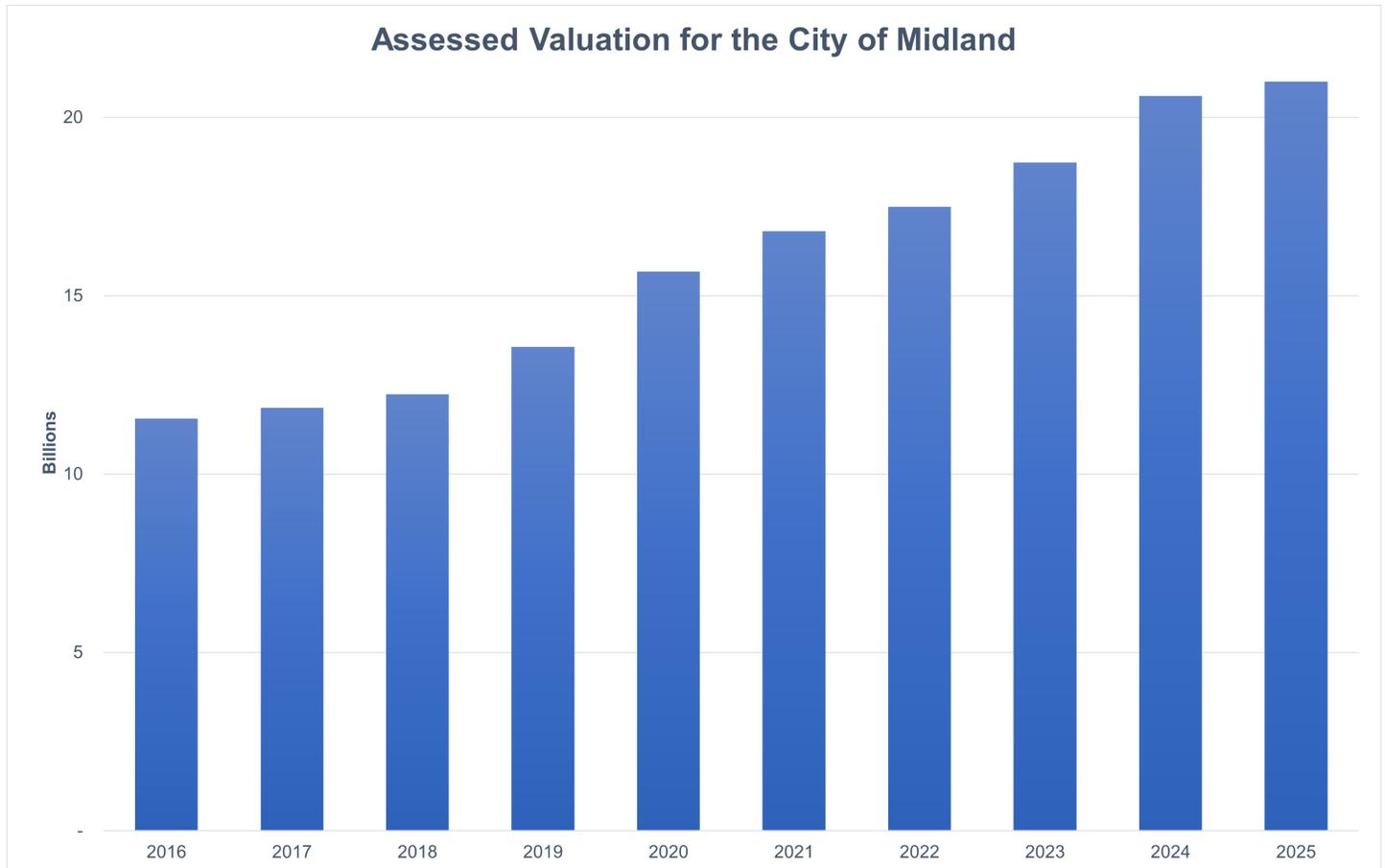
10 Year Property Tax Rate History



ASSESSED VALUATION

What is Assessed Valuation?

- For the purpose of taxation, a property is assessed for its monetary worth. This ascertained price is known as assessed value.
- This assessment is done at an annual basis, considering factors such as property values and market conditions in the neighboring areas. This assessment is conducted for measuring applicability of property taxes based on the monetary value of the property.



STAFFING SUMMARY

Goal 1	Department	FY 2023	FY 2024	FY 2025	YoY Difference
	Airport	33	34	34	0
	Development Services	45	46	55	9
	Total	78	80	89	9

Goal 2	Department	FY 2023	FY 2024	FY 2025	YoY Difference
	Fire Department	262	275	275	0
	Animal & Health	50	54	59	5
	Municipal Court	23	23	24	1
	Police Department	250	259	261	2
Total	585	611	619	8	

Goal 3	Department	FY 2023	FY 2024	FY 2025	YoY Difference
	Parks & Recreation	66	72	74	2
	Total	66	72	74	2

Goal 4	Department	FY 2023	FY 2024	FY 2025	YoY Difference
	ITSD	65	66	72	6
	Strategic Communication	4	5	6	1
	Total	65	71	78	7

Goal 5	Department	FY 2023	FY 2024	FY 2025	YoY Difference
	Administrative Services	12	13	17	4
	City Manager	5	6	6	-
	City Secretary	6	6	6	-
	Council	7	7	7	-
	Finance	18	18	20	2
	General Services	42	44	44	-
	Legal	10	10	11	1
	Non-Departmental	-	-	2	2
	Total	100	104	113	9

Goal 6	Department	FY 2023	FY 2024	FY 2025	YoY Difference
	Engineering	86	85	84	-1
	Finance	3	3	3	0
	Solid Waste	75	82	83	1
	Water	124	124	125	1
	Total	288	294	295	1

	FY 2023	FY 2024	FY 2025	YoY Difference
Grand Total	1182	1232	1268	36

STAFFING EXPLANATION

Staffing Level Changes

The Fiscal Year 2025 budget includes changes in staffing. The overall number of full-time equivalent budgeted employees increased from 1,232 to 1,268 (+2.98%). This is an increase of 36 position counts added for Fiscal Year 2025.

Explanation of Changes in Staffing Levels

As the City of Midland and other Texas economies have continued to recover from economic strain and inflation, indicators show the economy is gaining momentum. Although there continue to be challenges of supply issues and labor shortages, these economies are experiencing expansion. City Management is dedicated to both maintaining and enhancing public service levels while supporting ongoing expansion and growth. In alignment with the Strategic Plan, budgets have been reviewed and strategically adjusted. These were some of the positions or reclasses deemed necessary to strengthen and expand service to the citizens:

- Assistant Directors have been added to General Services and Administrative Services to support succession planning and enhance communication and performance within these departments.
- A Human Resource Generalist and Recruiter have been introduced to improve employee services and assist with recruitment efforts.
- Four new Code Enforcement Officers were added to Development Services to improve efficiency, safety and service to the Public.
- Two new Community Service Officers were added to Police Support Services to enhance public safety.
- Eight new positions in the Information Technology Services Department will address security needs, web content management, software training and support, and project management.
- Two positions have been added in Finance to improve compliance, transparency, reporting, and provide additional accounting support.
- A Chief of Staff and videographer have been appointed to bolster governance and City communications.

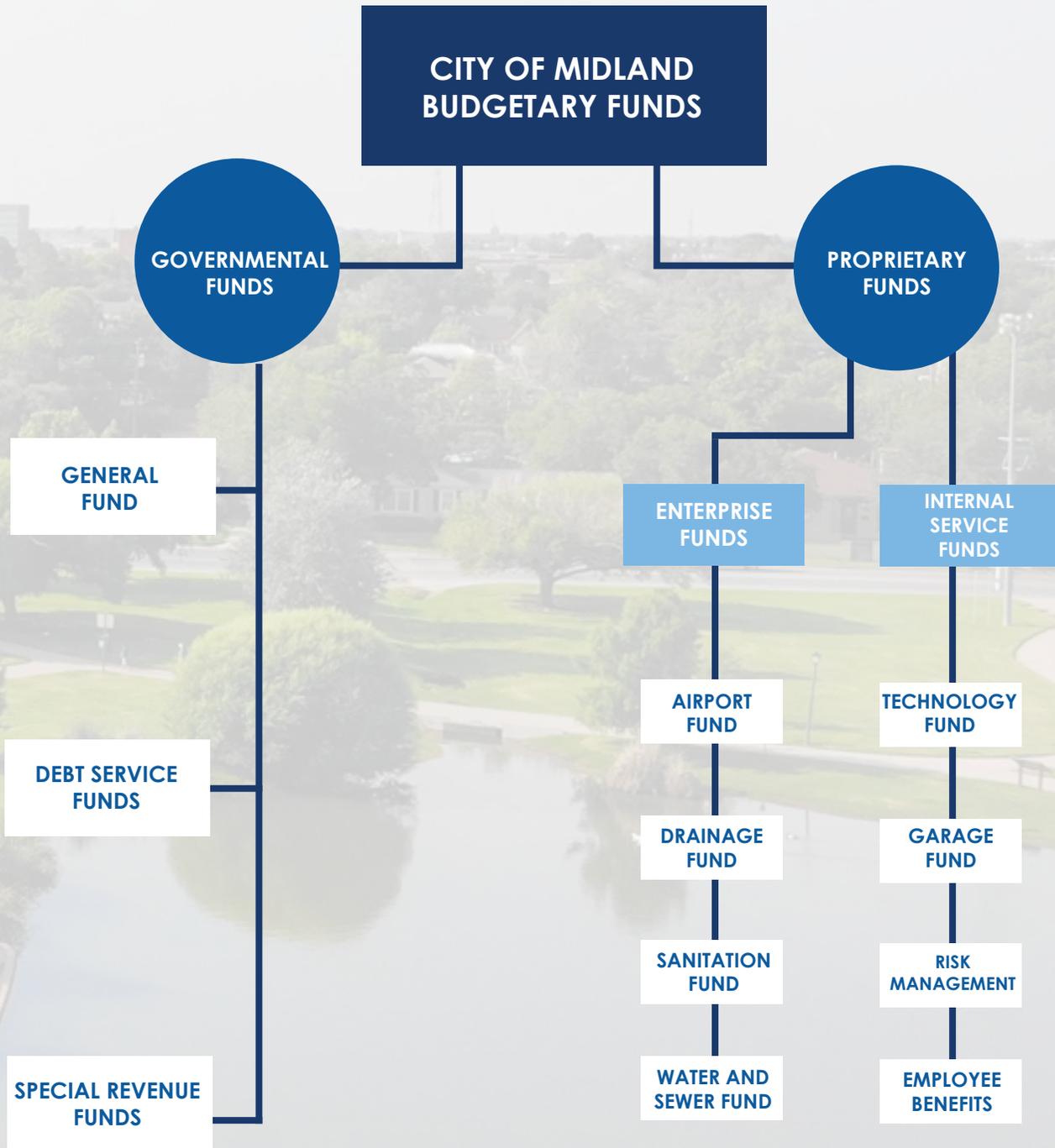
Current employees were budgeted with a 2.0% cost of living increase for Managers/Directors and a 2.5% for all other non-sworn personnel. All non-sworn personnel were budgeted with a 5% merit pay increase, if eligible. Sworn employees were budgeted with a 2.5% cost of living increase to their salary tables. Sworn employees will continue to receive their step increases on their fire anniversary, if eligible.



FUND STRUCTURE AND PROCESS

FUND STRUCTURE

The accounts of the City are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.



DEPARTMENT/FUND RELATIONSHIP

Department	Govt.	Special Revenue			Enterprise				Internal Service				
	Fund 001: General Fund	Fund 090: Hotel/ Motel	Fund 078: Golf Course	Fund 079: Sports Complex	Fund 300: Utilities	Fund 400: Drainage	Fund 430: Sanitation	Fund 500: Airport	Fund 701: Employee Benefits	Fund 702: Risk/Gen Liability	Fund 704: Health Incentive	Fund 750: Garage Fund	Fund 770: Tech Fund
Legislative	X												
City Managers Office	X												
Municipal Court	X												
Legal	X												
City Secretary's Office	X												
Administrative Services	X								X	X			
ITSD	X												X
Finance	X				X								
General Services	X											X	
Development Services	X												
Engineering	X					X							
Community Services	X		X	X									
Police	X							X					
Fire	X							X					
Sanitation							X						
Airport								X					
Utilities					X								



CITY OF MIDLAND
Police and Communication Center

FUND TYPES MANAGED BY THE CITY

GOVERNMENTAL FUND TYPES

General Fund

The accounts of the City are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Examples of Special Revenue Funds are the Hotel/Motel Fund and Municipal Court technology related costs. Golf Course & Sports Complex Funds became Special Revenue Funds in FY 2022.

Interest and Sinking Fund

Tax Supported Debt - This Fund is used to accounts for the accumulation of resources for the payment of general long-term debt principal, interest, and related costs.

Capital Project Funds

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

PROPRIETARY FUNDS

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or when the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Enterprise Funds presented in the annual budget are the Water & Sewer Fund, Sanitation Fund, Drainage Fund and the Airport Fund.

Internal Service Funds

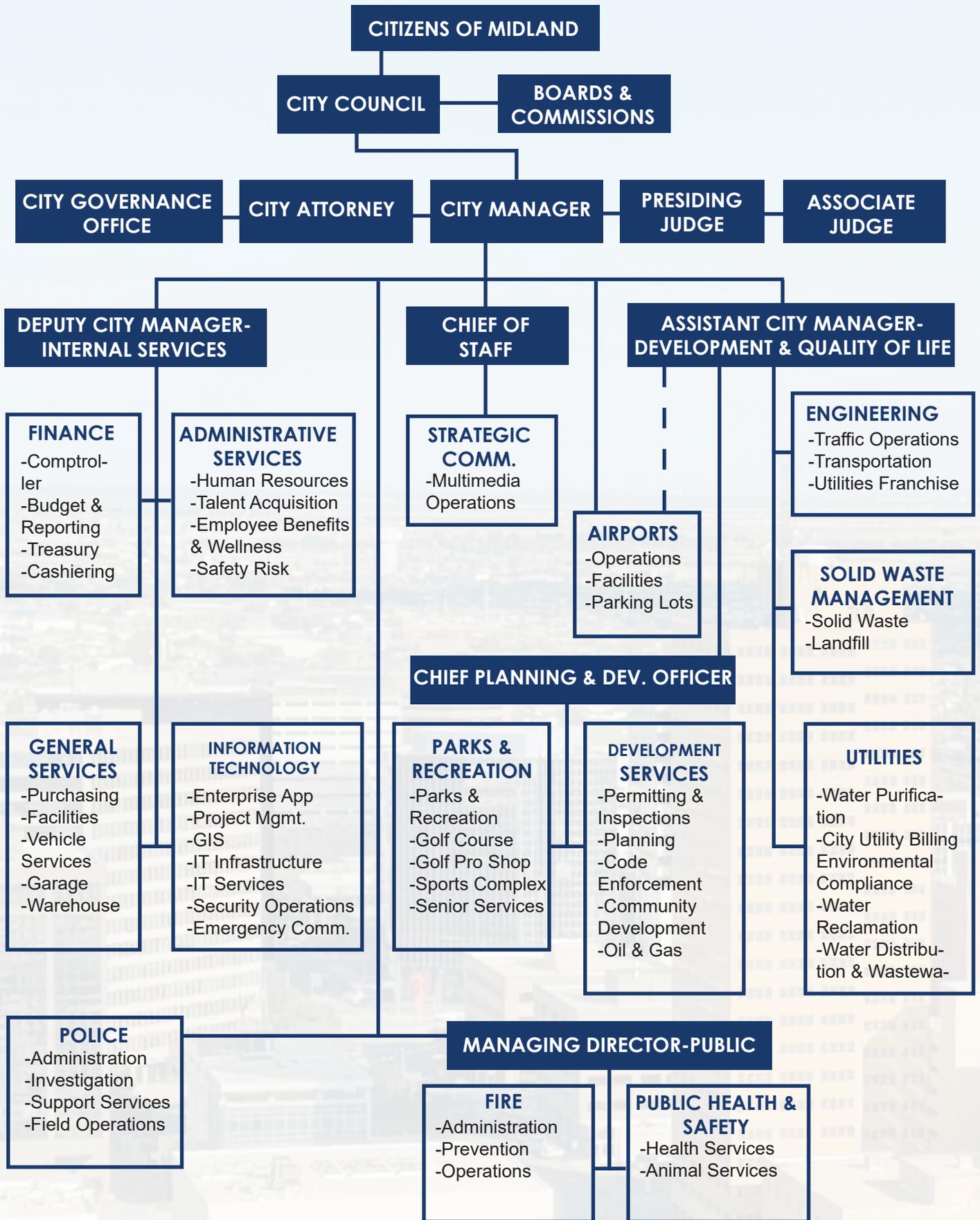
Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The Internal Service Funds presented are the Risk Funds, the Garage Fund, and the Technology Fund.

Major funds represent the significant activities of the City and include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

The General Fund, described on the previous page, is a major fund within governmental funds.

The Water & Sewer Fund is a major enterprise fund that provides water and sewer services to the residents and commercial enterprises of the City and proximate area. These services include the operation and maintenance of a quality water supply system and collection and treatment of wastewater.

CITY ORGANIZATIONAL CHART



FINANCIAL POLICIES

Basis of Accounting

The City's policy is to adhere to accounting principles as established by the Governmental Accounting Standards Board. For governmental funds, this is the modified accrual basis and for proprietary funds, the accrual basis of accounting.

General Fund Balance

The City has a policy of maintaining a General Fund Unappropriated Fund Balance equal to at least twenty five percent (25%) of each fiscal year's operating expenditures. This level is an important factor in maintaining the City's general-purpose bond ratings because of the cyclical nature of the energy industry, which is a major factor in the City's economy. It also provides a source of additional investment income to help maintain a level property tax rate.

Debt Service Fund Balance

The City's policy is to maintain surplus funds equal to 1/12 of the annual debt service requirements in General Obligation Debt Service Funds. Debt Service for Enterprise type funds are accumulated monthly in accordance with prevailing bond covenants; Reserve Funds for each of these obligations are fully established in the amounts required under the ordinances authorizing such obligations.

Use of Bond Proceeds, Grants, etc...

The City's policy is to use bond proceeds, grants, revenue sharing or other non-recurring revenues for capital expenditures and non-recurring expenses only. Such revenues are not used to fund normal City operations.

Budgetary Procedures

Annual budgets are legally adopted for the General Fund and the Debt Service Fund on a basis consistent with generally accepted accounting principles. Formal budgetary integration is not employed for the proprietary funds. The City adopts an annual budget for managerial control for all proprietary funds.

A balanced budget is required for the General Fund. This means that total anticipated revenues must equal total estimated expenditures.

All revenue sources are reviewed to achieve the best possible forecast of revenues. This policy was implemented through seeking the input of the individuals most closely associated with the subject revenues.

Close scrutiny of estimates for reasonableness was inherent in the process to provide the best possible estimate of the resources available to be used in providing services during the upcoming budget year.

The enterprise operations of the City are to be self-supporting; i.e., current revenues will cover current expenditures, including debt service. Due to the inclusion of both capital outlays and depreciation, however, some enterprise funds appear to have more expenditures than revenue.

The City will coordinate development of the capital improvement budget with the development of the annual operating budget. Each capital improvement project is reviewed for its impact on the operating budget in terms of revenue generation, additional personnel required and additional operating expenses.

A calendar is designed each year to provide a framework within which the interactions necessary to formulate a sound budget could occur. At the same time, it will ensure that the City will comply with all applicable state and federal legal mandates.

The Budget is published online at the City's Finance Web Page

@ <https://www.midlandtexas.gov/231/Finance-Budget>

PROCEDURES

The City Council follows these procedures in establishing the budgets reflected in the general-purpose financial statements

- 1** In late July, the City Manager submits to the City Council a proposed budget for the fiscal year beginning on the following October. The operating budget includes proposed expenditures and the means of financing them.
- 2** A budget workshop is held with the City Council in early August to obtain their input and observations.
- 3** Public hearings are conducted at which all interested persons' comments concerning the budget are heard.
- 4** The budget is legally enacted by the City Council through passage of an ordinance.
- 5** Expenditures may not legally exceed appropriations at the division level for legally adopted annual operating budgets.
- 6** The City Manager has the authority to transfer appropriation balances from one expenditure account to another within a single fund of the City. The City Council, however, must approve any transfer of appropriation balances or portions thereof from one fund to another.
- 7** Supplemental appropriations during the year must be approved and adopted by the City Council through the passage of resolutions. The reported budgetary data has been revised for amendments legally authorized during the year.
- 8** The City uses an encumbrance system throughout the fiscal year to provide managerial control over City operations. Encumbrances, other than project encumbrances, lapse at the end of the fiscal year, and therefore, are not reported in the City's general-purpose financial statements. The City charges the subsequent year's budget for the goods and services encumbered, but received after the end of the year.
- 9** At the close of each fiscal year, unexpended budgetary appropriations lapse or revert to the undesignated fund balance. The unexpended appropriation balances in capital projects do not lapse at year end. The Special Revenue Funds are included in the City's annual budget. In addition, information regarding Capital Project Funds are included in the annual budget, but as an information item only.

Exceptions to the accrual basis for budgetary purposes are listed below

- Capital outlay is budgeted as an expenditure in the year of purchase (budget) versus recording as an asset (GAAP).
- Debt service principal payments are recorded as an expense (budget) rather than a reduction of a liability (GAAP).
- Grants received for construction of assets are shown as revenues (budget) and not as capital contributions (GAAP).

For Fiscal Year 2024

The City's budget is balanced, where total revenues are equal to total expenditures.

BASIS OF BUDGETING

All governmental type funds, i.e., the General Fund, Interest and Sinking Fund, and the Hotel/Motel Fund are accounted for and budgeted (with limited exceptions) on the modified accrual basis of accounting, using a current financial resources measurement focus. This basis is consistent with generally accepted accounting principles (GAAP) and generally recognizes revenues when they are measurable and available and expenditures when the related liability is incurred.

Exceptions to the modified accrual basis for budgetary purposes are listed below

- Interfund charges are recorded as revenue (budget) instead of other financing sources (GAAP).
- Changes in fair value of investments are not considered (budget) as opposed to being treated as adjustments to revenue (GAAP).
- The budget for projects is based on project length and does not conform to a fiscal year (GAAP).
- The budget document does not include component units and various special revenue and capital project funds incorporated into the GAAP financial statements.

Financial statements for Proprietary funds, i.e., the Water and Sewer, Sanitation, Airport, and Garage Funds, are prepared on an accrual basis of accounting using a flow of economic resources measurement focus, consistent with generally accepted accounting principles. The accrual basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses are recognized in the period incurred, if measurable. Budgets for the Proprietary funds are prepared on the same basis, with minor exceptions.

BUDGET PROCESS

Creation of the Budget

Preparation and administration of a city government's budget is one of the most important activities in any municipal government. Careful planning of revenues and expenditures has become increasingly significant in the face of an uncertain economy, stagnant revenues, and increasing demands for service. Budget preparation should be among the top priorities of departments and divisions. It is essential that departments examine their operations carefully during this process, to ensure that approved funding provides those services most needed and desired by the public, in the most efficient and economical manner possible.

The budget process is designed to identify and plan the functions, activities and accomplishments of the City of Midland, as well as plan for its financial needs. A budget plans and coordinates revenues and expenditures. In our organization budget preparation begins at the lowest possible level of operations. These budgets are then reviewed at higher levels of management to assure that proposed programs serve the needs of the community and support the overall goals that have been identified by City Council and the public.

The City Manager reviews the budgets for each Department, as well as revenue estimates, and the city-wide budget is prepared which incorporates all funding requests and expected revenues.

The City of Midland uses traditional line item budgeting to determine its operating budget. During the budget process, we must annually reexamine existing program activities and analyze the effect of reducing or reallocating current levels of resources. Reevaluation of programs allows us to respond to our changing economic and political environment and the needs of the community, citizens, and our employees.

After budget adoption, the City Manager may make transfers to and between departments and divisions unless such transfers would increase the total appropriation within a fund. Department managers are authorized to approve transfers of amounts between line items within a division if such transfers do not significantly change the work program contemplated in the approved budget.

The City Council reviews the proposed budgets for General, Enterprise, Internal Service, Special Revenue, and Interest and Sinking Funds, makes adjustments, sets the tax rate and holds public hearings on the budget. After the second reading of the budget ordinance, the Council approves the budget and it becomes the official operating plan for the City of Midland for the upcoming Fiscal Year (October 1 - September 30).

The budget process is designed to identify and plan the functions, activities and accomplishments of the City of Midland, as well as plan for its financial needs.

All employees should have a role in the budget process. They are responsible for promoting acceptance and understanding of the budget as a planning and management tool. The budget process gives our employees the opportunity to evaluate their operations, identify needed changes, and provides opportunities to make services more efficient and/or effective, and recommend allocating limited funds to best achieve divisional and organizational goals.

The Budget is published online at the City's Finance Web Page
@ <https://www.midlandtexas.gov/231/Finance-Budget>



BUDGET FUNCTIONS PERFORMED BY MANAGEMENT LEVEL

The Department Head

- Oversees the preparation of the appropriate budget(s).
- Meets with the division heads within his/her department to review and analyze budget requests to assure that programs and activities are needed, the objectives can be accomplished within established criteria, that adequate resources are requested and that line item requests are consistent with the department's demonstrated historical need and in accordance with guidelines set in budget manuals and management directives.
- Reviews all available activity and performance measures to determine if they accurately reflect major activities.
- Prepares a recommended budget for the City Management Team to review, and make available any back-up or historical information necessary to justify the amounts requested.

City Management Team

- Meets with department heads under his/her supervision and review their proposed budgets.
- Discusses and evaluates estimated expenditures to determine if proposed programs are consistent with the goals of the city organization. The City Management Team should focus on the broader scope of services to be provided and ensure they help achieve the overall goals set by the City Council.
- Critically reviews recommended organizational restructuring, staffing level adjustments, and other changes to ensure that the results will increase operating capabilities, productivity, and/or efficiency of the unit requesting the change.

Finance/Budget

- Develop the implement a budget process that facilitates budget development on a city-wide basis.
- Develop revenue projections to aid in determining expenditure levels.
- Provide budget forms, instructions, expenditure schedules, and other budgetary assistance and information to assure proper preparation of the final budget documentation.
- Review preliminary budget requests for accuracy and completeness in accordance with budget manual instructions.
- Identify and review major policy recommendations by subject and cost, and summarize their impact on city government.
- Coordinate proposed expenditures, review backup documentation related to questionable expenditures, provide for the availability of any additional information that may be necessary, and prepare a recommended budget for review by City Manager.
- Provide assistance to the City Manager during reviews, and provide any information or backup documentation required for evaluation.
- Perform analyses and comparisons of proposed budget amounts to determine the effects proposed expenditures will have on the fiscal soundness of the City of Midland and provide results to City Management.
- Coordinates preparation of budget, and research the preparation budget summaries, schedules and other information required for budget presentation to the City Council.
- Coordinates preparation of budget presentation and review sessions with City Management and City Council.
- Provides a proposed budget for review by City Council and provides preliminary budget document to be filed with the City Secretary.
- Coordinates production of the adopted budget in its final form, then ensures that the document is properly filed with the City Secretary and posted on the City's webpage for public reference.

City Management Team

- Review proposed budgets with Deputy City Manager, Assistant City Manager and Department Heads.
- Assure that proposed expenditures do not exceed expected revenues from municipal operations.
- Examine proposed organizational changes and review their proposed effectiveness in meeting the desired goals.
- Evaluate programs, backup information, and expenditures to determine the appropriateness of each in response to Council goals.
- Coordinate preparation of budget, and research the preparation budget summaries, schedules, and other information required for budget presentation to the City Council.
- Coordinate preparation of budget presentation and review sessions with the City Council

LEVELS OF BUDGET CONTROL

Level 1 (Request)	Department
Level 2 (Validation)	Finance/Budget
Level 3 (Alignment)	City Manager
Level 4 (Final Approval)	Council



BUDGET CALENDER

February

Budget team meets to review budget process for possible changes or major impacts and to establish budget calendar. Budget team creates and posts necessary budget development forms on the City's internal website. Letters are sent to outside agencies asking for their budget requests and documentation.

March

The Budget Kickoff training is held the first week of March. Two sessions are provided for department heads and managers to attend providing information and updates regarding the upcoming year's budget development. Information regarding personnel budget estimates, facility needs, equipment needs, computer hardware/software and radio needs and the capital improvement program are provided. Additional trainings provided by the budget team to instruct department heads on entering their budgets into the financial software and submitting supplemental requests.

April

Early in the month Departments submits request forms with justifications for personnel equipment, facility needs, hardware/ software and radios for analysis. Departments begin to enter their budget proposals into the financial software. Deadline for outside agency requests to City Manager. Departments complete revenue estimates and return them to Finance. A committee meeting with all City Management and department heads occurs to prioritize and approve all supplemental requests, including hardware/ software, radio, hire of equipment, facilities, personnel, and capital requests.

April - June

Hotel/ Motel Advisory Board and Economic Development Advisory Board review of funding requests.

May

The projection for the personnel budget is completed by the budget team. Budget then develops a preliminary budget document with all proposals from departments and personnel estimates from Human Resources. Revenue estimates are prepared and added to the document. Budgets are delivered to City Management and budget team. A Joint review budget meeting with department heads, budget team, and City Management is held to review the preliminary budget. A final budget review meeting with City management determines the proposed budget to present to Council.

June

The proposed budget document is prepared by the budget team and distributed to City Management and the City Council

July

Budget workshops and briefing period held with City Council and Management. Calculation of the No-New-Revenue Tax rate.

August

Proposed budget filed with City Secretary's Office and posted on City's website. Publish notices of public hearings, as required by state law, on tax increase, public hearing on budget, and vote on tax rate. Hold public hearings in accordance with applicable provisions of state law. Council votes to establish the tax rate and adopt the budget ordinance. Budget document finalized.

September

Second and final readings of the Budget and Tax Rate are voted on by City Council. Budget and Tax Rate approved for the following fiscal year

FY 2025 Budget Calendar

BLUE= BUDGET TEAM MEETINGS

ORANGE= TRAINING

GREEN= COUNCIL MEETING

Date	Action	Responsibility
Feb 8	Budget Team Meeting (Budget Team includes General Serv, Admin Serv and ITSD)	Finance Admin/Budget Team
Feb 21 - 28	Budget Meetings with Department Heads	Finance/Budget Team/ Dept. Heads
Feb 27	Personnel Projection	Finance
Feb 28	Budget Kick-Off Meeting @ 9:30am in Council Chambers	Finance Admin/Budget Team/Dept. Heads
Mar 1 - Apr 5	Departments Submit Budget and Supplemental Requests	Departments/Finance
Apr 15 - 19	Review Budget and Supplemental Submissions	Finance/Budget Team
Apr 22 - May 3	Finance Validates and confirms Data with Departments	Finance
May 13 - 30	City Management Budget Meetings	CMO/Finance Admin/Budget Team/Dept. Heads
June	Final Budget Review w/ City Management	CMO/Finance/Budget Team
July 25	Receive Certification from MCAD: Calculate tax rate based on certified values.	Finance
Aug 6 - 13	Individual Council Briefings	CMO/Finance/Council
Aug 6	Budget Workbooks for Council Completed & Delivered File Proposed Budget with City Secretary's Office (Post on City Website)	Finance
Aug 14	Council Budget Workshop /Set Tax Rate Ceiling	CMO/Finance/Council
Aug 30	REQUIRED - Publish "Notice of Public Hearing on Budget" in MRT and City's Website	Finance
Sep 10	REGULAR MEETING - Public Hearing Budget & Tax Levy (First Reading) Fee Ordinance (First Reading)	CMO/Finance/Council
Sep 17	REGULAR MEETING - Budget Adoption & Tax Rate Adoption (Second Reading)	CMO/Finance/Council
Sep 24	REGULAR MEETING - Fee Ordinance Adoption (Second Reading)	
Oct 1	Fee Ordinance changes take effect	

START →

Budget Team meeting to collaborate on FY24 Budget Parameters

Budget Teams meets with Department Heads and conducts Needs Assessment

Citywide Budget Kick-off opens FY23 budget process; Department Heads prepare supplemental requests

Budget Team provides training on Budget Entry and Supplemental requests

Departments enter Operational Budget; personnel projection created by budget team

Steering Committee Meeting is held to determine what supplemental requests will be funded

Preliminary Budget presented to CMO, CMO and Budget Team review operating budget and supplementals with Departments

CMO determines priorities to develop Proposed Budget. The document is created by the Budget Team and delivered to Council

Special Budget Workshop with Council Proposed Budget is presented to them. Certified Values from MCAD provided for tax levy

Council proposes Tax Rate for upcoming fiscal year. Proposed Budget is file with City' Secretary's Office; Public Notices are publshd in paper and online

Public hearing held for Budget and Tax Rate
Council votes to approve Budget and Tax Rate

Final Vote to approve Budget and Tax Rate
Budget Pub-lished-submitted to GFOA
Monitor Budget

ANNUAL BUDGET CYCLE



FINANCIAL SUMMARIES

FUND OVERVIEW

FY 2025 ADOPTED BUDGET

Governmental Funds 176,339,702

General Fund (001)

Special Revenue Funds

Police Lease (008)	20,000
Police Special Purpose Fund – Federal (070)	200,000
Police Special Purpose Fund – State (071)	70,200
Police Technology & Equipment Fund (075)	77,450
Fire Lease (009)	1,000
Fire Technology & Equipment Fund (076)	150,000
Municipal Court Time Payments (010)	51,000
Municipal Court Security Fund (093)	33,000
Municipal Court Technology Fund (092)	80,000
Park Donation & Special Purpose Fund (077)	21,003,832
Golf Course Fund (078)	4,263,979
Sports Complex Fund (079)	4,178,242
Hotel/Motel Fund (090)	7,510,000

Enterprise Funds

Airport Fund (500)	15,161,540
Water & Sewer Fund (300)	93,151,000
Sanitation Fund (430)	28,941,757
Drainage Fund (400)	4,126,231

Internal Service Funds

Employee Benefit Fund (701)	17,300,000
General Liability (702)	6,944,462
Garage Fund (750)	30,838,583
Technology Fund (770)	9,217,178

Debt Service Funds 34,641,020

TOTAL ALL FUNDS \$454,311,174

FUND BALANCES

	GENERAL FUND	WATER & SEWER FUND	DRAINAGE FUND	SANITATION FUND
Oct 1, 2023 Unassigned Fund Balance	\$ 84,517,335	\$ 73,439,600	\$ 3,794,296	\$ 6,761,009
FY 2024 Estimated Revenues	\$ 182,021,875	\$ 88,773,751	\$ 2,426,902	\$ 32,852,950
FY 2024 Estimated Expenditures	\$ 177,650,445	\$ 83,310,810	\$ 1,990,393	\$ 26,200,610
Net Gain (Loss) to Fund Balance	\$ 4,371,430	\$ 5,462,941	\$ 436,509	\$ 6,652,340
Estimated Ending Fund Balance FY 2024	\$ 88,888,765	\$ 78,902,541	\$ 4,230,805	\$ 13,413,349
FY 2025 Adopted Budget Revenues	\$ 177,157,461	\$ 93,151,000	\$ 2,547,532	\$ 28,941,756
FY 2025 Adopted Budget Expenditures	\$ 176,339,701	\$ 93,151,000	\$ 4,126,230	\$ 28,941,756
Projected Net Gain (Loss) to Fund Balance	\$ 817,760	\$ -	\$ (1,578,698)	\$ -
Sep 30, 2025 Projected Fund Balance	\$ 89,706,525	\$ 78,902,541	\$ 2,652,107	\$ 13,413,349

Presented are the City's Operating Funds. The City of Midland has adopted a Fund Balance Policy to provide enhanced financial stability, by ensuring that the City maintains a prudent level of financial resources. This policy will prevent reduced levels of service and fee increases if there are temporary revenue shortfalls or unexpected one-time expenditures. Amounts are set for each fund based on the predictability of revenues, volatility of expenditures, and liquidity requirements of each fund.

FUND BALANCES

	AIRPORT FUND	SPORTS COMPLEX	GOLF COURSE	HOTEL/ MOTEL	PARK OIL & GAS
Oct 1, 2023 Unassigned Fund Balance	\$ 37,210,689	\$ 12,392,569	\$ 261,878	\$ 16,580,510	\$ 18,179,583
FY 2024 Estimated Revenues	\$ 23,156,663	\$ 2,236,126	\$ 3,723,964	\$ 8,655,730	\$ 13,624,419
FY 2024 Estimated Expenditures	\$ 27,161,926	\$ 3,666,256	\$ 3,432,392	\$ 6,449,864	\$ 17,870,132
Net Gain (Loss) to Fund Balance	\$ (4,005,263)	\$ (1,430,130)	\$ 291,572	\$ 2,205,866	\$ (4,245,713)
Estimated Ending Fund Balance FY 2024	\$ 33,205,426	\$ 10,962,439	\$ 553,450	\$ 18,786,376	\$ 13,933,870
FY 2025 Adopted Budget Revenues	\$ 15,161,540	\$ 1,502,100	\$ 4,263,978	\$ 7,510,000	\$ 14,861,500
FY 2025 Adopted Budget Expenditures	\$ 15,161,540	\$ 4,178,242	\$ 4,263,978	\$ 7,510,000	\$ 21,003,832
Projected Net Gain (Loss) to Fund Balance	\$ -	\$ (2,676,142)	\$ -	\$ -	\$ (6,142,332)
Sep 30, 2025 Projected Fund Balance	\$ 33,205,426	\$ 8,286,297	\$ 553,450	\$ 18,786,376	\$ 7,791,538

Presented are the City's Operating Funds. The City of Midland has adopted a Fund Balance Policy to provide enhanced financial stability, by ensuring that the City maintains a prudent level of financial resources. This policy will prevent reduced levels of service and fee increases if there are temporary revenue shortfalls or unexpected one-time expenditures. Amounts are set for each fund based on the predictability of revenues, volatility of expenditures, and liquidity requirements of each fund.

FUND BALANCES

	GARAGE FUND	EMPLOYEE BENEFITS	RISK MNGT	TECHOLOGY
Oct 1, 2023 Unassigned Fund Balance	\$ 25,312,985	\$ 21,164,626	\$ 6,449,380	\$ 2,037,046
FY 2024 Estimated Revenues	\$ 27,666,142	\$ 18,266,211	\$ 4,651,197	\$ 6,750,720
FY 2024 Estimated Expenditures	\$ 29,708,676	\$ 12,973,789	\$ 5,906,789	\$ 7,047,963
Net Gain (Loss) to Fund Balance	\$ (2,042,534)	\$ 5,292,422	\$ (1,255,592)	\$ (297,243)
Estimated Ending Fund Balance FY 2024	\$ 23,270,451	\$ 26,457,048	\$ 5,193,788	\$ 1,739,803
FY 2025 Adopted Budget Revenues	\$ 28,259,969	\$ 17,300,000	\$ 6,944,461	\$ 9,217,178
FY 2025 Adopted Budget Expenditures	\$ 30,838,582	\$ 17,300,000	\$ 6,944,461	\$ 9,217,178
Projected Net Gain (Loss) to Fund Balance	\$ (2,578,613)	\$ -	\$ -	\$ -
Sep 30, 2025 Projected Fund Balance	\$ 20,691,838	\$ 26,457,048	\$ 5,193,788	\$ 1,739,803

Presented are the City's Operating Funds. The City of Midland has adopted a Fund Balance Policy to provide enhanced financial stability, by ensuring that the City maintains a prudent level of financial resources. This policy will prevent reduced levels of service and fee increases if there are temporary revenue shortfalls or unexpected one-time expenditures. Amounts are set for each fund based on the predictability of revenues, volatility of expenditures, and liquidity requirements of each fund.

CONSOLIDATED FUNDS SUMMARY

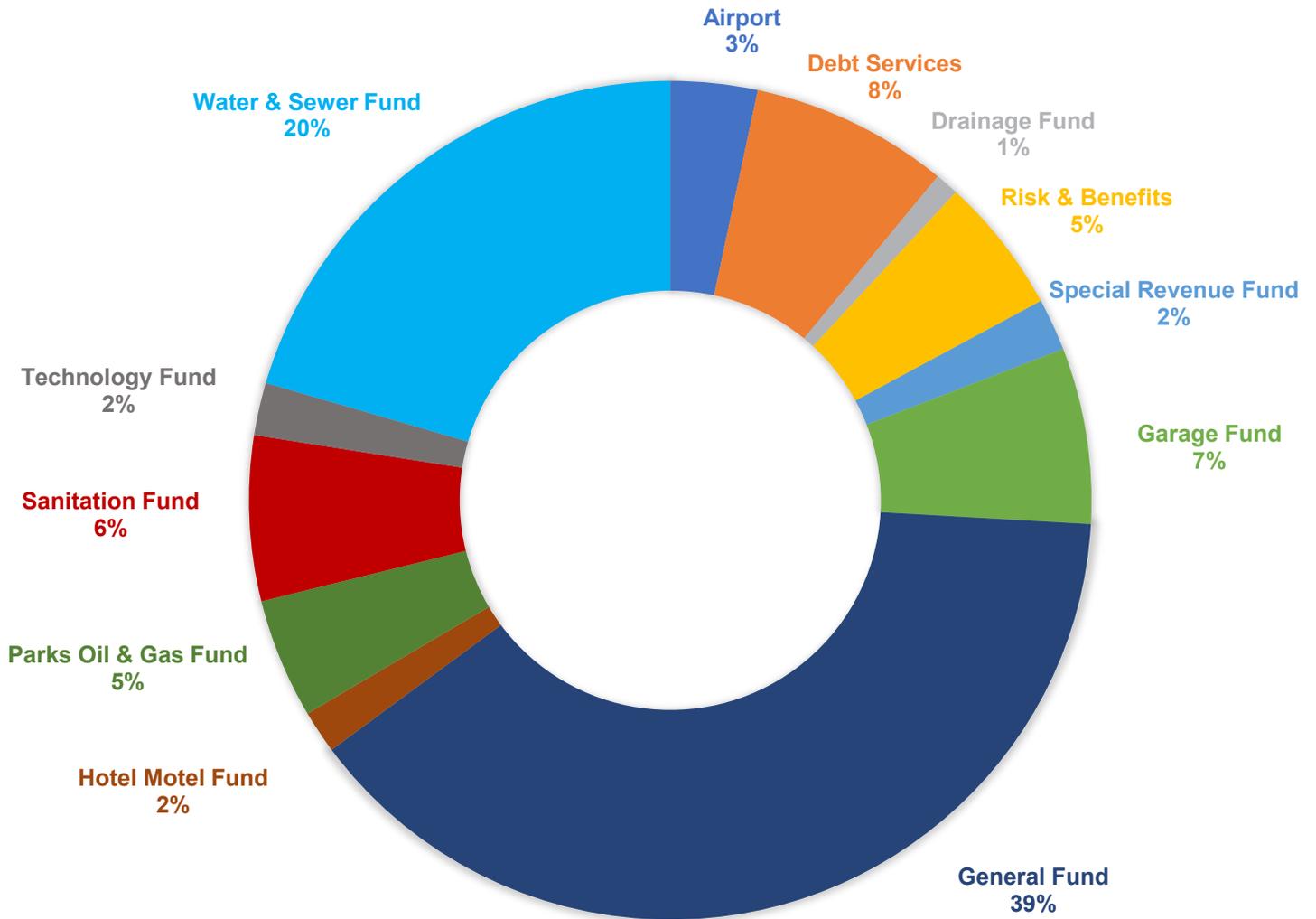
	FY2025 Budget General Fund	FY2025 Budget Special Revenue	FY2025 Budget Debt Service	FY2025 Budget Enterprise	FY2025 Budget Internal Service
Revenues					
Property Tax	\$ 64,081,700		\$ 12,406,528	\$ -	\$ -
Sales Tax	65,000,000	-	-	-	-
Franchise & Other Taxes	20,672,700	7,060,000	-	-	-
Fines & Forfeitures	2,404,500	123,094	-	-	-
License, Permits & Other Charges	4,801,450	4,263,979	-	7,413,390	-
Services, Rentals & Leasing	5,561,000	16,317,100	-	125,619,150	-
Interfund Charges	10,752,728	-	-	-	60,782,755
Interfund Transfers	-	-	22,234,492	-	(154,869)
Grants & Other Contributions	1,375,383	78,350	-	-	150,000
Interest & Other Revenue	2,508,000	9,807,180	-	8,347,988	3,188,614
TOTAL SOURCES	\$ 177,157,461	\$ 37,649,703	\$ 34,641,020	\$ 141,380,528	\$ 63,966,500
Expenses					
Personnel	\$ 114,423,722	\$ 2,423,932	\$ -	\$ 23,769,063	\$ 5,362,653
Operating Expenses	4,171,963	1,102,685	-	18,759,842	21,551,648
Contractual Services	20,196,130	1,914,674	-	38,253,142	11,568,901
Maint of Infrastructure	5,651,346	1,169,229	-	3,895,835	27,800
Maint of Equipment	645,677	107,888	-	3,268,715	4,351,000
Miscellaneous	100,721	1,159,442	-	1,630,788	4,175,519
Interfund Transfers	590,875	4,347,512	-	20,890,118	24,612
Interfund Services	22,214,893	1,788,203	-	21,425,241	1,401,538
Debt Service	-	-	34,641,020	-	-
Civic Organizations	554,528	4,996,138	-	200,000	-
Capital	7,789,847	18,640,000	-	9,287,784	15,836,551
TOTAL USES	\$ 176,339,702	\$ 37,649,703	\$ 34,641,020	\$ 141,380,528	\$ 64,300,222
BEGINNING NET ASSETS					
TOTAL SOURCES/(USES)	817,759	-	-	-	(333,722)
ENDING NET ASSETS	\$ 817,759	\$ -	\$ -	\$ -	\$ (333,722)



ALL FUNDS

	FY2023 Actuals All Fund Types	FY2024 Budget All Fund Types	FY2025 Budget All Fund Types
Revenues			
Property Tax	\$ 67,567,914	\$ 73,187,538	\$ 76,488,228
Sales Tax	68,857,224	65,000,000	65,000,000
Franchise & Other Taxes	26,154,475	24,012,976	27,732,700
Fines & Forfeitures	2,486,581	2,402,771	2,527,594
License, Permits & Other Charges	13,152,150	10,839,640	16,478,819
Services, Rentals & Leasing	140,677,515	134,752,562	147,497,250
Interfund Charges	53,853,381	63,684,211	71,535,483
Interfund Transfers	\$ 42,178,067	\$ 21,032,670	\$ 22,079,623
Fund Closure Transfers		-	-
Grants & Other Contributions	3,022,493	4,253,310	1,603,733
Interest & Other Revenue	39,731,136	24,827,475	23,851,781
TOTAL SOURCES	\$ 457,680,937	\$ 423,993,153	\$ 454,795,211
Expenses			
Personnel	\$ 118,819,748	\$ 136,266,531	\$ 145,979,370
Operating Expenses	39,559,076	43,454,189	45,586,138
Contractual Services	63,352,188	69,851,892	71,932,847
Maint of Infrastructure	8,362,257	10,919,388	10,744,210
Maint of Equipment	6,720,153	8,933,115	8,373,280
Miscellaneous	3,033,870	6,992,255	7,066,470
Interfund Transfers	49,403,862	20,882,670	25,853,118
Interfund Services	31,612,487	43,255,494	46,829,875
Debt Service	27,209,888	33,296,571	34,641,020
Civic Organizations	4,419,144	5,165,500	5,750,666
Capital	93,573,353	44,975,548	51,554,182
TOTAL USES	\$ 446,066,026	\$ 423,993,153	\$ 454,311,176
BEGINNING NET ASSETS			
TOTAL SOURCES/(USES)	11,614,911	-	484,035
ENDING NET ASSETS	\$ 11,614,911	\$ -	\$ 484,035

MAJOR REVENUE BY FUNCTION



2025 BUDGET BY FUND

MAJOR REVENUE CONTINUED

Ad Valorem (Property Tax) Total Revenue: \$75,536,728

Ad Valorem (Property taxes) are taxes that homeowners and property owners pay to their local city or county government. These taxes are usually based on the value of the property, which includes both the land and any buildings on it. The local government uses the money collected from property taxes to fund public services, such as police, fire departments, roads, and other community services. The adopted FY 2025 budget includes a property tax rate of 34.9 cents per \$100 valuation, which is lower than the Voter Approval Rate. This rate is split into two components: 29.1 cents for maintenance and operations and 5.8 cents for debt service. Property taxes make up over 1/3 of the yearly General Fund budget.

General Fund: \$63,130,200

Debt Service: \$12,406,528

Sales Tax

Total Revenue: \$65,000,000

General sales taxes are taxed on goods and services purchased by consumers. The tax is a percentage of the retail price and added to the final purchase price paid by consumers.

Franchise Fees (Franchise & Other Taxes)

Total Revenue: \$20,672,700

Franchise Fees are charged to utility companies for the use of the city streets and right of ways to conduct their private business of delivering telephone, electric power, natural gas and cable services.

Water & Sewer Fees (Services, Rentals & Leasing)

Total Revenue: \$93,151,000

Charges to residential and commercial customers for water & wastewater charges and water & sewer charges accounts for 81% of revenues to support the operations in the Water & Sewer Fund.

Sanitation & Landfill Fees (Services, Rentals & Leasing)

Total Revenue: \$28,941,757

Charges to residential and commercial customer for garbage collection fees, landfill access fees, haulers permit fees, recycle fees and litter fees.

Hotel/Motel Tax (Franchise & Other Taxes)

Total Revenue: \$7,510,000

The Hotel/Motel Tax is a 7% occupancy tax on the price of a hotel/motel room which is used to promote tourism and the convention and hotel industry and such uses as mandated by the Texas Tax Code, Section 351.001 et seq.

REVENUE ADMINISTRATION

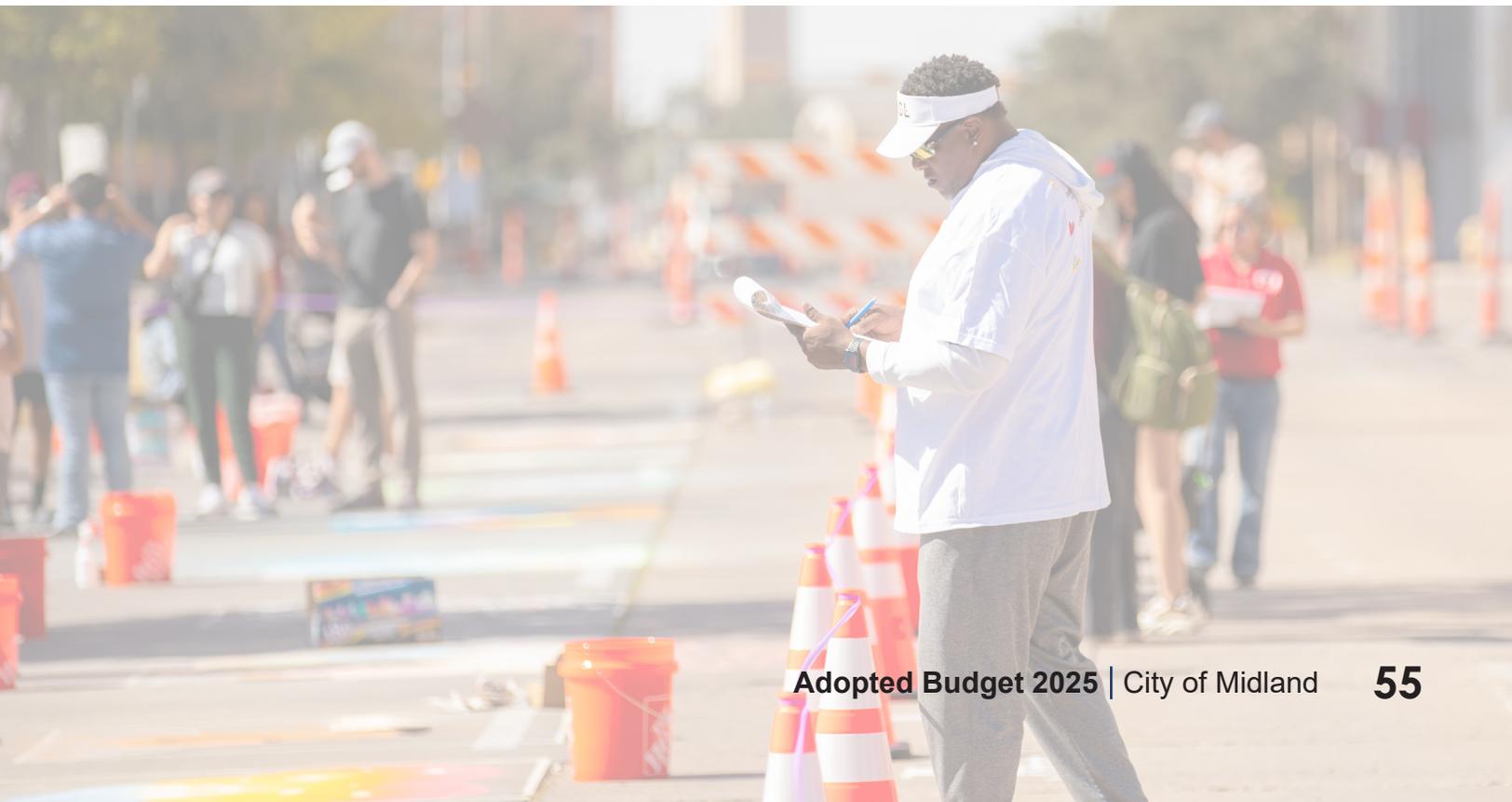
Impacts on FY 2025 Revenue Projection Process

The City of Midland, along with the rest of the nation continue to experience varying degrees of fiscal stress and challenges in revenue recovery due to the ongoing inflation. Forecasting FY25 revenues under the current circumstances was challenging, but critically important. The unknown course of the economic recovery caused difficulties in accurately estimating revenue collections months in advance.

Revenue projections were carefully analyzed and were made conservatively to account for any possible economic fluctuations in the future. The methods we chose to utilize when forecasting revenues were important both for ensuring the needed services continue to be provided and that the economic recovery is as robust as

FY25 Revenue Forecasting Methods:

- Analyzed year-to-date actuals and prior year revenue statements to develop a basis for forecasting revenue streams.
- Used both judgment forecasting & quantitative forecasting to achieve the most accurate possible revenue projection.
- Separated individual revenue sources to isolate variables in order to attain a clear picture of potential ups and downs from each revenue stream.
- Used historical data and financial statements to identify monthly and yearly revenue trends.
- Considered pandemic impacts and current economic conditions to help guide judgment for the best possible revenue projection.



REVENUE OVERVIEW

General Fund - \$177.1 M

The General Fund is the primary fund of the City, used to manage resources for essential governmental services. These include police, fire, street maintenance, health department activities, parks and recreation, code compliance, building inspections, and most administrative functions such as administrative services, finance, purchasing, and information systems. For the 2024-2025 fiscal year, the General Fund budget is \$177,157,461. This amount is \$9.6 million, or 5.8% higher than the FY 2024 adopted budget.

There are three main sources of revenue for the General Fund: Property Taxes, Sales Taxes and Fines and Fees for Services.

Property Taxes

Property taxes are taxes that homeowners and property owners pay to their local city or county government. These taxes are usually based on the value of the property, which includes both the land and any buildings on it. The local government uses the money collected from property taxes to fund public services, such as police, fire departments, roads, and other community services

Assessment

The Midland Central Appraisal District assesses the value of your property annually.

Tax Rate

City Council sets a tax rate, often called a “mill rate” or “property tax rate,” which is a percentage of your property’s value. The City determines the amount of property tax needed to collect to fund their budget.

No New Revenue

This tax rate would provide the same amount of revenue as the previous year with the current years’ assessed values. This rate allows the citizens to evaluate the relationship between the taxes for the prior year and the current year if applied to the same properties.

$$\text{NO-NEW-REVENUE TAX RATE} = (\text{LAST YEAR 'S LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} - \text{NEW PROPERTY VALUE})$$

Voter Approval Rate

This rate is the calculated maximum rate allowed by law to implement without voter approval. It provides the same amount of revenue as the prior year plus three and a half percent. The City calculates a rate that divides overall property taxes into Maintenance and Operations and Debt Service.
$$\text{VOTER-APPROVAL TAX RATE} = (\text{NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE} \times 1.035) + (\text{CURRENT DEBT RATE} + \text{UNUSED INCREMENT RATE})$$

Unused Increment

This is the difference in revenue between the No-New-Revenue Rate and the Voter Approval Rate. A taxing unit that did not use all its revenue growth may bank that unused growth for three years. Any unused increment after three years is forfeited.

M&O vs. I&S

The M&O rate is property tax revenue that will fund Maintenance and Operations of the General Fund, while the I&S is the revenue supporting the debt service payments applicable for that budget year. The debt service rate is the current year's debt payments divided by the current year's property values and may increase as necessary to cover annual payments.

Senate Bill 2

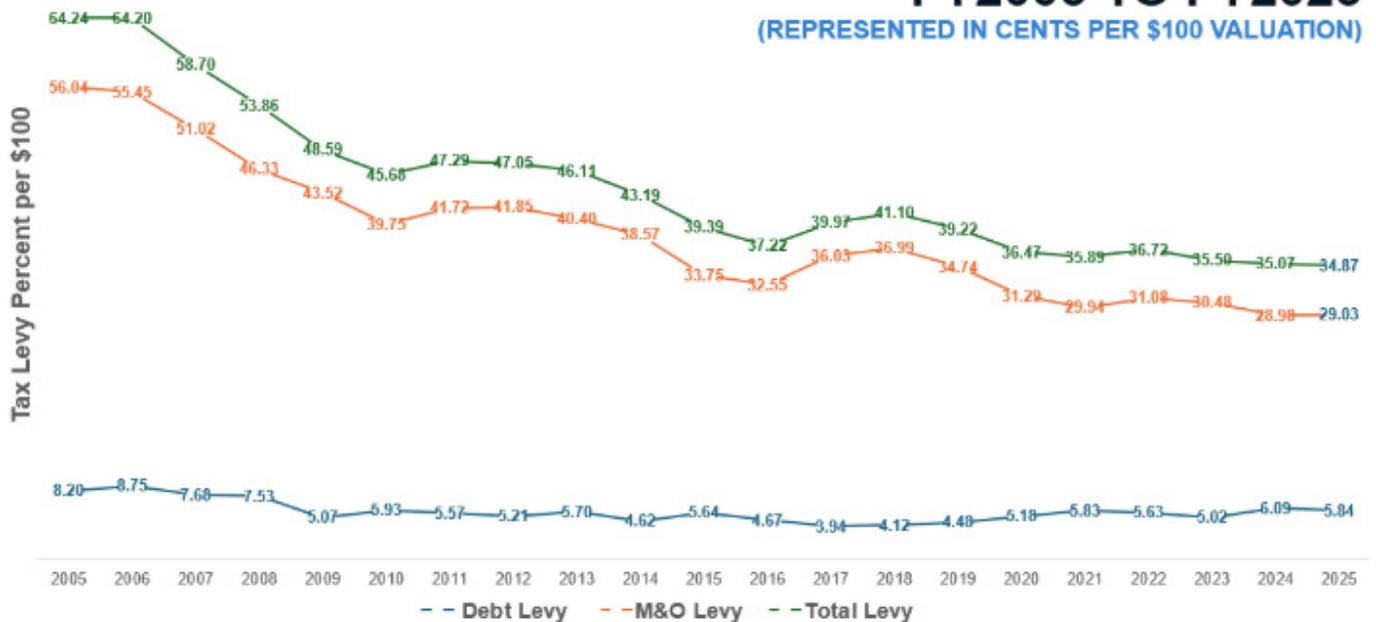
Before January 2021, tax rates could be increased by as much as 8% per year. Senate Bill 2 allows for the Maintenance and Operations rate to be increased by no more than 3.5% over the No New Revenue Rate each year.

The adopted FY 2025 budget includes a property tax rate of 34.9 cents per \$100 valuation, which is lower than the Voter Approval Rate. This rate is split into two components: 29.1 cents for maintenance and operations and 5.8 cents for debt service. Property taxes make up over 1/3 of the yearly General Fund budget.

HISTORICAL PROPERTY TAX LEVY

FY2005 TO FY2025

(REPRESENTED IN CENTS PER \$100 VALUATION)



Sales Tax

Sales taxes are taxes imposed by local and state government on the sale of goods and services. The taxes collected are remitted to the Texas Comptroller, and then passed through to the municipality. The sales tax rate paid in the City of Midland is 8.25%. This is made up of:

State sales tax	6.25%
Hospital District	.25%
Midland County	.50%
City of Midland	1.25%

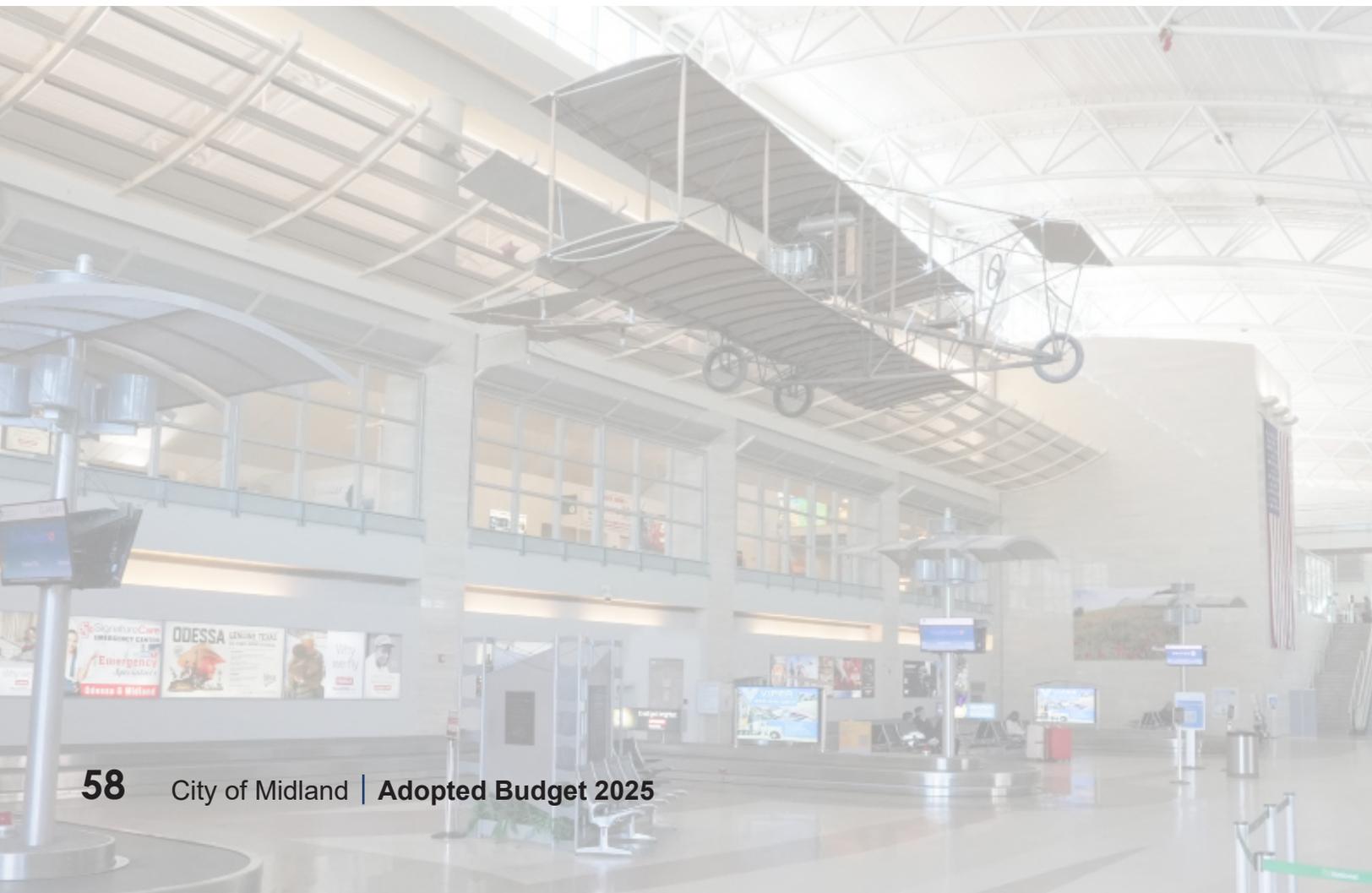
The City of Midland then provides 0.25% of the taxes to the Midland Development Corporation for Economic Development. Most municipalities retain the full 2.0% of the sales tax collected, whereas Midland City preserves 1.0% to the General Fund.

Sales taxes make up over 1/3 of the yearly General Fund budget and is the most volatile of the General Fund revenue streams.

Debt Service Fund - \$12.6 M

The Debt Service Fund services the governmental, tax-supported debt of the City. The main source of revenue for this fund is the Interest & Sinking portion of the Property Tax levied on all Midland property owners.

The Debt Service portion of the property tax is scheduled to be 5.8 cents per \$100 valuation. This is estimated to bring in \$12.6 million, which is an increase of approximately \$200,000 over 2024.



Hotel/Motel Fund - \$7.5 M

Hotel Motel tax revenue is a 7% tax collected quarterly on all hotel rooms in the city. “Local HOT revenue may only be used to promote tourism and the convention and hotel industry.” The City of Midland must follow the “two-part test” to legally spend HOT revenue.

- The expenditures must put “heads in beds.”
- The expenditure must clearly fit into one of the nine statutorily provided categories:
 - o Convention and visitor centers
 - o Convention registration, including the facility, personnel and materials
 - o Advertising and promotional programs
 - o Promotion of the arts
 - o Historical restoration and preservation
 - o Sporting events where most participants are tourists
 - o Enhancing or upgrading existing sports fields or facilities (limitations apply)
 - o Coliseum or multiuse facility
 - o Signage directing public to popular sights or attractions visited by hotel guests

These funds are used to fund Visit Midland, Midland Chamber of Commerce, management of the Bush Convention Center, and grants for 21 organizations. This fund also funds the debt service on the bond used to build the convention center.

Water and Sewer Fund - \$93.1 M

Recent water and sewer rate studies have projected the necessity to increase rates in FY2025. Rates have not increased since 2018, which is a stark contrast to the sharp increase in the costs of construction, materials and operating supplies. Recent increases in maintenance and operations costs of expanded water system and related debt have also added an element to the rate equation. Certificates of Obligation were issued in July of 2024 for infrastructure improvements. Needs have been identified of \$65 million.

New Water and Sewer rates went into effect October 1, 2024, increasing residential and commercial rates by 5%. Account Utility Billing also increased rates by five percent and some of the Water Meter and Tap rates saw an increase for materials. Annual rate increases aligning with inflation is important to cover the bond issuance to strengthen and sustain the city's infrastructure.

Total budgeted revenues for FY25 amount to \$93.2 million. Water revenues increased from the previous year to \$66 million and wastewater revenue increased to \$19.3 million. Water revenue exceeded budget at the end of FY 2023 by \$1.8 million; wastewater revenue ended FY 2023 under budget by \$293,000.

Sanitation Fund - \$28.9 M

The City of Midland provides services and receives revenue from Garbage Collection, the Landfill, and the Citizens Recycle Center. Residential and Commercial customers must pay for garbage collection on carts or containers. Garbage Hauler's permits are required to dispose garbage at the City's Landfill, in addition to an access fee for dumping and unloading per vehicle.

Over the last five years, small rate increases have been made, averaging approximately 2% a year. Effective July 1, 2024, sanitation rates increased by \$2 per month for residential services, \$10 per month for commercial services, and 3%, or \$1.38 per ton, in landfill tonnage rates.

Annual rate increases are important to support improvements in sanitation processes. Certificates of Obligation were issued for Sanitation infrastructure in July of 2024. New infrastructure is needed amounting up towards \$ 40 million. The increase in rates is necessary to cover the bond issuance to strengthen and sustain the city's infrastructure.

Airport Fund - \$15.2 M

The Midland International Airport has a variety of revenue sources, including air carrier fees, public parking, landing fees, the terminal building and tower, local aircraft parking, and ground transportation permits. The airport received funding during COVID to help sustain operations and has not increased their rates since 2020. From 2019 to 2020 the landing fees and air carrier fees increased from \$0.08 to \$0.70 per 1000 lbs. of gross landing weight.

During 2024, landing fees were increased from \$0.70 to \$2.10 per 1000 lbs. of gross landing weight. Air carrier fees were also changed from \$.70 per 1000 lbs. of gross landing weight to varied rates based on contractual charges with airlines. Additionally, the maximum per 24-hour period parking rates all increased by \$1.00.

Parks Oil and Gas Special Purpose Fund - \$21.0 M

Oil and Gas revenue for non-airport land makes up the revenue source for this fund. In 2022, Council directed the oil and gas revenue from these wells to be set aside in a special purpose fund to be used for parks improvements. Then, in 2023, council looked back to 2020 and 2021, both substantial years for oil and gas revenue, and transferred those funds from the General Fund to the Parks Oil and Gas fund.

Golf Course Fund - \$43 M

The Golf Course receives revenue from its affordable rounds of golf available to citizens of Midland. The green fee rates vary from weekday rates, weekday's after 4:00 pm, and Weekend rates before and after 4:00 pm. They provide special rates for 9 holes, and rates for junior and senior players. There is a rental fee for Golf Carts, and they have added tournament fees and various sizes of buckets for Range balls. The Pro Shop saw record sales during FY2024, just under one million dollars.

Golf rates did not increase from 2018-2022, but after the pandemic, needed improvements drove management to increase green and cart fees by \$1.00 each. During this past 2024-year, high inflation costs and the issuance of 11 million in capital funding drove an adjustment increase fees. The 11 million is the initial portion of the capital funding for Phase I of improvements, with an additional 11 million to be issued in the coming year.

Scharbauer Sports Complex Fund - \$4.2 M

What began as a 4B project, the citizens of Midland voted to pay a portion of their sales tax to create the Scharbauer Sports Complex. The 4B sales tax dividend ended in 2018, and the City of Midland became financially responsible for the complex. Operating revenue for the Sports Complex includes naming rights for football, soccer, and baseball, advertising, stadium rental, field rental, and concession fees.

During 2023, auxiliary fields rentals increased by \$15, and added an all-inclusive football game package, including stadium rental, cleaning, lighting, game officials and staff operators, security, EMS and UIL fees, if necessary, for \$10,000 per game. A game cleaning fee of \$75 was added in 2024 for the SSC Auxiliary Fields Rentals. A Tax Increment Reinvestment Zone that includes the Sports Complex was proposed to the council on November 12, 2024 for the continued maintenance and growth opportunities of the venue.

Garage Fund - \$30.8 M

The Garage fund uses the chargeback method to all departments per the number of vehicles they use in a year. The cost calculation includes depreciation, insurance, vehicle repairs (including a labor rate and a mark-up) necessary to proper upkeep. The lease chargebacks help the Garage recoup the costs of parts, equipment, and fuel, allowing them to replace aging fleet and equipment in a timely manner.

Risk Funds - \$24.2 M

The City of Midland has two internal Risk Funds: Employee Benefits, and Risk Management.

- Operating Revenue for the Employee Benefit fund is charged to each department through the payroll process. Funds collected are used to pay for expenses related to health care costs of the employees. Total revenue is \$17.3 M.
- The Risk Management Fund charges a fee to departments based on the square footage of the office / building, average number of general liability claims, and other insurance costs. This funds the costs of insurance and claims, including workers compensation. Total revenue is \$6.9 M.

Technology Fund - \$9.2 M

The Technology fund is an internal service fund that receives revenue from chargebacks to all departments for equipment leases including computers, cell phones and radios, and for software packages used.







CAPITAL AND DEBT

Capital Improvement Program Purpose

The purpose of the Capital Improvement Program (CIP) is to implement and facilitate the City's Master Plan. Generally, capital projects are in excess of \$100,000, have a useful life of more than five years and include such items as land purchases, building and/or renovating structures, roads, water & sewer line extensions, park developments and new City facilities such as fire stations, airports, or water treatment facilities. Major maintenance projects are not included in the CIP. Also, new items and replacements may be considered for major public improvements. Due to the limited amount of available funds, the CIP serves to establish a priority for the many necessary projects. Therefore, the CIP will be updated annually in order to incorporate the changing priorities, needs, and funding sources. The CIP is a necessary tool in the capital planning process, insuring that:

- City funds will be spent for improvements compatible with the City's long-term goals and needs.
- City funds will be spent on high priority projects first.
- Improvements will not cause a financial burden on the City.

Definitions:

City of Midland Master Plan

A long-range project plan to facilitate the development of the City.

Capital Improvement Program (CIP)

A schedule of capital expenditures to be incurred over a five-year period to carry out the City's program of public service.

Capital Improvement

An expenditure in excess of \$15,000 for the planning, design and construction of a physical improvement and/or associated fixed equipment and having a useful life of five years or more. An initial project cost shall include all factors of the project (i.e. land, buildings, machinery, equipment). This definition is intended to include, but not limited to, the following:

- Land: All related expenditures for land whether or not they meet the dollar limitation previously mentioned. This includes right-of-way acquisitions.
- Structures: All related expenditures for structures regardless of cost (ie., architectural, renovation, addition to, engineering).
- Machinery and Equipment: All related expenditures for machinery, furnishings, and equipment that are a part of the structure at the time of initial acquisition or construction. Such items that are not related at initial acquisition or construction must have a useful life of seven (7) years or more and cost \$25,000 or more to be included in the capital improvement program.

Funding Sources for (CIP:)

Expendable / Available Reserves:

They are the “reserves” of the City. They can be used for any purpose approved by the City Council, unless constrained by ordinance.

Enterprise Funds:

The City of Midland operates four Enterprise Funds – Solid Waste, Utilities, Airport, and Drainage. Each entity operates solely on the revenue it generates. This revenue comes in the form of service fees, assessment fees and participation fees (user fees).

Assistance from other governments:

-- Federal Assistance – The Federal Government provides monetary assistance in the form of grants for various programs and projects. Certain restrictions may be attached.

--- State Assistance – The State Government provide local governments with loans and other assistance to ensure the delivery of services. Certain restrictions may be attached.

Bonds:

The City of Midland has the ability to issue bonds and incur debt based on its ability to pay and its credit rating.

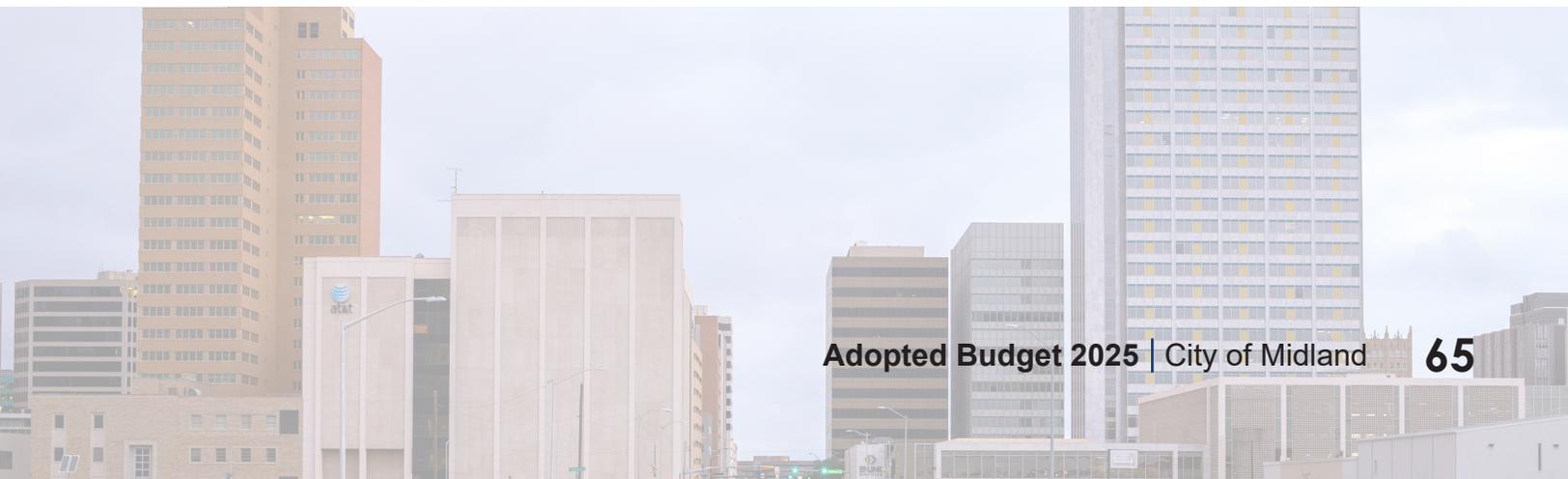
- **General Obligation Bonds (G.O) Bonds:** General Obligation Bonds pledge full faith and credit of the City; repaid by ad valorem taxes; require voter approval; and can be used to finance items approved by voters.

- **Certificate of Obligation (C.O) Bonds:** Certificate of Obligation Bonds pledge full faith and credit of the City; can be issued without voter approval – except upon notice of the city’s intent to issue certificated, five percent of the qualified voters can force an election on the issue by submission of a petition. Can be issued to finance construction work, equipment, machinery, material, supplies, land etc.

- **Revenue Bonds:** Revenue Bonds are repaid from a specific non-ad valorem (pledged) source; no voter approval (but subject to referendum); and can be used to finance either general government projects or enterprise projects.

Effects of CIP on subsequent operating budgets

Whenever the City commits to a CIP plan, there is an associated long-range commitment of operating funds. For this reason, it is important to evaluate capital commitments in the context of their long-range operating impact. Most capital projects affect future operating budgets either positively or negatively due to an increase or decrease in maintenance costs or by providing capacity for new programs to be offered. Such impacts vary widely from project to project and, as such, are evaluated individually during the process of assessing project feasibility. The operating impact of capital projects is analyzed and taken into consideration during the extensive CIP prioritization process. Estimated new revenues and/or operational efficiency savings associated with projects are also taken into consideration (net operating costs). Departmental staff plan and budget for significant start-up costs, as well as operation and maintenance of new facilities. The cost of operating new or expanded facilities or infrastructure is included in the operating budget in the fiscal year the asset becomes operational. Debt service payments on any debt issued for capital projects is also included in the operating budget.



CAPITAL BUDGET CONTINUED

The City will coordinate development of the capital improvement budget with the development of the annual operating budget. Each capital improvement project is reviewed for its impact on the operating budget in terms of revenue generation, additional personnel required and additional operating expenses.

It is the policy of the City of Midland to establish guidelines and restrictions associated with the expenditure of funds for and the recognition of capital assets and inventory assets.

A capital asset expenditure is herein defined as a purchase or other acquisition of any equipment, facilities, or other similar assets or the cost of construction of the same, which exhibit all of the following cost characteristics:

- Has a gross cost in excess of \$5,000.
- Is used in the course of normal operations.
- Has a useful life in excess of one year.

Adopted Capital Budget History:

FY22	FY23	FY24	FY25	CHANGE
\$36,628,955	\$74,320,526	\$61,788,271	\$51,554,182	-16.6%

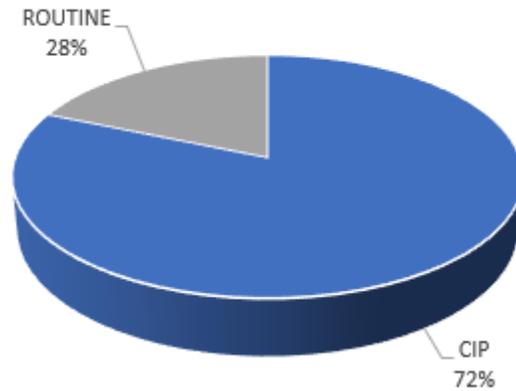


FY 2025 CAPITAL/FIXED ASSET BUDGET

The 2025 Budget contains \$51.5 million in total capital expenditures. As displayed in the graph to the left, the majority of these expenditures are projects directly related to the City’s capital improvement plan. The remainder of \$17.6 are routine capital expenditures for fleet replacement and facilities, respectively.

CIP projects and routine projects described above can further be divided into expenditure categories. The table to the left shows the expenditure categories by type of project. The list below describes the specific capital projects that are involved in the Capital Improvement

BUDGET DISTRIBUTION



2024/2025 Capital by Category Capital Improvement Plan:

Roads	\$6.7 million
Parks	\$21.9 million
Utilities & Drainage.....	\$8.5 million
Buildings	\$539,565

Routine:

Vehicles	\$17.2 million
Facilities.....	\$399,200

Capital Improvement Plan

Roads

- FY 2025 Road Maintenance- Mill and Inlay

Parks

- Beal Park Improvements

Utilities and Drainage

- 4" water main replacement program
- UEP program
- Manhole Rehab
- Jal Draw Widening
- Drainage Master plan

Buildings

- Replace floors in WRF Operations
- Sports Complex Facility Upgrades

CAPITAL EXPENDITURES

FY2025 Capital/Fixed Asset Proposed Budget

Department	Division	Capital Detail	Amount
General Services	Garage	Building #5 Install new Bathroom Doors	3,000
		New carpet/paint for Facilities Office	7,000
Parks and Recreation	Senior Center	Paint interior of Southeast Senior Center	48,000
		Southeast Senior Center-Replace ceiling	5,500
		Southeast Senior Center- Replace kitchen area flooring	6,200
		Kingsway Senior Center-Replace all Ceiling Fans	6,500
Engineering	Facilities Services	Facilities/Transportation entry way replacement	3,000
		Building#3 Facilities/Transportation R&R existing floor	75,000
		Transportation Bays (3) installation of forced air heaters	18,000
		Wall installed in breakroom	5,000
Fire	Fire Administration	Station Furniture	10,000
		Bunker Equipment Storage	20,000
		Bay Ventilation	25,000
Health Department	Health Department	Office painting, breakroom, Nurses station, conference room	42,000
		Paint Employee Parking, City-Owned Senior Center Parking	75,000
MLK Center	MLK Center	Paint MLK Interior	50,000
Total for General Fund:			\$399,200

FY2025 New Fleet & Equipment

Department	Division	Capital Detail	Amount
Parks & Recreation	Parks	1/2T PU - Plumber	40,500
Police Department	Police Field Operations	2 Police CSO SUV w/Upping	180,000
Fire Department	Fire Administration	Ambulance (Reserve)	480,000
Total			\$700,500



FY2025 Replacement Vehicles & Equipment

Department	Capital Detail	Amount
Facilities Services	(2) 3/4T C&C	163,900
	1T PU	59,850
Engineering Services	1/2T PU	51,600
	Mid Size SUV	42,000
	3/4T PU	55,200
	(3) 1T C&C Superduty	259,500
	Asphalt Patcher	304,786
	Salt Spreader	17,445
	Tractor with Blade	136,090
	Mastic Seal Machine	100,900
	Trachoe	297,082
	Herbicide Truck	124,271
	UTV	17,500
	Water Truck	250,017
	C&C TA	228,000
Parks & Recreation	Muni Dump Body	112,000
	(2) 3/4T PU	93,200
	(2) 1/2T PU	87,200
	(2) 1T C&C	144,100
	(2) UTV (Electric)	64,900
Police Field Operations	Trailer	9,000
	(33) Police SUV with Upfitting	3,564,000
	(12) 1/2T PU with Upfitting	840,000
	Bomb Truck with Upfitting	110,000
Fire Department	Fire Engine	1,800,000
	SUV with Upfitting	77,080
	Quint	1,750,000
	(2) Ambulance	960,000
Golf Course	SUV with Upfitting	77,080
	Greens Way Mower	68,000
	Reel Master	100,000
	Top Dresser	20,000
	Aerator	10,000
Water & Sewer	Mid-Size SUV	45,850
	Tractor	160,000
	(2) C&C TA	461,000
	Jet Truck	625,000
Solid Waste Management	(8) C&C TA	2,911,600
Airport	Mid-Size SUV with Upfitting	80,000
General Services	1T C&C	115,000
	Aerial Lift	60,000
	Trailer	25,000
	Admin Car	38,000
Total for Internal Service Funds:		\$ 16,516,151

CAPITAL IMPROVEMENTS PROGRAM 2025

DEPARTMENT	FUNDING SOURCE	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL ALL YEARS
Parks & Recreation							
Playground Renovations (four parks)	Park Special Revenue	800,000	-	800,000	-	800,000	2,400,000
Irrigation/Grass Renovations (2-4 parks)	Park Special Revenue	-	5,000,000	-	5,000,000	-	10,000,000
Hogan Golf Course Cart Barn Replacement/Const.	Park Special Revenue	1,000,000	-	-	-	-	1,000,000
Senior Center Design & Docs	General Fund	1,000,000	-	-	-	-	1,000,000
Beal Park Phase I Const. (NW corner soccer fields)	Existing CO Bond & New CO	17,500,000	-	-	-	-	17,500,000
Hogan Golf Course Restroom Replacements (five total)	2024 CO	350,000	-	-	-	-	350,000
Hogan Phase 2 Design (one baseball quad)	Park Special Revenue	900,000	-	-	-	-	900,000
Reyes Mashburn Nelms Phase II Design & Const. Doc	NEW CO	-	1,000,000	-	-	-	1,000,000
Reyes Mashburn Nelms Phase II Const. (two baseball fields, parking)	Park Special Revenue	-	10,000,000	-	-	-	10,000,000
SSC - Paint Both Stadiums	Sports Complex	-	1,500,000	-	-	-	1,500,000
SSC - Momentum Bank Ballpark Turf	Sports Complex	-	1,500,000	-	-	-	1,500,000
MUGS Softbal (replace restroom, locker room & lighting)	Park Special Revenue	-	1,400,000	-	-	-	1,400,000
SSC - Baseball Video Board Replacement	Sports Complex	-	1,000,000	-	-	-	1,000,000
Windlands Park Const. (building)	Park Special Revenue	-	1,000,000	-	-	-	1,000,000
Beal Park Phase II Design & Const. Doc.	Park Special Revenue	-	850,000	-	-	-	850,000
Hogan Playground and Splash Pad		-	8,500,000	-	-	-	8,500,000
Hogan Phase III Design (one baseball quad)		-	1,200,000	-	-	-	1,200,000
Land Acquisition for NW Regional Park (~125 acres)		-	5,000,000	-	-	-	5,000,000
Dunagan Park Lighting		-	-	600,000	-	-	600,000
MUGS Softball (lights one quad)		-	-	2,000,000	-	-	2,000,000
Hogan Golf Course Pump Station (water treatment)		-	-	330,000	-	-	330,000
Beal Park Phase II Const. (additional soccer fields, amphitheatre, playground)		-	-	11,500,000	-	-	11,500,000
Windlands Baseball (turf and lights one quad)		-	-	3,000,000	-	-	3,000,000
Hogan Phase 2 Const.		-	-	12,000,000	-	-	12,000,000
Hogan Phase 4 Design (soccer fields, covered basketball courts)		-	-	750,000	-	-	750,000
Reyes Phase 3 Design (third field, playground, BMX area)		-	-	1,000,000	-	-	1,000,000
Beal Phase 3 Design (east soccer fields)		-	-	500,000	-	-	500,000
Astound Stadium New Artificial Turf	Sports Complex	-	-	1,000,000	-	-	1,000,000
Momentum Ballpark New Playgrounds	Sports Complex	-	-	500,000	-	-	500,000
SSC - Auxiliary Field Turf Replacement	Sports Complex	-	-	-	4,000,000	-	4,000,000
Hogan Golf Course Pro Shop Design & Const. Documents		-	-	-	1,500,000	-	1,500,000
Reyes Phase 3 Construction		-	-	-	10,000,000	-	10,000,000
Beal Phase 3 Construction		-	-	-	6,000,000	-	6,000,000
SSC - Seat Replacement Both Stadiums	Sports Complex	-	-	-	-	1,750,000	1,750,000
Hogan Park Phase 3 & 4 Const		-	-	-	-	28,000,000	28,000,000
PARKS AND RECREATION SUBTOTAL		21,550,000	37,950,000	33,980,000	26,500,000	30,550,000	150,530,000

CAPITAL IMPROVEMENTS PROGRAM 2025

DEPARTMENT	FUNDING SOURCE	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL ALL YEARS
Engineering							
Mockingbird Lane (Holliday Hill to Midland Dr)*		7,000,000	-	-	-	-	7,000,000
Garfield St & Florida Ave - Signal		359,000	-	-	-	-	359,000
Traffic Calming - 10 year program		2,500,000	-	-	-	-	2,500,000
Signal Rehab/Upgrade - 10 year program		5,000,000	-	-	-	-	5,000,000
Midland Draw - Fairgrounds Road to Jackson Street		1,081,200	-	-	-	-	1,081,200
Loop 250 & Big Spring St - Operational Capacity Improvements		600,000	-	-	-	-	600,000
Downtown Lighting, Archway, and Downtown Signals		3,500,000	-	-	-	-	3,500,000
Sinclair Avenue Extension (SH 158 to CR 1250)		-	8,000,000	-	-	-	8,000,000
I-20 Backage (Phase 1) - Garfield Rd to Midkiff Rd		-	5,250,000	-	-	-	5,250,000
Loop 250 & Midland Dr - Operational Capacity improvements		-	600,000	-	-	-	600,000
Fairgrounds Rd & Mockingbird Ln - Signal Turn Lane Improvements		-	1,067,000	-	-	-	1,067,000
COMPASS - Various Locations		-	1,000,000	-	-	-	1,000,000
Fairgrounds Rd. - BI20 to Pine Ave.		-	2,559,105	-	-	-	2,559,105
Midland Draw - Golf Course Rd to Fairgrounds Rd		-	618,240	-	-	-	618,240
Wadley Ave. - Godfrey to I Street*		-	10,000,000	-	-	-	10,000,000
Tradewinds Blvd & Deauville Blvd - Signal		-	-	600,000	-	-	600,000
Avalon Blvd. - Briarwood to Mockingbird		-	-	4,000,000	-	-	4,000,000
Golf Course Rd. - Tarleton St. to A St.*		-	-	6,000,000	-	-	6,000,000
COMPASS - Various Locations		-	-	1,500,000	-	-	1,500,000
Mockingbird Ln. - Garfield to A		-	-	15,500,000	-	-	15,500,000
Mockingbird Lane (Avalon to Holliday Hill)*		-	-	-	6,000,000	-	6,000,000
I-20 Backage (Phase 2) - Midkiff Rd to Rankin HWY		-	-	-	5,000,000	-	5,000,000
Scharbauer Drive - Fairgrounds Rd to Golf Course Rd	County, MDC, Developer	-	-	-	6,000,000	-	6,000,000
Occidental Pkwy - Midkiff Rd to BS 349*	County, MDC, Developer	-	-	-	6,750,000	-	6,750,000
Midkiff Rd - Passage Way to Occidental Pkwy	County, MDC, Developer	-	-	-	-	6,750,000	6,750,000
Mockingbird Ln (11) - 925' E of Midkiff Rd to Garfield St		-	-	-	-	3,949,000	3,949,000
Antelope Trl (1) - IH 20 WBFR to 2,080' S of CR 127		-	-	-	-	1,666,000	1,666,000
Avalon Blvd. - Musial to Thomason (City Portion)*	MDC, Developer	-	-	-	-	4,250,000	4,250,000
Annual Maintenance		30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	150,000,000
ENGINEERING SUBTOTAL		50,040,200	59,094,345	57,600,000	53,750,000	46,615,000	267,099,545

CAPITAL IMPROVEMENTS PROGRAM 2025

DEPARTMENT	FUNDING SOURCE	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL ALL YEARS
Water and Sewer Utility							
Upsize 4" iron lines through out City	Operating funds	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Replace Lift Stations (Airport and Mockingbord)	Operating funds	1,500,000	-	1,500,000	-	-	3,000,000
Replace/Rehab Outfall lines to Wastewater plant	Operating funds	1,500,000	1,500,000	1,500,000	-	-	4,500,000
Replace/Rehab 50 Manholes in Wastewater system	Operating funds	500,000	500,000	500,000	500,000	500,000	2,500,000
Filter System Upgrades at WPP	Operating funds	1,500,000	-	-	-	-	1,500,000
Upgrade WPP to Chlorine Dioxide	Bond or Unallocated funds	-	5,000,000	-	-	-	5,000,000
Increase Clearwell water storage at WPP	Bond or Unallocated funds	-	-	-	3,000,000	-	3,000,000
Plant Farm pond liner replacement (required by TCEQ) (start FY21)	Bond or Unallocated funds	1,000,000	-	-	-	-	1,000,000
Decomission of MBR	Operating funds	-	2,000,000	-	-	-	2,000,000
Design and construction of WPCP Digester	New Bond	-	-	-	5,000,000	8,000,000	13,000,000
Utilites Extension and Taps Program	Operating funds	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
New W&WW facility	Bond or Unallocated funds	-	6,000,000	-	-	-	6,000,000
Paul Davis Advanced Treatment	Tbar Water Sales/ ROW Sales	-	-	-	35,000,000	-	35,000,000
UTILITIES SUBTOTAL		10,000,000	19,000,000	7,500,000	47,500,000	12,500,000	96,500,000

Airport & Spaceport							
Runway Blast Pad	90% FAA	175,000					175,000
Entry Road to MAF		2,500,000					2,500,000
Air Carrier Runway Mill and Fill	90% FAA	1,600,000					1,600,000
Customs Facility		5,000,000					5,000,000
Cargo Building		15,000,000					15,000,000
Master Plan Update	90% FAA	100,000					100,000
Parking Garage			56,000,000				56,000,000
CONRAC			40,000,000				40,000,000
Air Carrier Taxiway Reconstruction	90% FAA		850,000				850,000
GA Runway Reconstruction				8,000,000			8,000,000
Airfield Snow Equipment	90% FAA			350,000			350,000
Airpark Hangar Project and Entrance Road	50% Private Funding			8,000,000			8,000,000
Airfield Reconstruction and Rehabilitation	90 FAA				1,600,000		1,600,000
AIRPORT SUBTOTAL		24,375,000	96,850,000	16,350,000	1,600,000	-	139,175,000

CAPITAL IMPROVEMENTS PROGRAM 2025

DEPARTMENT	FUNDING SOURCE	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	TOTAL ALL YEARS
Fire and Police							
Police Station Renovations			1,000,000				1,000,000
Fire Station 4, 8, & 12					36,000,000		36,000,000
Fire Station 9						13,000,000	13,000,000
Health Department Center						35,000,000	35,000,000
FIRE AND POLICE SUBTOTAL		-	1,000,000	-	36,000,000	48,000,000	85,000,000
Solid Waste							
Citizen Collection Centers (SH349 & BI-20)		7,700,000					7,700,000
Land Fill Entrance Road		3,000,000					3,000,000
Land Fill Gasline Relocation			8,000,000				8,000,000
New Land Fill Cell Design				1,500,000			1,500,000
Construction of New Landfill Cell					12,000,000		12,000,000
SOLID WASTE SUBTOTAL		10,700,000	8,000,000	1,500,000	12,000,000	-	32,200,000
CAPITAL IMPROVEMENT PROGRAM TOTAL		116,665,200	221,894,345	116,930,000	177,350,000	137,665,000	770,504,545



PARKS CAPITAL PROJECTS

TOTAL PROJECT COSTS:	FUNDING SOURCES
\$51,326,052	CIP- Parks O&G 097, Parks 126, CO BONDS

PROJECT IDENTIFICATION	TOTAL PROJECT COST	FUNDING SOURCE
PARKS:		
SE Senior Center Canopy	\$ 313,716	CDBG and ARPA funds
Ulmer Softball Lights	\$ 1,110,857	CIP-Parks Fund 126
Windlands Park Soccer Lights	\$ 1,172,500	CIP-Parks Fund 126
Dennis the Menace Fitness Court	\$ 209,000	CIP -Parks O&G Fund 097
REYES-MASHBURN-NELMS Baseball Complex Phase I	\$ 13,174,796	CIP -Parks O&G Fund 097
SSC D-Cell Light replacement	\$ 319,565	SSC 079
Doug Russell Bath House	\$4,121,931	Parks 097/CIP 126
Beal Park Phase 1	\$16,500,000	CIP-Parks Fund 126
Beal Park Phase 2	\$7,000,000	CIP-Parks Fund 126
Beal Park Phase 3	\$4,500,000	CIP-Parks Fund 126
Bill Williams Playground	\$168,485	CIP-Parks Fund 126
Tumbleweed Park and Grasslands Park Playground	\$997,417	CIP-Parks Fund 126, Parks O&G Fund 097, Grant
Dunagan Restroom	\$225,000	pending CDBG source
Hogan Golf Course Master Plan and Phase II Improvements	\$250,000	CIP-Parks Fund 126
Hogan Cart Barn Replacement	\$1,000,000	CIP Parks- 2024
SSC Fields 5 and 6	\$262,785	CIP-Parks Fund 126

Alignment with Strategic Plan

Goal 3: Quality of Life and Place

3.6 Build the Best Parks System in Our Region

CAPITAL PROJECTS 2024-2025

1. SE Senior Center Canopy

Contract Number: 1108

Project Number: 700337-060, 700298-065

Description: Shade Canopy addition on North side of Building -Add Outdoor Patio

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	CDBG & ARPA	\$313,716	\$313,716

2. Ulmer Softball Lights

Project Number: 900474-126

Description: New LED sports lighting purchase and installation on five softball fields for the Midland Girls Softball Organization

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	CIP-Parks Fund 126	\$1,110,857	\$0

3. Windlands Park Soccer Lights

Project Number: 900446-126

Description: Resolution 2023-079- The purchase and installation of LED lighting at the Windlands Soccer Fields

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	Parks CIP Fund 126	\$1,172,500	\$532,953

4. Dennis the Menace Fitness Court

Project Number: 900442-097

Description: Installation of Shaded Fitness Court at Dennis the Menace Park- Accepted grant funds from the National Fitness Campaign to assist with construction and installation of fitness court.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	097 Parks O&G CIP-Grant	\$209,000	\$131,745

5. Reyes-Mashburn-Nelms Improvements

Build partnerships to bring new sports tournaments to Midland, while providing updated and well-maintained facilities.

Project Number: 900461-097

REYES-MASHBURN-NELMS BASEBALL PHASE 1

Description: Complete the Baseball Complex with construction and installation of new turf fields for four Little League Fields and two High School Baseball Fields.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	097- Parks O & G CIP	\$13,174,796	\$12,607,132

6. SSC Dcell Light replacement

Build partnerships to bring new sports tournaments to Midland, while providing updated and well-maintained facilities.

Contract Number 1187

Description: Replace all Dcell lights at Scharbauer Sports Complex

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	Sports Complex Fund	\$319,565	\$0

7. Doug Russell Bath House

Project Number: 900454-097

Description: Resolution 2024-164 - Demolition and reconstruction of bath house

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	CIP-Parks Fund 126	\$4,121,931	\$0

8. Beal Park Improvements

- ❖ *Build partnerships to bring new sports tournaments to Midland, while providing updated and well-maintained facilities.*
- ❖ *Foster existing relationships and development of new public private partnerships to enhance the quality of life for Midland*

Project Number: 900464-126/097

BEAL PARK PHASE 1

Description: The first phase of the project will include renovation of the existing soccer and cricket fields, the roadway extension to Beal Parkway, additional parking areas, sidewalks, and the installation of 4 artificial turf soccer fields. In addition, the undeveloped land within the park will be cleared and irrigation and seeding will be installed. Under a separate contract, new lighting will also be installed to complement the newly renovated fields.

This will be a major improvement for Midland families that are currently attending games at both Windlands Park and Butler Park, depending on the ages of their children. With the completion of Phase I, all recreational soccer games that are typically played on Saturdays will be played at Beal Park, and parents can stay in one area for all games.

Resolution 2024-014 authorizes the architectural, design and engineering services for phase IA and 1B of the park renovation.

Strategic Goal	Funding Source	Total Project Cost	Total City Cost	YTD Project Costs
3	Parks CIP Fund 126	\$1,194,375	\$805,078	\$805,078
3	2025 C.O.	\$17,260,517	\$16,500,000	\$0

BEAL PARK PHASE 2-

Description: Resolution 2024-089 authorizes services for architectural, landscape, and engineering design for phase II and III. The construction will develop park amenities to include a Playground, Splashpad, and Amphitheatre.

Strategic Goal	Funding Source	Total Project Cost	Total City Cost	YTD Project Costs
3	Parks CIP Fund 126	\$1,176,750	\$1,176,750	\$0
3	2025 C.O.	\$12,000,000	\$7,000,000	\$0

BEAL PARK PHASE 3

Description: Develop New Restroom and Parking for East Side Fields

Strategic Goal	Funding Source	Total Project Cost	Total City Cost	YTD Project Costs
3	2025 C.O.	\$7,000,000	4,500,000	\$0

9. Bill Williams Playground

Project Number: 900481-126

Description: Resolution 2024-142 -Install new playground equipment at Bill Williams complex at Hogan Park

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	CIP-Parks Fund 126	\$168,485	\$0

10. Grasslands and Tumbleweed Park Playground

Project Number: 900463-097

Description: Aviation themed playground installation- Motion 146-2023; Accepted grant funds of \$150,000 for the construction and installation of certain playground equipment, solar lighting and other amenities. The Parks Oil and Gas Fund appropriated \$275,000 for the Tumbleweed Improvements and \$425,000 to the Grasslands. Resolution 2024-142 awarded services agreement for the design of new playground equipment at Tumbleweed.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	097- Parks O & G CIP	\$700,000	\$0
3	CIP-Parks Fund 126	\$297,417	\$0

11. Dunagan Restroom

Project Number: n/a

Description: Replace old restroom at Dunagan

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	CDBG	\$225,000	\$0

12. Hogan Park Golf Course Improvements

- ❖ *Build partnerships to bring new sports tournaments to Midland, while providing updated and well-maintained facilities.*
- ❖ *Foster existing relationships and development new public private partnerships to enhance the quality of life for Midland*
- ❖ *Improved Facilities at only public course in Midland*

Project Number: 900373-126

HOGAN PARK GOLF PHASE 1:

Description: \$11million in initial funding has been approved for Phase I of the Golf Course Improvements. Activities in this phase include a Master Plan, the cart barn replacement, the replacement of five restrooms and renovations to the Clubhouse. Additionally, the irrigation system will be redesigned and an RO system installed. The master plan and cart barn replacement are scheduled for FY25.

Motion 081-2021 executed a professional agreement for the design and construction administration services for the Hogan Park Master Plan and Phase II

Hogan Golf Course Master Plan

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	2024 CO- Parks CIP 126	\$250,000	\$0

Hogan Cart Barn Replacement

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	2024 CO- Parks CIP 126	\$1,000,000	\$0

13. SSC Fields 5 and 6

Build partnerships to bring new sports tournaments to Midland, while providing updated and well-maintained facilities.

Project Number: 900475-126, Contract 1169

Description: Develop and construct two new Auxiliary fields at Sports Complex

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
3	CIP-Parks Fund 126	\$262,785	\$29,131

ENGINEERING CAPITAL PROJECTS

TOTAL PROJECT COSTS:	FUNDING SOURCES
\$40,469,451	GF, C.O. Bonds, Drainage, ARPA

PROJECT IDENTIFICATION	TOTAL PROJECT COST	FUNDING SOURCE
ENGINEERING		
W. Wadley Avenue Extension Project	\$7,425,496	GF CIP, C.O. Bond, Drainage
TX HWY 158 & Sinclair and Signal	\$4,491,469	GF, TX-DOT
COMPASS 2023 (Camp, Atlanta, Harison, Jefferson, Longview and N Ft Worth)	\$3,463,416	CDBG and GF
Main Street - Paving	\$8,111,692	GO Road Bond
Garfield Avenue - Paving	\$8,366,318	GO Road Bond
Occidental Parkway Ext	\$416,350	GF, Drainage
Mockingbird Ln (Holiday Hill to Midland)	\$7,500,000	2025 C.O.
Fairgrounds North (LP250 to Mockingbird Ln)	\$694,710	C.O. Road Bond

Alignment with Strategic Plan

Goal 6: Strengthen and Sustain our Infrastructure

6.1 Provide Reliable and Sustainable Utilities

6.2 Enhance Infrastructure for Economic Growth

1. W. Wadley Avenue Extension Project

Project Number: 900301-158/005/405

Description: Extension of W. Wadley Ave to SH158

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	CIP GF, C.O. Bond, Drainage	\$7,425,496	\$ 7,318,309

CAPITAL PROJECTS 2024-2025

2. TX HWY 158 & Sinclair (and Signal listed in Traffic)

Project Number: 900473-005, 900445-005

Description: Contract for Intersection Drainage Improvement Road Widening. TX-DOT funding to provide median improvements. The Signal for Traffic included here in the total city cost.

Strategic Goal	Funding Source	Total City Cost	YTD Project Costs
6	General Fund, TX-DOT	\$4,491,469	\$4,480,053

3. COMPASS 2023 (Camp, Atlanta, Harison, Jefferson, Longview and N Ft Worth)

Project Number: 900469-005, Contract Number 875

Description: Building Curb & Gutter, Milled and Paved

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	General Fund	\$1,300,306	\$804,070
6	ARPA-CDBG	\$2,163,110	\$2,049,210

4. Main Street – Paving

Project Number: 981016-178, 981016-120

Description: Paving roadway following replacement of utilities on Main Street

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	G.O. Road Bond	\$8,111,692	\$8,053,847

5. Garfield Avenue – Paving Final Phase

Project Number: 981014-178, 981014-120

Description: Paving roadway following replacement of utilities on Garfield Ave

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	G.O. Road Bond	\$8,366,318	\$7,447,397

6. Occidental Parkway Ext

Contract Number: 714

Description: Extension of Occidental from Carriage to Elkins Rd. The City of Midland paid for the design of the project with total cost listed below. Midland County will be responsible for the construction costs.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	GF, Drainage	\$416,350	\$416,350

7. Mockingbird Ln (Holiday Hill to Midland)

Project Number: N/A

Description: New Roadway Extension of Mockingbird Ln from Holiday Hill to Midland

Strategic Goal	Funding Source	Estimated Project Cost	YTD Project Costs
6	2025 C.O.	\$7,500,000	\$0

8. Fairgrounds North (LP250 to Mockingbird Ln)

Project Number: 900297-120

Description: Motion 088-2024: Relocation of pipeline to accommodate the expansion of Fairgrounds North to Mockingbird Ln. Funding does not include the expansion paving costs, which will be funded from the 2025 Certificates of Obligation.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	C.O Road Bond	\$694,710	\$694,710

UTILITIES CAPITAL PROJECTS

TOTAL PROJECT COSTS:	FUNDING SOURCES
\$62,341,646	UTILITIES FUND, CO BONDS

PROJECT IDENTIFICATION	TOTAL PROJECT COST	FUNDING SOURCE
UTILITIES		
Garfield Avenue - Utility	\$6,437,157	GO Road Bond
Briarwood Utility	\$4,868,895	Utilities
Wall Street Sewer Diversion	\$4,190,089	Utility Maintenance Fund
NE Sewer Line	\$46,845,505	C.O. Bond

Alignment with Strategic Plan

Goal 6: Strengthen and Sustain our Infrastructure

6.1 Provide Reliable and Sustainable Utilities

6.2 Enhance Infrastructure for Economic Growth

1. Garfield Avenue – Utility

Project Number: 982014-179

Description: Res 2023-010 awarding the execution of a contract for the Garfield Street Utility Bond

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	G.O. Road Bond	\$6,437,157	\$5,810,015

2. Briarwood Utility

Project Number: 900420-305

Description: RES 2022-102- Survey, Design, and Construction services for Phase II of New Water and Wastewater Utilities along Briarwood Ave between Golden Gate Ave and State Highway 158.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	Utilities	\$4,868,895	\$4,440,473

3. Wall Street Sewer Diversion

Contract Number: 1074

Description: I-20 Wildlife Preserve for Wall St. Sewer Diversion

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	Utility Maintenance Fund	\$4,190,089	\$2,773,456

4. NE Sewer Line

Project Number: 900369-370

Description: Resolution 2024-088 utilizes Water and Sewer bond funds for the Northeast Water Main Project and System Installation

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	C.O. Bond	\$46,845,505	\$28,360,583

TRAFFIC CAPITAL PROJECTS

TOTAL PROJECT COSTS:	FUNDING SOURCES
\$3,570,372	GENERAL FUND, COUNTY, TX-DOT, MDC

PROJECT IDENTIFICATION	TOTAL PROJECT COST	FUNDING SOURCE
TRAFFIC		
Andrews Hwy & Woodcrest	\$1,026,660	General Plan CIP
Avalon Dr & Deauville Blvd	\$626,272	General Plan CIP
Lamesa Rd & Gist Ave, SH 158 & Sinclair Ave	\$684,394	Gen. Fund Infrastructure, Midland County
Mockingbird & Stonebridge	\$491,088	Gen. Fund Infrastructure
Big Spring & Occidental	\$32,800	City Design: TX-DOT construct
Fairgrounds & Scharbauer	\$600,000	CO Bond -2025
SH 158 & Briarwood (County Rd 60), SH 158 & Wadley Ave	\$109,155	City Design: TX-DOT construct

Alignment with Strategic Plan

Goal 6: Strengthen and Sustain our Infrastructure

6.1 Provide Reliable and Sustainable Utilities

6.2 Enhance Infrastructure for Economic Growth

1. Andrews Hwy & Woodcrest

Project Number: 900234-005

Description: New Traffic Signal and Assembly. Traffic Signal Cabinet, 2 door NEMA TS2-2 Size 6 Cabinet. \$846,660 in construction costs and \$180,000 for materials.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	General Fund CIP	\$1,026,660	\$1,026,660

CAPITAL PROJECTS 2024-2025

2. Avalon Dr & Deauville Blvd

Project Number: 900234-005

Description: New Traffic Signal and Assembly. Traffic Signal Cabinet, 2 door NEMA TS2-2 Size 6 Cabinet. Costs of construction were \$446,273 and \$180,000 for materials.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	General Fund CIP	\$626,273	\$626,273

3. Lamesa Rd & Gist Ave, Mockingbird and Magellan, SH 158 & Sinclair Ave

Project Number: 900472-005, 900473-005

Contract Number: 1133

Description: The awarded amount for these traffic signal installations on this contract was \$622,177 with \$62,217 for contingency. Midland county is potentially partnering with the city to reimburse some of the costs.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	General Fund CIP	\$684,395	\$684,395

4. Mockingbird & Stonebridge

Purchase Order: 20241367

Description: Traffic Signal Cabinet and Assembly. Two door NEMA TS2-2 Size 6 Cabinet. Construction costs totaled \$311,089 and \$180,000 in materials.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	General Fund Operating	\$491,089	\$491,089

5. Big Spring & Occidental

Purchase Order: 20182019

Description: This is a Texas Department of Transportation project that is pending a project and construction. The city funded the creation of the project design, indicated below but TX-DOT will fund the project construction.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	TX-DOT	Unknown	\$32,800

6. Fairgrounds & Scharbauer

Project Number: unknown

Description: This project should go out for bid in the near future.

Strategic Goal	Funding Source	Total Estimated Cost	YTD Project Costs
6	C.O. BOND 2025	\$600,000	\$0

7. SH 158 & Briarwood (County Rd 60), SH 158 & Wadley Ave

Purchase Orders: 20191281, 20191514, 20221185, 20221424

Project Number: 900354-236

Description: This is a Texas Department of Transportation project that is pending a project and construction. The city funded the creation of the project design, indicated below but TX-DOT will fund the project construction.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
6	TX-DOT, MDC	Unknown	\$109,156

AIRPORT

TOTAL PROJECT COSTS:	FUNDING SOURCES
\$51,704,177.00	AIRPORT FUND, FAA, GRANTS

PROJECT IDENTIFICATION	TOTAL PROJECT COST	FUNDING SOURCE
AIRPORT	<i>CITY COST</i>	
South End Fuel Spill	\$4,400,000	100% Airport Fund
Runway Blast Pad Reconstruction	\$290,000	90% FAA/10% Airport
Air Carrier Runway Mill and Fill	\$1,582,177	90% FAA/10% Airport
Customs Facility	\$5,000,000	Federal Match is unknown currently
Cargo Building	\$15,000,000	Federal Match is unknown currently
Airfield Drainage	\$6,000,000	100% PFC Funded
Master Plan Update	\$100,000	90% FAA/10% Airport
Airfield Snow Removal Equipment	\$332,000	90% FAA/10% Airport
Maintenance Facility	\$3,000,000	100% Airport Fund
Hangar Project	\$16,000,000	100% Airport Fund

Alignment with Strategic Plan

Goal 1: Strong Economy with more Quality Jobs

1.5 Grow the core business of air transportation: Develop and transform the Midland airport system.

Goal 5: Provide Sound Governance and Fiscal management

5.7 Ensure continued financial stability and accountability: Maintain financial transparency.

CAPITAL PROJECTS 2024-2025

1. South End Fuel Spill

Project Number: N/A

Description: Clean up spill from old environmentally hazardous material

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
1, 5	Airport CIP	\$4,400,000	\$0

2. Runway Blast Pad Reconstruction

Project Number: 900413-505

Description: Mt 068-2022. Authorized the reconstruction of runway 16R Blast pad, remove runway 34L concrete blast pad, and add asphalt shoulder to runway 10 blast pad project.

Strategic Goal	Funding Source	Total Project Cost	Estimated Airport Cost	YTD Project Costs
1, 5	90% FAA/ 10% Airport	\$2,900,000	\$290,000	\$400,264

3. Air Carrier Runway Mill and Fill

Project Number: 900393-505

Description: Motion 015-2022 approving reconstruction asphalt Air Carrier Apron Pavement with Concrete.

Strategic Goal	Funding Source	Total Project Cost	Estimated Airport Cost	YTD Project Costs
1, 5	90% FAA/ 10% Airport	\$14,000,000	\$1,582,177	\$337,558

4. Customs Facility

Project Number: PSA with MT 064-2023 for design

Description: The TSA requested a new separate customs facility. The airport is competing for grants and will use bond funds for non-grant portion of costs.

Strategic Goal	Funding Source	Total Project Cost	Estimated Airport Cost	YTD Project Costs
1, 5	Federal Match, Airport C.O.	\$5,000,000	Unknown	\$0

CAPITAL PROJECTS 2024-2025

5. Cargo Building

Project Number: PSA with MT 064-2023 for design

Description: Building a new cargo facility

Strategic Goal	Funding Source	Total Project Cost	Estimated Airport Cost	YTD Project Costs
1, 5	Federal Match, Airport	\$15,000,000	Unknown	\$0

6. Airfield Drainage

Project: 700221-506

Description: Regrade Infield areas/Reconstruct Storm Sewer Inlets. Design completed

Strategic Goal	Funding Source	Total Project Cost	Estimated Airport Cost	YTD Project Costs
1, 5	100% PFC Funded	\$6,000,000	Unknown	\$220,280

7. Master Plan Update

Project Number: n/a

Description: Update the Airport Master Plan

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
1, 5	90% FAA/ 10% Airport	\$100,000	\$0

8. Airfield Snow Removal Equipment

Project Number: 700351-505

Description: Acquire new equipment to replace aged snow removal

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
1, 5	90% FAA/ 10% Airport	\$332,000	\$2,158

9. Maintenance Facility

Project Number: n/a

Description: Build a small maintenance facility

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
1, 5	Airport 100%, CO	\$3,000,000	\$0

10. Hangar Project

Project Number: n/a

Description: Provide a long-term infrastructure plan for Midland Airpark Hangar Development. The goal is to increase the hangar capacity which will increase tenant rent revenue stream.

Strategic Goal	Funding Source	Total Project Cost	YTD Project Costs
1, 5	Airport C.O.	\$16,000,000	\$0

DEBT SERVICE MANAGEMENT

General Obligation

The City issues general obligation bonds and certificates of obligation to provide funds for the acquisition and construction of major capital facilities. Each debt issuance is evaluated against multiple policies addressing debt service as a percent of operating expenditures, tax and revenue bases for the repayment of debt, the overall debt burden on the community, statutory limitations and market factors affecting tax-exempt interest costs. Sizing of the City's capital improvement program based on debt capacity in conjunction with conservatively estimated pay-as-you go revenues help stabilize per capita debt and lower annual debt service costs to the City over the long-term. The City will manage the length of maturity of its long-term debt in order to lower net interest cost and to maintain future flexibility by paying off debt earlier. Generally, the target is 25 years or less. Adherence to this debt policy helps ensure that the City issues and manages its debt prudently in order to maintain a sound financial position and protect its credit rating. Credit ratings are the rating agencies' assessment of the City's ability and willingness to repay debt on a timely basis. Credit ratings are an important indicator in the credit markets and can influence interest rates a borrower must pay. Each of the rating agencies believes that debt management is a positive factor in evaluating issuers and assigning credit ratings. Therefore, implementing debt management practices will be viewed positively by the rating agencies and could influence the City's credit rating and ultimately lower borrowing costs. The City of Midland most recently received a "AAA" by Fitch Ratings ("Fitch") and "Aa1" by Moody's Investors Service ("Moody's"). Moody's credited the City with "strong financial profile and budgetary practices to mitigate operating challenges".

Debt Tax Rate Limitations

All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax-supported debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 of Taxable Assessed Valuation.

COMPUTATION OF LEGAL DEBT LIMIT

Total Assessed Value	\$ 22,602,410,435
Debt Limit 8% of Assessed Value	\$1,808,192,835
Debt Applicable to Debt Limit (a1 10/7/24)	\$148,915,517
Unused Legal Debt Limit	\$1,659,277,318

The Home Rule Charter of the City, however, limits its tax rate to \$2.00 per \$100 Assessed Valuation for all City purposes. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.20 of the \$2.00 maximum tax rate for all debt service secured a levy of ad valorem taxes, as calculated at the time of issuance. The City's 2024/2025 tax levy is \$0.348662 of which \$0.058342 is for debt service purposes. As of January 1, 2020, Senate Bill 2 revised the Property Tax requirements for Texas Municipalities, limiting the calculation of the voter approval rate to a 1.035 multiplier. However, any city located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such city's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred. Referenced in Tax Code Chapter 26, section 4

Tax Supported Debt:	Principal	Interest	Total Payment
2023 GO	\$545,000	\$1,038,225	\$1,583,225
2021 CO	\$805,000	\$714,675	\$1,519,675
2021 Refunding 2012 GO	\$605,000	\$257,975	\$862,975
2020 Refunding 2014 GO	\$1,508,276	\$219,914	\$1,728,190
2020 GO	\$605,000	\$796,900	\$1,401,900
2020 CO	\$275,000	\$270,425	\$545,425
2019 GO Road Bond	\$675,000	\$850,575	\$1,525,575
2019 GO-2009 Refunding	\$540,000	\$116,150	\$656,150
2019 CO	\$290,000	\$285,950	\$575,950
2018A Road Bond	\$1,085,000	\$922,462	\$2,007,462
Total	\$6,933,276	\$5,473,252	\$12,406,528





DEPARTMENTAL BUDGET DETAIL



GENERAL FUND

The General Fund tracks the revenues and expenditures for general purpose governmental functions. This includes Fire, Police, Engineering and Administrative Services. This is the fund that receives property tax and sales tax.

GENERAL FUND DESCRIPTIONS

City Council (Legislative)

The Mayor and City Council, as outlined by the City Charter and applicable laws, serve as the policy-making body for Midland. They set the strategic direction, align priorities with the vision of making Midland the premier and safest city in West Texas, and uphold transparency and inclusivity in governance. The Council appoints boards and commissions to drive community engagement and ensure the City's initiatives reflect the needs of its residents.

City Manager Office

The City Manager's Office implements the strategic direction established by the City Council, delivering exceptional municipal services. This office leads efforts in fiscal accountability, operational efficiency, and innovation, ensuring policies align with the vision of Midland as a thriving and safe community. The City Manager works collaboratively across departments and with stakeholders to achieve a high-performing city team.

Strategic Communications:

The Strategic Communications Department enhances transparency and fosters trust by managing the City's public relations and media outreach. By aligning communication strategies with the Council's focus on quality of place and inclusivity, the department engages the community through digital platforms, educational programs, and marketing initiatives that amplify Midland's achievements and opportunities.

Municipal Court

The Municipal Court Judge is appointed by the City Council and holds court five days a week. The office personnel are under the general direction of the Municipal Court Judge. The office prepares and maintains records and files which pertain to court procedure. The department also serves warrants and in general makes collections for all fines assessed by the Judge.

City Attorney (Legal)

The City Attorney and his staff are responsible to the City Council. The department represents the City in all lawsuits and hearings; provides legal advice to all departments; and prepares necessary documents in relation to contracts, ordinances, resolutions, and other legal instruments as needed.

City Secretary

This office carries out the duties outlined in the City Charter. The City Governance Officer is required to attend all Council meetings and keep accurate minutes of the proceedings; she maintains and files all documents, books, papers, and contracts of a legal nature; she countersigns all commissions and licenses. She is the keeper of the City Seal and affixes it to documents and papers as needed when legally authorized to do so; she maintains records of all appointments to various boards and commissions. The City Secretary attends bid openings which exceed \$25,000.

Administrative Services

Human Resources:

The objectives of this department are to serve all departments and divisions by recruiting permanent, part-time, and seasonal employees. The division also maintains classification and compensation schedules; keeps personnel records on all employees; directs the City's employee benefit programs; serves as a central agency for employee recognition and training programs and conducts other activities compatible with a sound human resource management system including policy development and enforcement.

Talent Acquisition:

The objectives of talent acquisition are to identify, attract, assess, and hire skilled and qualified individuals to meet organizational needs. Talent acquisition involves creating a pipeline of candidates, fostering relationships, and aligning hiring strategies with the company's goals and future workforce requirements. Collaboration with city departments is important to anticipate recruitment needs.

Information Technology Services Department (ITSD)

ITSD Administration:

The IT Administration team manages IT operations, including budget oversight, contract management, procurement, and staffing. They serve as the primary communication hub between IT and other administrative departments.

ITSD Services:

The IT Services team addresses user inquiries and issues through a centralized help desk. They manage and escalate support tickets, provide troubleshooting, and assist other IT teams as needed.

ITSD Infrastructure:

The IT Infrastructure team maintains the city's network and server infrastructure, handling hardware installations and data center management. They also support the public safety interoperable radio system, ensuring reliable communication for emergency services.

GIS Administration:

The purpose of the Geographic Information System (GIS) Division is to administer, edit, and display the City of Midland spatial and nonspatial data. The Division provides and maintains geographic data, custom mapping applications, and static maps to City employees and the public.

ITSD Enterprise Applications:

The IT Administration team manages IT operations, including budget oversight, contract management, procurement, and staffing. They serve as the primary communication hub between IT and other administrative departments.

ITSD Project Management:

The Project Management team oversees IT projects from inception to completion, handling project planning, stakeholder communication, and team coordination. They also include a training coordinator to ensure staff are well-prepared for new implementations.

ITSD Security Operations:

The IT Security Operations team develops and enforces cybersecurity policies, monitors security events, manages security tools, and implements business continuity and disaster recovery plans.

Communications:

The Communications team handles emergency dispatch services for the city, county, and multiple other entities. They manage 911 calls, coordinate with various emergency response units, and ensure efficient communication and dispatch for public safety. This team is crucial in maintaining swift and effective emergency response operations across multiple jurisdictions.

Finance

Finance Administration:

The Finance Administration Division oversees all aspects of the City's financial operations. The Finance Director leads accounting staff, oversees internal controls, engages with investors, evaluations investments, monitors expenditures and manages tax compliance. The Budget Team is responsible for all aspects of developing, implementing, and monitoring the City's annual budget. The team evaluates the needs of each department, creating short and long-term budget strategies to align funds with the current economic situations. The budget is designed and implemented to comply with legislation while ensuring growth and sustainability.

Accounting:

Accounting maintains budgetary controls on all expenditures and revenues of the City; maintains central accounting records; distributes and prepares financial statements; disburses on all City obligations; and has a general responsibility for financial forecasting and planning.

Treasury:

Treasury determines cash flow needs for payroll, commodities, special services, and projects and ensures that funds will be available when required. Funds in excess of present requirements are carefully and professionally managed to preserve capital and optimize safe and secure return. Treasury also maintains the bank accounts, revenue, accounts receivable, debt service and investments.

Cashiering:

The Cashiering Division works to ensure that cash receipts from various departments of the City are collected daily, properly recorded and are timely deposited at the bank.

*Funded under Enterprise Fund – Water Services

General Services**Purchasing:**

The Purchasing Division is responsible either directly or through delegation of authority, for the purchase or contracting of all materials, supplies, equipment and contractual services needed by any and all departments of the City. The Purchasing Manager reports to the General Services Director. The duty of the Purchasing Manager is to assure that the City's Departments and Divisions responsibilities are carried out in compliance with policies and statutes. The division is also responsible for the disposition of all surplus materials and equipment.

Facility Services:

The Facilities Services Division is responsible for the upkeep and repairs of several City owned buildings (approximately 950,000 sq. ft. of floor space) at several locations including City Hall, Police and Communications, Municipal Court, Health Department, Kingsway Mall Senior Center, Southeast Senior Center, Animal Services, City Garage and Service Center Buildings, Warehouse and Operations building and 11 Fire Stations including the Central Fire Station as well as some occasional work at the Airport. The division keeps up with work requirements by contracting out HVAC work and janitorial services on the major buildings. The division still performs plumbing repairs, electrical repairs and HVAC repairs not covered by contract on all buildings. This division's budget provides funds to pay for maintenance of heating and cooling equipment, janitorial services, general maintenance and minor remodeling services and payment of electrical and natural gas bills for most of the abovementioned facilities.

Development Services**Development Services Administration:**

Development Services Administration oversees departmental integration and continuous improvement by streamlining processes, enhancing customer service, and leveraging technology. Focuses on efficiency, staff training, and standardized procedures to improve service quality for residents and businesses.

Planning:

The Planning Division manages daily case reviews for zoning, land use, and subdivision applications while leading long-range planning efforts. It supports the Planning and Zoning Commission and City Council, develops small area plans, and maintains essential documents like zoning maps and the city's comprehensive plan, Tall City Tomorrow. By aligning current projects with long-term goals, the division promotes economic development, sustainable growth, and high-quality development.

Community Development:

The Community Development Division manages the Community Development Block Grant (CDBG) program, including coordinating funding applications, contracts, project monitoring, and ensuring federal compliance. The Division is also responsible for coordinating with local partners to address homeless populations and populations at risk for homelessness in our community.

Code Compliance:

The Code Compliance Division ensures public health, safety, and quality of life by addressing nuisances like overgrown lots, abandoned buildings, and junked vehicles. The Division promotes compliance with local nuisance and property maintenance ordinances through education, patrols, and enforcement to maintain safe and attractive neighborhoods.

Permitting & Inspection:

The Permitting & Inspections Division manages construction permitting and inspections processes to support development while upholding safety standards. The division is focused on streamlining these processes and enhancing efficiency in plan review, permit issuance, and inspections to accelerate projects and promote economic growth.

Special Projects/ Econ Development:

This division promotes economic diversification by supporting small businesses, revitalizing key areas, and assisting in the development of City-owned real estate. By fostering amenities like destination retail, family entertainment, and a diverse business environment, in collaboration with the Midland Economic Development Corporation and other key partners and stakeholders, the division works to enhance Midland's appeal as a place to live, work, and play.

Oil & Gas:

The Oil & Gas Division regulates oil and gas operations within the city limits to protect public health and safety. Primary responsibilities include reviewing drilling applications, inspecting drilling activities for compliance with local ordinances, and working with industry partners to mitigate potential nuisances to surrounding neighborhoods.

Engineering

Engineering Services:

The Engineering Division is one of four divisions within the Engineering Services Department and includes the responsibility for administration and oversight of the department. The Division is also responsible for review and permitting of development projects; design, review, construction management, and inspection of transportation and utility capital improvement projects; floodplain administration for the City and County; and general engineering support to internal and external customers.

Traffic Operations:

The Traffic Operations Division is one of four divisions within the Engineering Services Department. Its purpose is to operate and maintain traffic control and safety devices on public rights-of-way within the City limits. This includes the operation, maintenance, repair, and improvement of pavement markings, signs, traffic signals, street lighting, school flashers, emergency warning sirens, and various other traffic control devices. The Division's responsibilities also include traffic engineering review of capital and development projects; oversight of right-of-way access permitting and licensing for all City departments; collection, analysis and dissemination of traffic data; and support of other divisions for special events and emergency response.

Transportation:

The Transportation Division is one of four divisions within the Engineering Services Department. Its purpose is to operate and maintain public rights-of-way within the City limits. This includes the operation, maintenance, repair, and improvement of paved and unpaved public streets and alleys, drainage channels and basins, storm drain systems, and other related infrastructure. The Division's responsibilities also include support of city-sponsored special events and emergency response for flooding, brush and wildland fires, snow and ice events, and various other weather-related, natural and man-made incidents.

Parks and Recreation

Parks:

The Community Services Director has general responsibility for all programs in Parks, Recreation, Health and Senior Services, Hogan Park Golf Course and Animal Services. The parks function of this division provides for general purpose public parks. The Park division develops and maintains a quality park system throughout the City of Midland

Recreation:

The recreation function provides liaison support to numerous nonprofit and civic organizations which in turn provide for and carry out a full scope of recreational services for the citizens throughout the year. In addition to programs offered by the City, the recreational function is also carried out through a system of privatization contracts and operating agreements. The Martin Luther King Jr. Community Center provides a facility for the citizens to socialize and programming for wellness opportunities. Youth development activities are also housed in this facility. Rooms at the Martin Luther King Jr. Center are available for public use through a rental system, as are rentals of other city parks and park facilities.

Senior Services:

Senior Services provides programming to Midland's senior population and maintains two senior centers.

Police Department

Police Administration (ASB):

This bureau is responsible for the administration of the entire department. In addition to those services, the Administrative Services Bureau is responsible for four sworn officer units and two civilian units. The sworn officer units are Community Relations, the Honor Guard, Internal Affairs, and Personnel and Recruiting. The civilian units are Accreditation and Compliance Management. The Community Relations Unit coordinates several programs including: the Cadet Program, Citizen Police Academy, and National Night Out.

Support Services:

The Support Services Bureau is responsible for physical fitness training, in-service training, firearms training, the Midland Police Department Academy, telephone response reporting, police records, data entry, property and evidence, purchasing/supply and grants, the Fleet Program and police staffing the Airport. In addition, this bureau is responsible for liaison between the Police Department and the Information Systems Department for communications and computers.

Field Operations:

The primary mission of the Field Operations Bureau is to serve as the "first response" unit for all police service calls. It is structured into two main components: the Patrol Division which and the Traffic Section. The Patrol Division has 12 squads and the K-9 Unit. The Traffic division has Commercial Vehicle Enforcement (CVE) and Community Service Officers (CSO). Moreover, the bureau is responsible for Emergency Operations. These specialized units, collectively known as the Tactical Team are voluntary and collateral duty. This encompasses the SWAT Team, Snipers, Negotiations Team, Drone Team, Civil Disturbance Unit, and Hazardous Devices Unit. Each unit is tasked with specific functions that enhance our operational capabilities. Personnel within the bureau are entrusted with a range of responsibilities, including police patrol duties, traffic management, accident investigations, initial criminal investigations, and the execution of emergency and tactical operations.

Investigative Services:

The purpose of this bureau is to investigate all criminal offenses assigned to the various sections within the bureau. Investigative Service Bureau personnel will initiate and conduct thorough investigations, prepare and execute arrest and/or search warrants, prepare case reports and any other documentation or assignments required to present complete cases to the appropriate prosecuting authority for successful prosecution of defendants. The Investigative Services Bureau gathers and disseminates information concerning criminal activity to other divisions within the Police Department. The Narcotics Unit and the Directed Patrol Team are also assigned to this bureau. The Directed Patrol Team is a specialized unit that addresses gang suppression, street crime suppression, and assists the Narcotics Unit

Airport Police:

As mentioned previously, the Airport Police are under the Support Services Bureau. The function of the Airport Police is to provide 24-hour security for the Midland International Spaceport. Officers patrol secured areas of the airport and respond to aircraft alerts. They provide security at the screening checkpoint which ensures the safety of passengers and airport employees. The Airport Police work closely with Airport Operations, Midland Fire Department, US Transportation Safety Administration, US Immigrations and Customs Enforcement, and the Federal Aviation Administration. Additionally, they provide some patrol functions in the recently annexed areas near the airport.

Fire Department

Fire Administration:

This department, under the direction of the Fire Chief, is responsible for the protection of life and property, the enforcement of fire ordinances, fire prevention, fire suppression and rescue work. The department answers all fires and related emergency calls within Midland County.

Fire Training:

This division is under the direction of the Fire Chief and is responsible for all areas of training for the Fire Department.

Fire Prevention:

This division is under the direction of the Fire Chief and is headed up by the Fire Marshal. The division is responsible for all fire prevention activities as well as fire investigations and building code inspections.

Emergency Medical Service:

This division is under the direction of the Fire Chief and operates the six ambulances stationed at the fire stations.

Emergency Management:

This division is under the Fire Chief. It is responsible for coordinating all the components of the emergency management system in the jurisdiction. These components consist of fire and police, emergency medical service, public works, volunteers, and other groups contributing to the management of emergencies. This division is to make certain that the components on the emergency management system know the threats to the jurisdiction, plan for emergencies, can operate effectively in an emergency, and can conduct recovery operations after a disaster.

Animal Services:

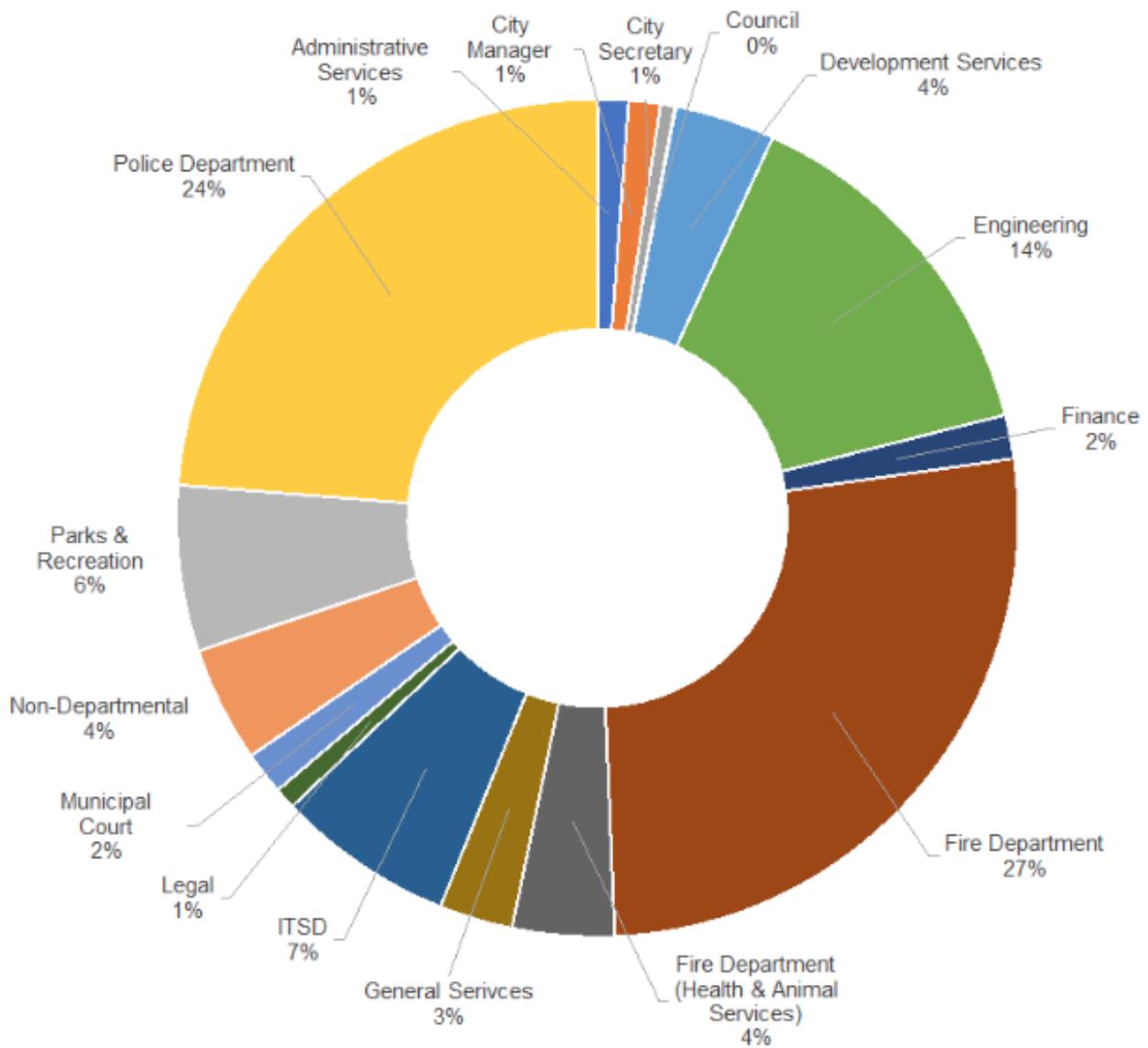
This division picks up and impounds stray animals, picks up dead animals, keeps records of all animals impounded, issues receipts of all fees collected, maintains the shelter properly, and enforces ordinances as passed by the City Charter and state laws as mandated.

Health Department:

This department is concerned with the prevention of disease and promotion of good health and well-being by community effort. Various programs carried out by this department are environmental sanitation, food establishment inspection, vector control, public health laboratory services, public health education, communicable disease control, public health laboratory services, and the maintenance of records on vital statistics such as immunization, and all illness.



GENERAL FUND EXPENDITURES



CITY COUNCIL (LEGISLATIVE)

Department Overview

The Mayor and City Council serve as the governing body for the City, functioning similarly to a board of directors. Empowered by the City Charter and applicable laws, they are responsible for providing policy leadership, setting strategic priorities, and ensuring the long-term vision for the community is realized. This body guides the overall direction of the City's government, approves the annual budget, and oversees key initiatives to enhance the quality of life for residents. Additionally, the Mayor and Council appoint various boards and commissions to provide specialized expertise and ensure community involvement in decision-making processes.

Accomplishments of FY2024

- Developed and implemented city-wide comprehensive 5-year strategic plan
- Approved Costco development
- Approved \$16M renovation of key park facility, Reyes Mashburn Nelms
- Approved Beal Park Renovations
- Downtown development, including two new hotel developments
- Approved the Vision Zero Comprehensive Safety Action Plan, which has already received over \$8M in grant funding towards safer streets
- Continued focus on increasing focus and dollars on infrastructure and growth needs

Objectives/Goals for FY2025

- Solving the liability of the Midland Fireman's Relief and Retirement Fund
- \$28M towards infrastructure needs and improvements in various locations around the city
- Fund over \$26M for Beal Park Project
- Fund 5 Year Capital Improvement Plan for Midland Airports
- Find additional revenue sources for city services
- Grow the tax base
- Continue to execute the strategic plan in making Midland Cleaner, Safer, and Better

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	2,987	2,914	2,884	-1.04%
Operating Expenses	13,424	12,562	12,562	-
Miscellaneous	6,257	2,121	2,121	-
Interfund Services	-	-	22,817	100.00%
Contractual Services	21,537	32,057	30,966	-3.40%
TOTAL DEPT. BUDGET	\$ 44,205	\$ 49,654	\$ 71,350	43.69%

Staffing	FY 2023	FY 2024	FY 2025
Legislative	7	7	7
Total	7	7	7

CITY MANAGER'S OFFICE

Department Overview

The City Manager's Office prepares recommendations and implements policy aligned with the City Council's Strategic Plan. The City Manager is the Chief Executive Officer, responsible for planning, directing, managing, and reviewing all activities and operations of the city. The City Manager's Office coordinates programs, services, and activities among city departments, outside agencies, and other taxing entities. The City Manager ensures the financial integrity of the organization, provides municipal policy advice and administrative support to the Mayor and the City Council.

Accomplishments of FY2024

- Downtown Development
- Organizational Restructure to better serve the public's needs.
- Identified funding for projects with community partners.
- Completed 24 of the 26 road improvements as part of the Midland Road Bond.
- Made improvements to public facilities.
- Worked with Council to develop and implement the City's Strategic Plan.
- Led process to develop a 5-year Budget Forecast that supported the 5-year Capital Improvement Program.
- Developed Evaluation System for Senior Staff.
- Developed teams to improve permitting process.
- Staved off \$2.2M in costs for airport lease and secured approximately \$5M reimbursements from Airport.
- Highlighted funds from federal grants that were not being sought for Vision Zero of \$8.6M.

Objectives/Goals for FY2025

- Implement Mayor & Council Strategic Plan.
- Lead initiatives that correlate with Strategic Pillars identified by the Mayor and Council
- Improve Parks system with the implementation of key projects.
- Develop a 5-year Capital Improvement Plan.
- Identify funding strategy for the Capital Improvement Plan.
- Develop a plan based on inputs from customers that improves services to the public.
- Strengthen communication internally and externally.
- Fund initiatives that support strategies to increase public safety.
- Preserve and protect water rights.
- Support programs that provide funding options to address transportation & infrastructure needs.
- Support programs which promote economic growth.
- Develop a financial strategy to address the Fire Retirement Fund challenges.
- Preserve and protect home-rule municipal authority including development standards and processes.

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	1,156,346	1,313,930	1,303,373	-0.80%
Operating Expenses	11,294	12,730	12,730	-
Miscellaneous	1,446	2,121	2,121	-
Maint of Equipment	-	3,288	3,000	-8.76%
Interfund Services	13,523	28,193	34,016	20.65%
Contractual Services	62,406	45,159	42,428	-6.05%
Grand Total	\$ 1,245,015	\$ 1,405,421	\$ 1,397,668	-0.55%

Staffing	FY 2023	FY 2024	FY 2025
City Manager's Office	5	6	6
Total	5	6	6



STRATEGIC COMMUNICATIONS

Department Overview

The Strategic Communications Department serves as the voice of the City of Midland, fostering transparency and engagement between the City and its residents, businesses, and stakeholders. This department manages internal and external communications, ensuring that accurate, timely, and relevant information is disseminated across various platforms, including social media, the City website, press releases, and public campaigns. It plays a critical role in promoting City initiatives, events, and services, while also coordinating media relations and public outreach efforts. By aligning communication strategies with the City Council’s Strategic Plan, the department supports Midland’s mission to enhance community awareness, trust, and participation.

Accomplishments of FY2024

- More Structure Features with Midland Minute, Council Update Videos, and Tall City Legacies
- SeeClickFix Launch Campaign
- Launched new uses of Everbridge ‘Alert Midland’ System for Neighborhood Level Notifications
- ~20% Growth to more than 10k followers on City Instagram Account
- Topped 44k and 76k on the City and MPD Facebook Pages, respectively
- Started City of Midland Nextdoor pages

Objectives/Goals for FY2025

- Create Spanish-Speaking Social Media Channels and Content
- Apply for and win awards for the Texas Association of Municipal Public Information Officers
- See larger percentage of growth and engagement on social media channels
- Create new educational and entertaining features that help audience engagement
- Become more short video format centric in content and information delivery

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Number of Social Media Followers Facebook	33,072	39,176	45,680	47,000
Number of Social Media Followers Instagram	N/A	7,395	10,559	12,000
Number of Social Posts	372	405	938	1,200
Number of Everbridge Notices Sent	N/A	N/A	76	140

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	387,205	514,038	644,964	25.47%
Operating Expenses	2,424	5,012	5,012	-
Miscellaneous	4	800	800	-
Interfund Services	6,143	41,412	83,576	101.82%
Contractual Services	4,813	11,658	11,658	-
TOTAL DEPT. BUDGET	\$ 400,589	\$ 572,920	\$ 746,010	30.21%

Staffing	FY 2023	FY 2024	FY 2025
Strategic Communication	4	5	6
Total	4	5	6



MUNICIPAL COURT

Department Overview

The City of Midland Municipal Court is a Court of Record whose purpose is to do justice while providing equal protection in the due process of law. The Court has jurisdiction within the City of Midland’s territorial limits over all Class C misdemeanor criminal cases brought under City ordinances and the Texas Penal Code. These cases are punishable by fine only. The Court also processes civil parking cases filed within the territorial limits of the City of Midland.

Accomplishments of FY2024

- Awarded the “Best Practices” recognition by the Municipal Traffic Safety Initiatives, for Medium Volume Courts in the State of Texas, showcasing excellence in promoting road safety and innovative community outreach.
- Hosted a Collaborative Municipal Court Week Event with Teen Court and TxDOT, educating young drivers on the dangers of distracted driving and promoting road safety awareness through additional community-focused activities.
- Hosted a statewide training event for the Texas Court Clerks Association (TCCA), both in person and via Zoom, in which FBI and DPS representatives provided instruction for staff on current events.
- Maintained Midland’s representation on the Board of Directors for the Texas Municipal Court Association with Judge Frost as the Region V Director.

Objectives/Goals for FY2025

- Deliver fair and accessible justice by ensuring every citizen receives equitable treatment and timely resolution of cases.
- Continue to expand community outreach to enhance public awareness of court functions, road safety, and compliance with local ordinances.
- Establish a Youth Diversion Program, as recently mandated by the Texas Legislature, to provide alternative pathways of disposition for young offenders, focusing on rehabilitation and reduction of recidivism.
- Proactively monitoring proposed legislation and timely implementation of newly passed state laws.
- Invest in staff development through continuing education, training, and certification programs to maintain high professional standards.

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	2,039,618	2,452,482	2,623,038	6.95%
Operating Expenses	41,531	46,925	45,785	-2.43%
Miscellaneous	347	2,000	2,000	-
Maint of Infrastructure	11,975	10,000	10,000	-
Maint of Equipment	470	1,200	1,200	-
Interfund Services	49,128	74,590	157,313	110.90%
Contractual Services	66,565	79,875	83,225	4.19%
Grand Total	\$ 2,209,634	\$ 2,667,072	\$ 2,922,561	9.58%

Staffing	FY 2023	FY 2024	FY 2025
Municipal Court	23	23	24
Total	23	23	24



CITY ATTORNEY (LEGAL)

Department Overview

The City Attorney and his staff are responsible to the City Council. The department represents the City in all lawsuits and hearings; provides legal advice to all departments; and prepares necessary documents in relation to contracts, ordinances, resolutions, and other legal instruments as needed.

Accomplishments of FY2024

- Drafted Midland Downtown Renaissance Agreement
- Drafted Donation Agreement with the Beal Foundation (Beal Park Renovation)
- Drafted Centennial Park License – Negotiated form of License with the Downtown Conservancy for future use by the City (e.g., Chalk-the-Block, Christmas Lighting, etc.)
- Drafted Agreements with MFRRF
 - o Pension Bond Obligation Agreement
 - o Administrative and Funding Agreement (in progress)v
- Drafted Historical Restoration Agreement – Linebery House
- Provided guidance to staff regarding the City’s RFQ documentation and agreements associated with the RFQ for the Wildcatter Trail Project
- Drafted Tapestry Hotel Agreements (City and MDC)
- Drafted multiple MDC Economic Development and Promotional Agreements
- Drafted Ordinance authorizing the conveyance of a portion of Hidalgo Park to Midland Soup Kitchen; Drafted Resolution calling an election on the conveyance
- Drafted Ordinance establishing TIRZ No. 2 (downtown TIRZ); Drafted three TIRZ Participation Agreements (Hospital District, County, and College District)
- Drafted Ordinance establishing a procedure to secure substandard buildings; Drafted forms for Development Services to use for the securing of substandard buildings (used to secure the Vaughn Building)
- Drafted Interlocal agreement with Midland County regarding traffic signal improvements at the intersection of SH 158 and Sinclair Avenue and at the intersection of CR 120 and Antelope Trail
- Worked with Finance to satisfy the statutory requirements for the approval and execution of a contingent fee contract with a law firm for the collection of delinquent accounts receivable
- Processed 5,022 Open Records Requests; Handled 148 Subpoenas
- Drafted dozens of other Ordinances and Resolutions; Reviewed, drafted, and negotiated dozens of other contracts; Handled real estate transactions; Managed numerous lawsuits; Prosecuted a multitude of cases at the Municipal Court

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	1,252,570	1,396,968	1,359,887	-2.65%
Operating Expenses	9,744	12,550	15,100	20.32%
Miscellaneous	68	300	300	-
Maint of Equipment	107	450	750	66.67%
Interfund Services	9,142	12,210	24,892	103.87%
Contractual Services	37,238	72,022	50,670	-29.65%
Grand Total	\$ 1,308,869	\$ 1,494,500	\$ 1,451,599	-2.87%

Staffing	FY 2023	FY 2024	FY 2025
City Attorney	8	8	8
General Liability	2	2	3
Total	10	10	11



ADMINISTRATIVE SERVICES

Department Overview

The objectives of this department are to serve all departments and divisions by recruiting permanent, part-time, and seasonal employees. The division also maintains classification and compensation schedules; keeps personnel records on all employees; directs the City's employee benefits programs; serves as a central agency for employee recognition and training programs, as well as conducts other activities compatible with a sound human resource management system including policy development and enforcement.

Accomplishments of FY2024

- Launched the Employee Wellness Program, featuring wellness walks, free gym memberships, and incentive opportunities.
- Initiated an internal CDL licensing program to enhance workforce development.
- Established a partnership with Greenwood ISD to involve CTE program seniors in our Dispatch Division.
- Awarded over \$4,850 in "Be the Energy" awards to more than 175 employees.
- Transitioned annual employee evaluations to a streamlined digital platform.
- Began implementation of a new Human Resources Information System (HRIS).
- Enhanced recruitment strategies with a more proactive approach.
- Successfully transitioned to new providers for healthcare, dental, and vision care services.
- Created a Work Safety Committee to promote a culture of safety.
- Achieved a perfect score on the Performance-Based Oversight evaluation for workers' compensation.
- Delivered 140 hours of in-house safety training across the Permian Basin.

Objectives/Goals for FY2025

- Develop a robust and comprehensive city-wide training program.
- Expand the Greenwood ISD CTE program to include additional City of Midland divisions.
- Complete the implementation of the new Human Resources Information System (HRIS).
- Increase employee satisfaction through improved communication, training opportunities, and transparency.
- Revamp programming and support for probationary employees.
- Reduce the city-wide average time to hire.
- Decrease workers' compensation injuries by 5%.
- Achieve 30% employee participation in the wellness fitness test program.
- Minimize damage payouts for City property claims by enhancing departmental reporting accuracy.
- Strengthen safety training partnerships to further reduce employee injury and damage claims.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES

FY 2022 ACTUAL FY 2023 ACTUAL FY 2024 ACTUAL FY 2025 TARGET

Turnover rates	18.6%	19.33%	15.4%	10%
Total number of new hires	190	244	263	275
Total Number of Retirees Covered (Employee Benefits)	196	234	235	N/A
Total Number of Employees & Dependents Covered (Employee Benefits)	2,399	2301	2513	N/A

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	718,094	864,946	1,256,005	45.21%
Contractual Services	144,841	283,950	271,600	-4.35%
Interfund Services	45,969	120,626	467,486	287.55%
Miscellaneous	72,788	2,000	8,000	300.00%
Operating Expenses	94,281	30,750	91,000	195.93%
TOTAL DEPT. BUDGET	\$ 1,075,972	\$ 1,302,272	\$ 2,094,091	60.80%

Staffing	FY 2023	FY 2024	FY 2025
Human Resources	7	8	8
Talent Acquisition	-	-	2
Total	7	8	10

ITSD

Department Overview

The objective of this department is to empower the City of Midland through outstanding IT services, ensuring unparalleled customer service, modernized technology, and robust cybersecurity. The vision is to be recognized as the leading Information Technology Department in Texas, setting standards for excellence, innovation, and service in the public sector.

Accomplishments of FY2024

- Completed the transition from the Harris Radio System to the Motorola Radio System.
- Established the Permian Basin Radio Communications Committee (PBRCC).
- Implemented SeeClickFix to improve community issue reporting.
- Launched AI Chatbot “Ask Jacky” to enhance customer service.
- Deployed a new cloud-based VOIP phone system to improve communications.
- Implemented a new IT self-service ticket system to streamline support requests.
- Developed a 5-Year IT Strategic Plan aligned with the City’s strategic goals.
- Deployed new Laboratory Information Management Software for the Water Lab.
- Released electronic employee performance evaluations for HR.
- Revamped the City of Midland website with updated and streamlined information.



Objectives/Goals for FY2025

- Launch the City Council Dashboard.
- Launch Vision Midland, Midland Experience, and multi-department Story Maps.
- Launch a Citizen Access Portal for online permitting.
- Redesign the City of Midland website.
- Establish a comprehensive employee technical training program.
- Implement an online inspection scheduling app for Apple and Android devices.
- Deploy fleet tracking GPS to enhance city-wide fleet management.
- Implement metrics and reporting dashboards for multiple departments.
- Deploy new Health Department inspection software.
- Launch an online patient intake platform for the Health Department.
- Implement new call management software to improve customer service efficiency.
- Complete the integration of Midland and Odessa radio systems for full interoperability.
- Deploy an HRIS to enhance payroll, benefits, recruitment, and the employee experience.
- Implement a new Internal Affairs platform for the Police Department.
- Launch a new Police-to-Citizen Portal for non-emergency police incident reporting.
- Complete GIS Utility Network implementation to improve infrastructure management.
- Enhance and modernize IT infrastructure, cybersecurity, and processes.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Availability of the City's entire network	98.890%	99.990%	99.999%
Users completed Security Awareness Training	95%	97%	98%
IT Tickets – Resolved within defined SLA	N/A	81%	85%
IT Tickets – Mean Time to Resolve	N/A	23:05 H	20:00 H
IT Tickets – Customer Satisfaction Ratings	N/A	5.63/6	5.7/6
NIST Cybersecurity Framework 2.0 Adoption	N/A	1.9/5	2.5/5
Availability of the City's entire network	98.890%	99.990%	99.999%

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	5,383,060	6,756,183	7,555,049	11.82%
Capital	12,347	42,108	-	-100.00%
Contractual Services	2,163,735	1,583,779	1,791,113	13.09%
Interfund Services	2,507,930	2,960,775	2,402,470	-18.86%
Maint of Equipment	71,153	118,442	115,500	-2.48%
Operating Expenses	173,636	133,549	180,600	35.23%
TOTAL DEPT. BUDGET	\$ 10,311,862	\$ 11,594,836	\$ 12,044,732	3.88%

Staffing	FY 2023	FY 2024	FY 2025
IT Infrastructure	2	2	8
Emergency Communication	31	31	30
GIS Administration	5	5	6
IT Services	22	23	9
IT Administration	3	3	5
IT Enterprise Apps	-	-	8
IT Project Management	-	-	3
Total	63	64	69

FINANCE

Department Overview

The Department of Finance professionally and responsibly manages the City’s resources, new online portal, and all financial affairs, while efficiently providing related financial and budgetary reports, and protecting the City’s strong financial reputation. This department encompasses Budget development, Treasury, Accounts Payable, Investments, Administration, Billing and Cashiering. Finance develops the City’s Annual Comprehensive Financial Report, the City’s Annual Budget, and all transparency reporting, by adherence to and consistent with governmental accounting standards, Texas law, the City Charter, and City Administrative Policies.

Accomplishments of FY2024

- Zero findings on Annual Comprehensive Financial Report
- Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the 37th consecutive year
- Bond ratings remained stable at ‘AAA’ and “Aa1”
- Received the Distinguished Budget Award for FY 2024 from the Government Finance Officers Association (GFOA)

Objectives/Goals for FY2025

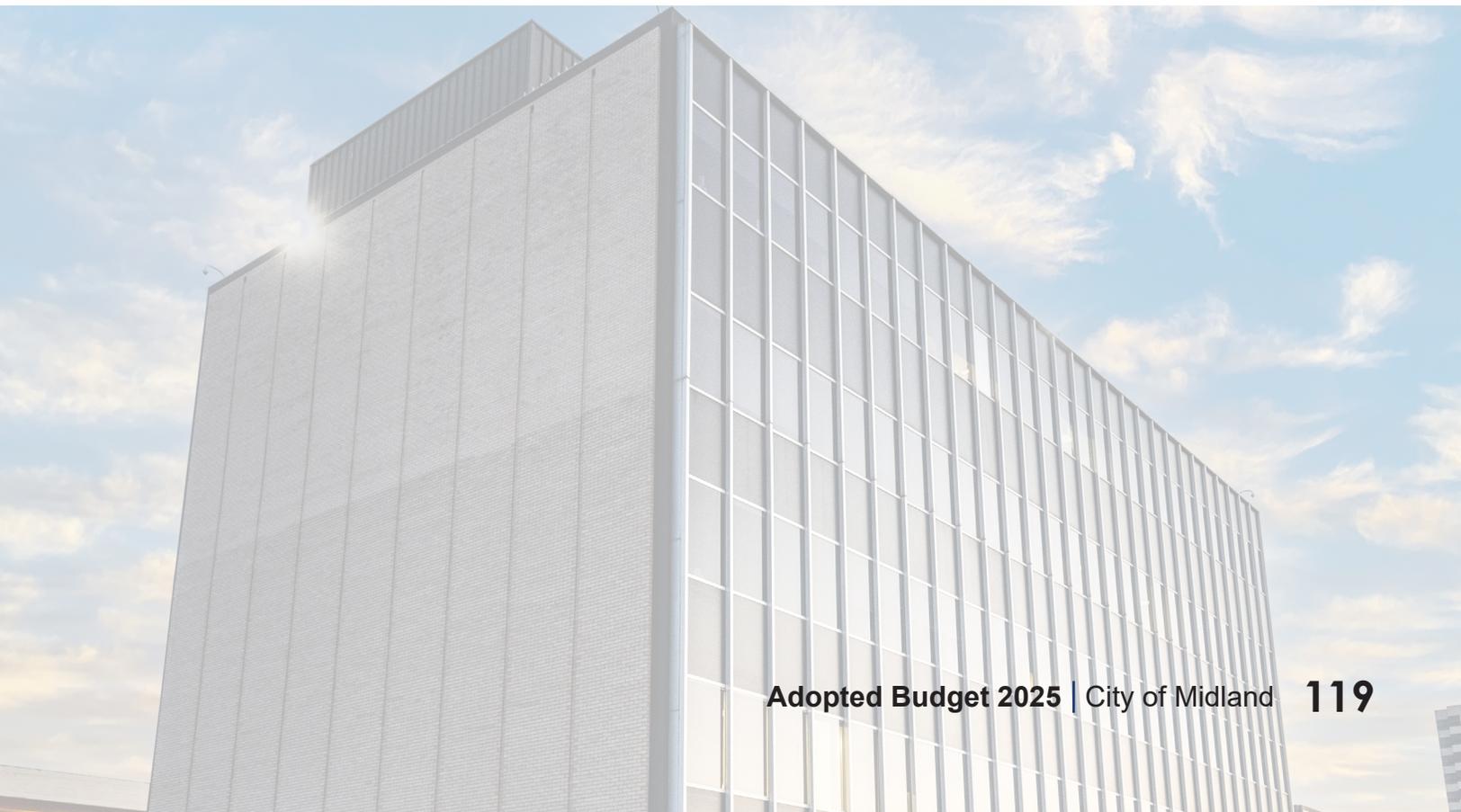
- Increase communication regarding budget and tax rates to council and citizens
- Continue to analyze and improve year end close and budget process annually
- Improve reporting and transparency
- Produce Quarterly financials to Council and Committee
- Update critical financial policies
- Bring AMI (Advanced Metering Infrastructure) system to 99%
- Zero findings on Annual Comprehensive Financial Report

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
General Fund expenditures percentage under Adopted Budget: <i>over/(under) Budget</i>	(8.17%)	(2.42%)	(0.62%)	0%
MAPE for General Fund revenue forecast to actuals: <i>Actuals Over/(under) Revenue Forecast</i>	5.75%	18.41%	8.67%	0%
Number of Invoice Discrepancies (average per month)	43	26	7	6
Implement two (minimum) improvements made by reviewers of GFOA Budget Award	4	3	4	2

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	1,836,707	2,039,054	2,506,923	22.95%
Contractual Services	69,812	89,634	105,918	18.17%
Interfund Services	147,168	188,257	347,022	84.33%
Miscellaneous	38	-	-	-
Operating Expenses	18,162	22,023	24,361	10.62%
TOTAL DEPT. BUDGET	\$ 2,071,888	\$ 2,338,968	\$ 2,984,224	27.59%

Staffing	FY 2023	FY 2024	FY 2025
Accounting	10	10	10
Finance	4	5	6
Treasury	4	4	4
Total	18	18	20



GENERAL SERVICES

Department Overview

The objectives of this department are to create and support a well-maintained infrastructure and to provide the highest quality service for all City of Midland citizens, departments and divisions in a responsive and efficient manner. To provide cost savings in an impartial manner to our city’s citizens while ensuring integrity, quality, effectiveness and efficiency within the appropriate guidelines.

Accomplishments of FY2024

- Purchasing Division received the Achievement of Excellence in Procurement Award
- Refurbished Restroom at the Police Department Training Facility
- Contracted HVAC replacement work at the MLK Jr Community Center
- Installed new generator at the Health Department
- Remained under FY budget for expenditures while addressing emergency needs throughout the year
- Approved requisitions in a timely manner

Objectives/Goals for FY2025

- Purchases over \$50,000 will be solicited through a formal bid process or purchased through a purchasing cooperative
- Complete all information requests within one work day
- Receive the Achievement of Excellence in Procurement Award for 2025
- Ensure that all occupied buildings are structurally sound
- Respond to emergency requests within 20 minutes

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Total number of re-bids	5	11	5	0
Purchases over \$50,000 that were solicited through a formal bid process	50	75	54	60
Total number of purchase orders for the City	3,051	3,370	3,798	3,800
Total number of contracts for the City	131	166	199	200
Percentage of building maintenance requests responded to within an 8 hour period	83%	85%	89%	100%
Maintscape work order system – completed work orders by location/cost	997	722	709	750

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	1,192,270	1,382,456	1,218,590	-11.85%
Capital	298,860	1,818,850	399,200	-78.05%
Contractual Services	1,483,117	1,614,856	1,747,006	8.18%
Interfund Services	139,974	245,523	207,017	-
Maint of Equipment	6,353	13,792	13,800	0.06%
Maint of Infrastructure	1,385,291	1,362,115	1,361,756	-0.03%
Miscellaneous	586	-	-	-
Operating Expenses	49,844	34,810	40,635	16.73%
TOTAL DEPT. BUDGET	\$ 4,556,295	\$ 6,472,402	\$ 4,988,004	-22.93%

Staffing	FY 2023	FY 2024	FY 2025
Facilities Services	6	7	7
Purchasing	6	6	5
Total	12	13	12



DEVELOPMENT SERVICES

Department Overview

The Development Services Department fosters a safe, vibrant, and sustainable community by providing exceptional services in planning, permitting, inspections, code compliance, community development, and economic growth. Through thoughtful planning, efficient processes, and strategic collaboration, the department enhances quality of life, promotes responsible growth, and creates an inclusive, thriving Midland for residents, businesses, and future generations.

Accomplishments of FY2024

- Secured public-private partnerships for Omni Midland hotel and Texas’s largest Costco
- Established TIRZ No. 2 with the County, Hospital, and College to spur downtown development
- Reduced average commercial permit issue times by 73% and residential by 53%
- Revised ordinance to expedite securing vacant, substandard buildings, including Vaughn Building
- Streamlined processes, nearly tripling code case volume and raising closure rates to 90% over the second half of FY24

Objectives/Goals for FY2025

- Launch the Citizen Access Portal to improve permitting and inspections services
- Establish TIRZ 3 and 4 to proactively support West Midland and Sports Complex growth
- Initiate the Tall City Tomorrow update
- Launch programs to increase small business access to capital + facilitate infill development
- Continue downtown development focusing on streetscape and public realm improvements
- Refine ordinances to enhance planning, permitting, and code enforcement efficiency

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
New Residential Permits Issued	718	826	915	820
Value of Commercial Projects Permitted	\$324.6M	\$825.2M	\$331.0M	\$400.0M
Code Enforcement Cases Initiated	7,088	6,100	7,885	7,500
Oil & Gas Permits Approved	91	29	51	45
CDBG Public Service + Homeless Prevention Activities	36,792	13,906	4,110	4,500

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	3,692,522	4,382,488	5,433,456	23.98%
Operating Expenses	74,043	57,945	72,063	24.36%
Miscellaneous	1,964	-	-	-
Interfund Services	360,150	536,177	594,658	10.91%
Contractual Services	330,441	401,699	697,658	73.68%
Capital	-	39,600	-	-100.00%
Grand Total	\$ 4,459,120	\$ 5,417,909	\$ 6,797,835	25.47%

Staffing	FY 2023	FY 2024	FY 2025
Code Compliance	-	-	17
Community Development	2	2	2
Development Services Admin	34	34	1
Intergovernmental Relations	-	-	3
Oil & Gas	-	-	3
Permitting & Inspections	-	-	16
Planning	9	9	8
Special Projects/EconDevelopment	-	-	5
Total	45	45	55

ENGINEERING SERVICES

Department Overview

Oversee the development, construction, and maintenance of public infrastructure that meets current and future needs of the Citizens of Midland. This is achieved by ensuring: Plans for new infrastructure are safe, appropriate, and consistent with sound engineering practice and policy; Construction of new infrastructure is installed by qualified individuals using quality materials and in accordance with appropriate industry practice; and Drainage Systems are free of pollutants and obstructions so they can function appropriately.

Accomplishments of FY2024

- Added signal lights at 4 intersections
- Managed the design of 6 signalized intersections
- Upgraded 30 school flashers with new equipment
- Completed annual crack-fill project.
- Partnered with Parks & Rec. to fill potholes at parks
- Worked cross-functionally to address issues with Midland’s most-travelled roads
- Completed concrete paving at Garfield St. from Golf Course to Princeton
- Completed annual Mill and Inlay Project

Objectives/Goals for FY2025

- Complete 114 lane miles of crack-fill
- Complete 2017 Road Bond projects
- Construct Arlington Road
- Complete Wadley extension and work on Fairgrounds extension
- Install new signal lights at 3 locations
- Complete design for signal lights at 6 locations
- Upgrade traffic signal detection system
- Re-stripe/stripe roadways
- Initiate citywide signal timing project
- Complete Mill and Inlay Project

KEY PERFORMANCE

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Traffic signs installed	409	665	2,244	3,000
Full preventative maintenance of signalized intersections	39	47	58	65
Plan reviews returned in 15 or fewer days	93%	97.5%	99%	99.0%
Miles of streets repaved	13	11	17.5	10
Total number of potholes filled	10,342	13,790	27,000	15,000
Linear footage of storm drain pipe cleaned	13,469	15,597	24,016	18,000

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	6,463,592	8,006,459	8,336,509	4.12%
Capital	7,699,881	6,851,708	6,690,147	-2.36%
Contractual Services	1,650,542	1,372,417	1,974,525	43.87%
Interfund Services	2,106,400	3,151,894	3,785,886	20.11%
Maint of Equipment	172,315	408,500	408,500	-
Maint of Infrastructure	2,734,718	3,381,060	3,421,060	1.18%
Miscellaneous	18,006	-	-	-
Operating Expenses	593,812	403,742	405,595	0.46%
TOTAL DEPT. BUDGET	\$ 21,439,265	\$ 23,575,780	\$ 25,022,222	6.14%

Staffing	FY 2023	FY 2024	FY 2025
Engineering Services	22	24	24
Traffic Operations	20	20	20
Transportation	42	39	38
Total	84	83	82



PARKS AND RECREATION

Department Overview

The Parks and Recreation divisions strive to provide quality parks and recreational facilities and programs to meet the needs of the citizens of Midland, Texas.

Accomplishments of FY2024

- Construction of Phase I improvements at Reyes Mashburn Nelms Park.
- Developed Phase I plans for a soccer complex at Beal Park.
- Developed plans for Doug Russell bathhouse replacement and started construction.
- Installation of new irrigation and field lights at Windlands Soccer.
- Add an outdoor patio to the SE Senior Center.
- Plant over 100 trees in parks through partnerships.
- Plans for playgrounds at Grasslands and Tumbleweed Parks.
- Installation of shade over RMN Playground

Objectives/Goals for FY2025

- Begin construction of Phase I improvements at Beal Park soccer.
- Install two playgrounds at Grasslands and Tumbleweed Parks
- Develop Phase 2 and 3 plans for soccer improvements at Beal Park.
- Construct new bathhouse at Doug Russell pool.
- Installation of field lights at MUGS.
- Plans for Multi-generational Recreation Center
- Plant over 100 trees in parks through partnerships.
- Develop Plans for RMN Phase 2 baseball fields
- Update Parks, Recreation, and Open Space Master Plan

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Total number of park reservations	452	359	497	500
Total number of MLK reservations	390	346	599	600
Total number of field reservations	658	909	1174	1200
Total number of pool reservations	101	102	93	105

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	3,280,105	4,180,234	4,314,335	3.21%
Capital	-	129,000	40,500	-68.60%
Contractual Services	5,388,842	4,923,525	5,083,675	3.25%
Interfund Services	331,088	603,346	643,090	6.59%
Maint of Equipment	12,812	14,317	14,350	0.23%
Maint of Infrastructure	542,282	678,118	783,835	15.59%
Miscellaneous	100	-	-	-
Operating Expenses	282,818	349,240	412,239	18.04%
TOTAL DEPT. BUDGET	\$ 9,838,045	\$ 10,877,780	\$ 11,292,024	3.81%

Staffing	FY 2023	FY 2024	FY 2025
Parks	34	37	38
Recreation Division	8	8	8
Total	42	45	46



POLICE

Department Overview

Within the City of Midland’s Strategic Plan, the Midland Police Department supports Vision Block #1: Safe City, Goal #2: Set the Standard for a Safe and Secure City. The Midland Police Department employs Strategy 2.1 Be the Safest City in West Texas: Enhance public safety programs, and Strategy 2.2 Improve pedestrian and motorist safety: Invest in traffic management and infrastructure to safeguard lives and property through the proactive suppression of crime and traffic enforcement.

Accomplishments of FY2024

- Achieved the landmark of 30 years of meeting the rigorous demands of CALEA’s Accreditation Standards.
- Established its own Police Academy.
- Implemented and deployed the FLOCK camera system.
- Successfully deployed the Safe Passage Initiative (SPI) to address traffic safety.
- Operation Intersection Intervention, the first SPI campaign, reduced traffic collisions.

Objectives/Goals for FY2025

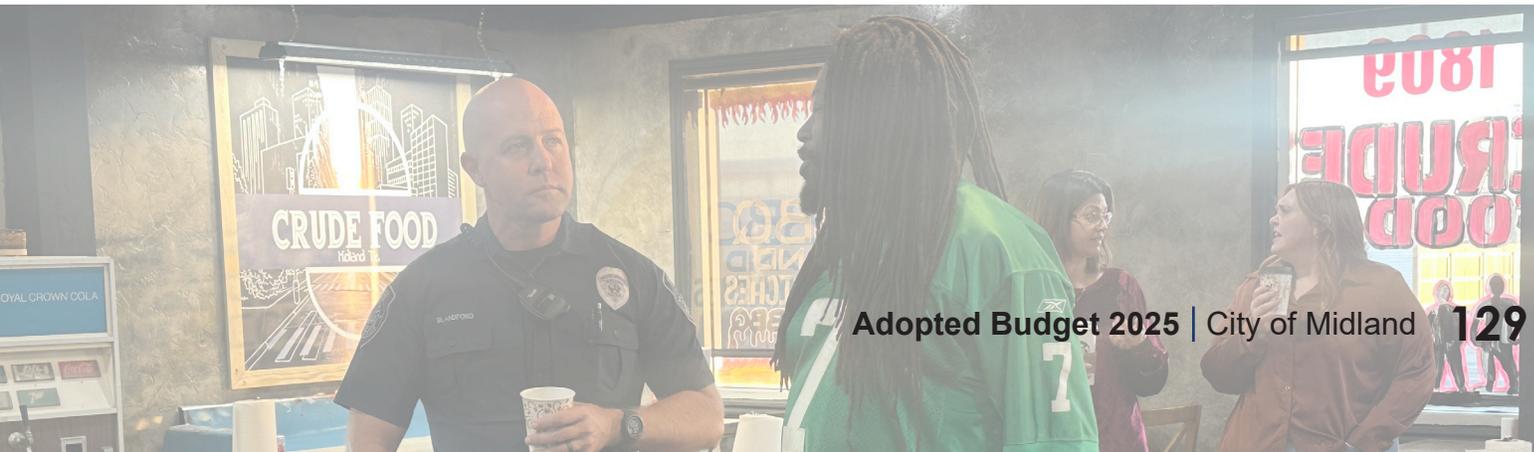
- Increase staffing.
- Support the Safe Passage Initiative with additional campaigns.
- Strengthen ties with other Departments through collaboration and joint actions.
- Decrease Part 1 crimes by 5%.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Part 1 Crimes	3,043	3,049	2,906	2,761
Required Police Responses	81,141	82,579	83,993	80,000
Proactive Enforcement Efforts	34,940	33,536	33,381	36,719
Traffic Stops	22,853	19,873	22,835	25,118
Traffic Fatalities	24	20	15	0

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	29,825,613	36,881,308	34,129,890	-7.46%
Capital	221,244	79,858	180,000	79.03%
Contractual Services	708,402	701,814	654,916	12.63%
Interfund Services	4,267,455	6,648,643	5,904,281	-10.98%
Maint of Equipment	15,618	13,374	13,260	2.91%
Maint of Infrastructure	2,383	1,500	1,545	2.91%
Miscellaneous	45,960	34,845	36,879	5.52%
Operating Expenses	805,409	1,052,036	939,126	-7.43%
TOTAL DEPT. BUDGET	\$ 35,892,083	\$ 45,413,378	\$ 41,859,897	-7.82%

Staffing	FY 2023	FY 2024	FY 2025
Airport Police	13	15	15
Commercial Vehicle Enforcement	3	2	3
Field Operations Bureau	125	128	130
General Liability Non-Dept	2	2	3
Investigative Service Bureau	52	60	59
Police Administration	12	12	13
Support Services Bureau	42	40	38
VCLG Program	1	-	-
Total	250	259	261



FIRE DEPARTMENT ADMINISTRATION

Department Overview

The Midland Fire Department's mission is to make a positive difference in our community by being a progressive, quality driven organization through compassionate care, professional service, and training & education.

Accomplishments of FY2024

- Completed 99% of Target Hazard pre-fire plans. Complete 308 total pre-fire plans
- Responded to all EMS calls < 8 min, 78.8% of the time for in City limit responses
- First arriving engine on working structure fire response in City limit < 320 seconds, 57.8% of the time and < 350 seconds, 71.67% of the time. Priority to improve in 2025.
- Added 8th frontline EMS response unit
- Created an EMS Field Training Officer (FTO) program.
- Restructured Fire response model with addition of an aerial apparatus on the West side of town
- Added additional cancer screening for 2/3 of Fire personnel
- Implemented Additional Mental Health Wellness for Department – Cordico Wellness App

Objectives/Goals for FY2025

- Complete 100% of Target Hazard pre-fire plans
- Respond to all EMS calls < 8 min, 80% of the time for in City limit responses
- First arriving engine on working structure fire response in City limit < 320 seconds, 80% of the time
- Average 20 training hours per employee, per month.
- Implement ESO Hydrants and PreFire Plan Modules usage
- Remaining 1/3 of Fire Personnel included in additional cancer screenings
- Explore the conversion to PFA Free Foam
- Acquire and implement a drone program within the Operations Division
- Continue to work with Midland County Emergency Management for the implementation of iPAWS integration

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Emergency responses	20,323	21012	21621	22353
City Fires	417	462	375	360
County Fires	229	352	285	288
EMS responses	17197	18075	19141	20098
All Other Responses	2480	2123	1820	1565
Total inspections	2,443	2,251	2,860	2917
Fire stations	11	11	11	11

*Predicted growth based on averaged percentages

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	33,570,091	35,633,970	37,901,135	6.36%
Operating Expenses	827,271	870,890	986,488	13.27%
Maint of Infrastructure	6,441	8,150	8,150	-
Maint of Equipment	46,637	74,417	71,317	-4.17%
Interfund Services	5,159,229	6,519,201	6,839,774	4.92%
Contractual Services	625,240	613,926	644,485	4.98%
Capital	301,606	-	480,000	100.00%
TOTAL DEPT. BUDGET	\$40,536,515	\$43,720,554	\$46,931,349	7.34%

Staffing	FY 2023	FY 2024	FY 2025
Airport Fire	13	13	13
Emergency Management	1	1	2
Emergency Medical Service	8	7	7
Fire Administration	227	240	234
Fire Prevention	8	8	8
Fire Training	5	6	8
Total	262	275	272

FIRE DEPARTMENT HEALTH SERVICES

Department Overview

Health Services strives to provide quality services to meet the needs of the community.

Accomplishments of FY2024

- Hosted our annual Spring and Fall Resources Fairs with 32 and 58 community partners in attendance, respectively.
- Partnered with Midland College to provide STI education to students.
- Hosted 24 vaccines/testing clinics, 390 patients seen total.
- Introduced health checkups for Men’s Health Week.
- Participated in the newly launched Helping Hands Clinic to provide information and services to the unhoused and indigent populations.
- Hired an Administrative Assistant.
- Improved HD website for ease of visitor utilization.

Objectives/Goals for FY2025

- Increase community vaccine clinics.
- Disease team will educate at least 10 providers on Epidemiology Best Practice.
- Increase Environmental personnel.
- Implement new software for Environmental Division.
- Implement Intelichart for patient registration.
- Continue offering community health education opportunities.
- Integrate GIS into clinical services.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Total number of health immunizations given	13,077	18,267	19,531	19,750
Citizen encounters at Health Department	12,287	9,089	14,790	15,000
Total number of food establishment inspections [^]	1,466	1,108	1,159	1,200
Community outreach events	10	20	26	25

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	2,563,682	2,413,864	2,862,286	18.58%
Capital	29,700	-	-	-
Contractual Services	214,253	190,872	332,055	73.97%
Interfund Services	126,959	132,021	196,568	48.89%
Miscellaneous	(1,703)	-	-	-
Operating Expenses	471,751	333,785	380,995	14.14%
TOTAL DEPT. BUDGET	\$ 3,404,642	\$ 3,070,542	\$ 3,771,904	22.84%

Staffing	FY 2023	FY 2024	FY 2025
Health Services	28	28	32
Total	28	28	32



FIRE DEPARTMENT ANIMAL SERVICES

Department Overview

Midland Animal Services is dedicated to improving animal welfare, fostering community engagement, and upholding high standards of care and education through innovative programs and partnerships.

Accomplishments of FY2024

- Community Engagement: Hosted adoption events like Trick or Treating and partnered with Girl Scouts and the Youth Advisory Council for educational initiatives.
- Staffing Enhancements: Added a shelter veterinarian and an Animal Cruelty Investigator.
- Innovative Programs: Launched a foster program to reduce overcrowding, implemented “Firefighter Friday” for adoption awareness, and established a pet pantry to assist pet owners.
- Process Improvements: To enhance efficiency and data collection, we introduced a digital sign-in system for adoption applications, and owner surrender forms.
- Recognition: Received Royal Canin’s National Shelter Appreciation Week award.

Objectives/Goals for FY2025

- Enhance Live Outcomes: Reduce the euthanasia rate by 10% through targeted outreach, increased adoptions, and expanded rescue transfers.
- Expand Community Outreach: Host quarterly microchipping and vaccination events to help more pets stay healthy and increase the chances of reuniting lost pets with their owners.
- Foster New Partnerships: Increase collaboration with rescues and volunteer groups by 30% to support fostering and rehoming efforts.
- Increase Transparency and Engagement: Utilize social media and digital platforms to amplify educational content and improve communication with the public.
- Maintain High Live Release Rate: Building on FY 2024’s progress, sustain a live release rate of at least 80%.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Live Release Rate	--	65.1%	69.86%	80%
Total Number of Animals Adopted	1485	1479	1222	1300
Number of Animals Transferred to Partners	697	804	1088	1100
Percent of Animals Returned to Owner	--	8.33%	24.54%	30%

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	1,081,367	1,948,930	2,070,615	6.24%
Capital	-	36,500	-	-
Contractual Services	729,152	405,200	374,600	-7.55%
Interfund Services	124,269	261,186	328,363	25.72%
Maint of Equipment	987	1,000	3,000	200.00%
Maint of Infrastructure	15,964	20,000	20,000	-
Miscellaneous	3,942	-	-	-
Operating Expenses	320,301	283,500	342,822	20.92%
TOTAL DEPT. BUDGET	\$ 2,275,982	\$ 2,956,316	\$ 3,139,400	6.19%

Staffing	FY 2023	FY 2024	FY 2025
Animal Services	22	25	27
Total	22	25	27



NON-DEPARTMENTAL

Department Overview

This division was established to account for all expenditure items that are not found exclusively within the functional responsibilities of any one General Fund department. The costs cover a broad range of expenditures associated with the general City operations.

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	-	28,054	217,221	674.30%
Civic Organizations	352,600	494,100	554,528	12.23%
Contractual Services	5,618,345	6,277,771	6,212,322	-1.04%
Interfund Transfers	47,303,566	-	590,875	100.00%
Maint of Infrastructure	-	50,000	45,000	-10.00%
Miscellaneous	20,467	241,000	45,000	-81.33%
Operating Expenses	108,594	160,000	198,000	23.75%
TOTAL DEPT. BUDGET	\$ 53,403,571	\$ 7,250,925	\$ 7,862,946	8.44%

Staffing	FY 2023	FY 2024	FY 2025
Non-Departmental	-	-	2
Total	-	-	2





ENTERPRISE FUNDS

UTILITIES - WATER AND SEWER

Department Overview

To provide the City of Midland Utility customers with safe, reliable, and cost-effective water and wastewater services. Responsible for the treatment of sewage according to standards set by the Texas Commission on Environmental Quality (TCEQ). Responsible for the following organizations within the Utilities Department: Utilities Administration, Environmental Compliance, Water Reclamation Facility, Water Purification Plant, W&S Maintenance, Cashiering and City Utility Billing.

Accomplishments of FY2024

- Started construction of the Northeast wastewater collection main
- Replaced the airport groundwater system with Tbar groundwater system
- All requested reuse water from the water reclamation facility was delivered to Pioneer Water
- Met 99% of all regulatory requirements for treatment and testing of our public water system
- 90% complete on the WRF ponds
- Passed a stress test of cyberattack at the purification plant

Objectives/Goals for FY2025

- Recruit and retain qualified operators and lab techs
- Complete the Northeast wastewater collection main
- Upgrade treatment for manganese and zebra mussels at the purification plant
- Renew 1966 surface water contract with CRM-WD
- Focus on replacing aging existing infrastructure

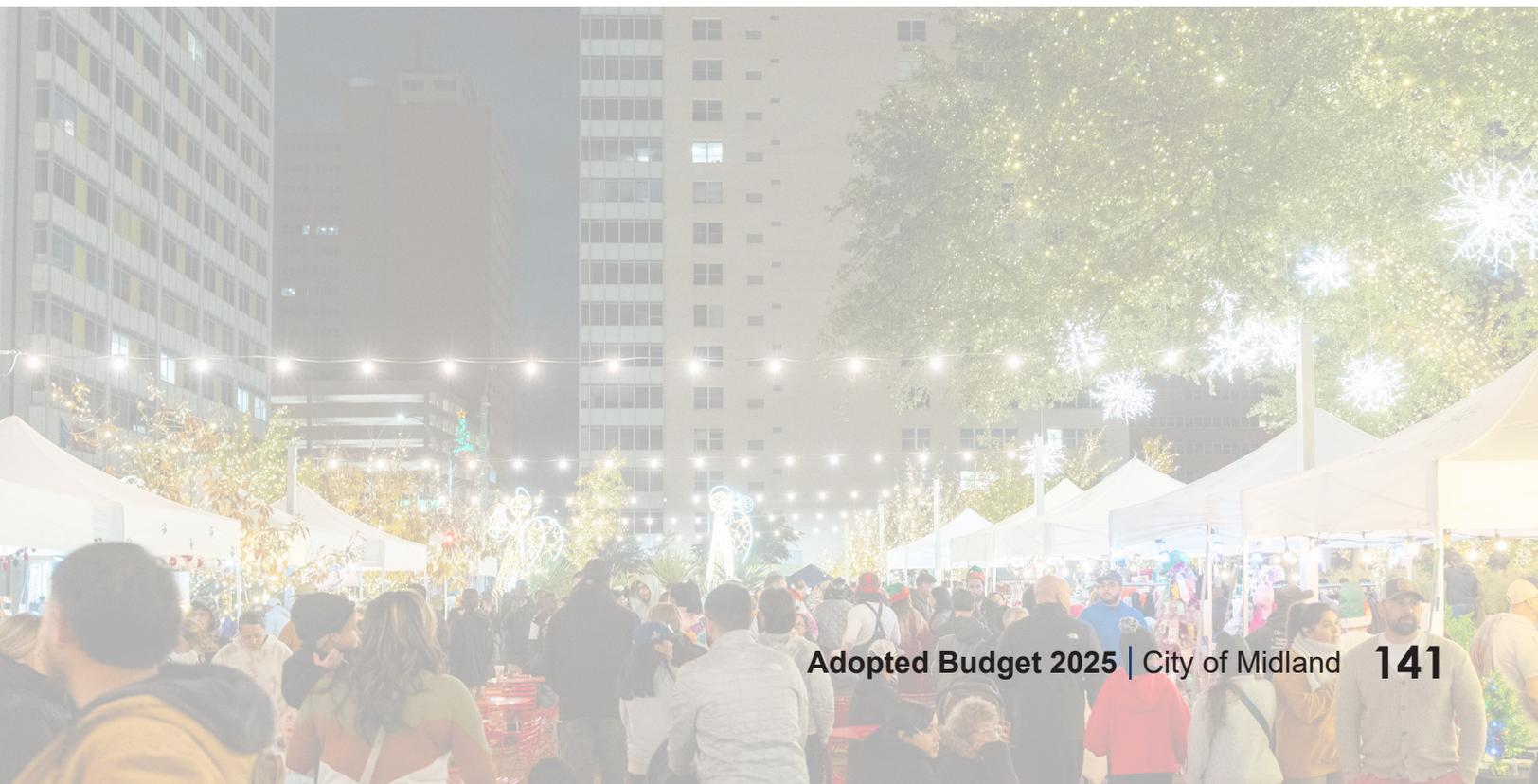
KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 GOAL
Total fire hydrants	4,672	5,168	5,254	5,300
Average daily consumption (MGD)	23.70	23.8	25.7	25.0
Average daily sewage treatment (MGD)	10.50	10.50	10.5	10.50
Total sanitary sewers (miles)	694	654	670	685
Total water mains (miles)	946	1,003	1,016	1,025
Met all volume requests by Pioneer Water for reuse of effluent from WRF	100%	100%	100%	100 %
Met all regulatory requirements & testing of public water system	99%	98%	98%	100%

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	7,597,880	10,857,493	10,594,994	-2.42%
Operating Expenses	10,597,575	13,647,976	14,243,703	4.36%
Miscellaneous	51,286	205,000	205,000	-
Maint of Infrastructure	2,654,353	3,755,850	3,288,850	-12.43%
Maint of Equipment	2,308,357	4,067,860	3,104,160	-23.69%
Interfund Transfers	10,979,565	-	48,641	100.00%
Interfund Services	3,201,269	4,364,524	4,879,892	11.81%
Enterprise	81,368	-	-	-
Contractual Services	30,407,339	33,042,464	30,807,600	-6.76%
Capital	32,497,646	23,948,407	25,978,160	8.48%
TOTAL DEPT. BUDGET	\$ 100,295,271	\$ 93,889,574	\$ 93,151,000	-0.79%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Water Sales	66,146,297	64,200,000	68,650,000	6.93%
WA & Sewer Tap Fees	404,511	345,000	440,000	27.54%
WA & Sewer Other Rev	565,348	1,035,000	520,000	-49.76%
Sewer charge sales	17,207,426	18,375,000	19,300,000	5.03%
Rental Revenue	117,400	101,000	116,000	14.85%
Non-Operating Rev	8,248,366	10,308,574	3,700,000	-64.11%
Misc Revenue	51	-	-	-
Interest Income	2,488,083	425,000	425,000	-
Discounts/Penalties	(1,190,278)	(900,000)	-	-
Civic Contributions	6,459,386	-	-	-
TOTAL DEPT. BUDGET	\$ 100,446,590	\$ 93,889,574	\$ 93,151,000	-0.79%

Staffing	FY 2023	FY 2024	FY 2025
Environmental Compliance	8	8	11
W&S Maintenance	27	28	28
W&S Utilities Adm	9	10	8
Water Purification Plant	23	24	24
Water Reclamation Facility	25	21	21
Cashiering Division	3	3	3
City Utility Billing	32	33	33
Total	127	127	128



DRAINAGE FUND

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	234,334	232,725	249,300	7.12%
Capital	641,370	1,737,784	3,207,784	84.59%
Contractual Services	270,976	286,456	349,727	22.09%
Interfund Services	62,316	68,775	73,578	6.98%
Interfund Transfers	2,675,403	-	1,142	100.00%
Maint of Infrastructure	767	-	-	-
Operating Expenses	178,067	161,710	244,700	51.32%
TOTAL DEPT. BUDGET	\$ 4,063,233	\$ 2,487,450	\$ 4,126,231	65.88%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
WA & Sewer Other Rev	2,258,146	2,472,000	2,530,000	2.35%
Appropriate from Net	-	-	1,578,699	100.00%
Interest Income	138,613	15,450	17,532	13.48%
Discounts/Penalties	(11,902)	-	-	-
TOTAL DEPT. BUDGET	\$ 2,384,857	\$ 2,487,450	\$ 4,126,231	65.88%

Staffing	FY 2023	FY 2024	FY 2025
Drainage	2	2	2
Total	2	2	2



SANITATION

Department Overview

It is the City of Midland Solid Waste Collection mission to provide our customers with exceptional waste collection services that protect, preserve, and improve our environment and the quality of life in our community. It is the City of Midland’s Recycle mission to provide recycling and disposal services that protect, preserve, and improve our environment and the quality of life in our community. It is the City of Midland Landfill’s mission to provide Midland residents a facility to properly dispose of municipal solid waste in an effective and safe manner while also caring for our environment and preserving our natural resources.

Accomplishments of FY2024

- Solid Waste Facilities construction completed and are in use. The new training rooms have become a true cross functional training space for the City of Midland.
- Started construction on the West Side Citizen Collection Station.
- Bid out and awarded the Landfill entrance road project.
- Received TCEQ approval on all regulatory compliance submissions.
- Hosted the annual TXSWANA Truck Road-E-O. This is a statewide event where participants from around the state participate in industry related obstacle courses.

Objectives/Goals for FY2025

- Complete construction on The West Side Citizen Collection Station.
- Start construction on East Side Citizen Collection Station.
- Start construction on Landfill entrance road project.
- Start the design and bid documents for a new Landfill Cell.
- Continue to acquire new equipment to be more effective and efficient.
- Continue to explore new ways to be more efficient in our operations while maintaining service levels.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Total number of garbage containers changed out	695	805	1,200	1,300
Total recyclables collected (tons)	803	858	800	850
Litter picked up (tons)	245	284	280	300
Total litter abatement fee Collections	\$531,076	\$565,113	\$570,000	\$575,000

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	6,961,762	7,868,645	9,006,355	14.46%
Operating Expenses	2,745,460	2,941,245	3,655,245	24.28%
Miscellaneous	2,772,154	1,028,016	1,160,016	-
Maint of Infrastructure	20,754	53,700	53,700	-
Maint of Equipment	18,400	42,963	42,963	-
Interfund Transfers	5,422,091	-	792,301	100.00%
Interfund Services	8,520,840	9,267,922	10,444,147	12.69%
Contractual Services	2,376,142	3,245,021	3,587,030	10.54%
Civic Organizations	100,000	170,000	200,000	17.65%
Capital	202,193	705,660	-	-
TOTAL DEPT. BUDGET	\$ 29,139,795	\$ 25,323,172	\$ 28,941,757	14.29%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Discounts/Penalties	211,189	38,500	(150,000)	-489.61%
Interest Income	1,029,192	175,000	551,757	215.29%
Misc Revenue	17,706	-	-	-
Non-Operating Rev	33,546	695,912	-	-
Sanitation Revenues	25,539,048	24,413,760	28,540,000	16.90%
TOTAL DEPT. BUDGET	\$ 26,408,303	\$ 25,323,172	\$ 28,941,757	14.29%

Staffing	FY 2023	FY 2024	FY 2025
Solid Waste Management	53	56	57
Landfill	17	17	17
Recycle	5	9	9
Total	75	82	83

AIRPORTS

Department Overview

The Department of Airports mission is to provide a safe, professional, and efficient experience for all Midland International Air & Space Port and Midland Airpark users.

Accomplishments of FY2024

- Expanded Austin service with Delta Airlines
- Renegotiated Airline contracts.
- Highest enplanements in history.

Objectives/Goals for FY2025

- Finalize plans for Checkpoint Expansion Project.
- Finalize design of Parking Garage.
- RFP's for Rental Cars & Airport Advertising.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Total Passenger Enplanements	605,749	661,842	740,219	758,724
Total Commercial Landings	8,371	9,251	10,685	10,952
Handling Route Maintenance Issues	3 Days	3 Days	3 Days	2 Days
Exiting Time in Parking Lots	5-10 Min	5 Min	3 Min	3 Min



Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel*	6,969,452	3,465,862	3,918,414	13.06%
Capital	8,182,455	299,736	-	-
Civic Organizations	2,647	-	-	-
Contractual Services	2,835,359	3,043,532	3,508,785	15.29%
Enterprise	2,876	-	-	-
Interfund Services*	1,380,947	5,392,058	6,027,624	11.79%
Interfund Transfers	14,430,615	-	17,875	100.00%
Internal Services	(2,872)	-	-	-
Maint of Equipment	57,539	121,592	121,592	-
Maint of Infrastructure	229,680	336,285	553,285	64.53%
Miscellaneous	203	1,574,331	397,772	-74.73%
Operating Expenses	549,553	448,194	616,194	37.48%
TOTAL DEPT. BUDGET	\$ 35,091,578	\$ 14,681,590	\$ 15,161,540	3.27%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Air Terminal Revenue	5,783,544	4,511,200	5,250,200	16.38%
Airpark Revenue	197,382	169,950	169,950	-
Airport Other Rev	250,434	118,450	103,000	-13.04%
Civic Contributions	1,518,345	-	-	-
Interest Income	1,468,416	50,000	100,000	100.00%
Interfund Transfers	1,500,000	-	-	-
Intergov Contrib	1,135,040	3,000,000	-	-
Misc Revenue	8,796	-	-	-
Non-Operating Rev	2,460,441	2,183,600	2,125,000	-2.68%
Parking Fees	7,217,610	4,648,390	7,413,390	59.48%
TOTAL DEPT. BUDGET	\$ 21,540,007	\$ 14,681,590	\$ 15,161,540	3.27%

Staffing	FY 2023	FY 2024	FY 2025
Airport Operations	33	34	34
Total	33	34	34



The background of the page is a faded, light-colored image of a city skyline. In the foreground, there is a large body of water, likely a lake or a wide river, with gentle ripples on its surface. The city buildings are visible in the distance, with some greenery and a small pavilion-like structure on the shore. The overall tone is bright and airy.

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS DESCRIPTIONS

Garage

Vehicle Services:

The Service Center is responsible for preventative maintenance, fuel management, tire management activities and road service associated with the fleet which numbers in excess of 900 vehicles. Fueling is controlled with an automated system which provides data to drive the preventative maintenance programs.

Garage Services:

The Garage Division is responsible for the purchase, repair, maintenance and record keeping on all heavy, automotive and specialized equipment owned by the City. This division provides a comprehensive maintenance program, an emergency repair service, a cost and service record of each piece of equipment, and a program for driver's safety and maintenance education. The division analyzes City wide equipment needs and budgets fleet replacements and new acquisitions for the entire City. The Garage Division has fully automated maintenance and repair management systems capabilities, including bar code labor capture and parts management.

Warehouse:

The City's central warehouse procures, inventories, and issues common items consisting of mechanical, electrical, civil, general supplies, materials and parts. This division provides an ongoing service function to all City divisions and provides economies of scale in using centralized purchasing, storage and control. The Warehouse is responsible for stocking janitorial supplies, safety supplies, valves, copy paper, traffic cones, minor tools, and other relevant inventory for ease of access by City employees for the work they do for the City of Midland. Time expended is reduced for individual divisions in separately obtaining such items.

Technology

Technology:

This division is responsible for the purchase of technological assets of the City. This division analyzes City wide technology needs and budgets replacements and new acquisitions for the entire City.

Technology Non-Departmental:

This division is used to record the payment the Technology Fund makes to the General Fund for services rendered, to record depreciation expense and this fund's share of general liability insurance and external audit fees.

Risk Funds

Employee Benefits:

The objective of this division is to promote health and wellness initiatives in the workplace, provide health and wellness services to eligible employees, retirees, and dependents via established programs and clinics. The division is also responsible for major workforce health related programs such as FMLA compliance, workers' compensation records and services, as well as administration of retirement pensions and plans. The Employee Benefit fund accounts for the revenues and expenditures of group life insurance, medical insurance, and dental insurance. This is the City's self-insurance plan for the employees, their dependents, and our retirees. Departments of the City are charged a premium consistent with the cost of comparable insurance plans. These funds pay the claims and administrative costs when presented.

Health Incentive Fund:

Habits for Health is a fitness incentive program supported by the Health Incentive Fund, designed to help City of Midland employees adopt healthier habits and improve their overall health. The program focuses on activities that promote better cardiovascular fitness, measured through VO₂ max, which is linked to reduced health risks and an improved quality of life.

Employees can participate by completing the Personal Health Assessment (PHA), an Adapted Fitness Test combined with the PHA, or an Advanced Fitness Test.

Risk Management:

The Risk Management Division's objectives are to minimize risk, create a safe work environment and plan for or prevent events that could hinder the effectiveness of City government. Core functions include handling liability claims investigations and processing, conducting accident investigations, safety training, managing the workers' compensation program, administering employee drug and alcohol screening programs, chair and administer the Accident Review Board. The division is responsible for the operational management of general liability, general liability auto, and workers' compensation funds, and procurement and management of Property, Error and Omission, Law Enforcement Liability, Special Events and Aviation insurance coverage.

GARAGE FUND

Fund Overview

The objectives of the Garage Fund are providing vehicles and equipment at the lowest cost and best quality along with exceptional vehicle and equipment repair services to all City departments and divisions. This fund is responsible for the planning and development of vehicle and equipment specifications, bidding schedules, oversight for equipment renewal, replacements, preventative maintenance, fuel management and tire management for all of the City's equipment and vehicles. This fund is committed to providing the highest level of professionalism, service response and high-quality workmanship.

Accomplishments of FY2024

- Created a new position for a make ready technician for the Garage to help with the process of getting vehicles ready for auction and preparing new vehicles to be put into service quickly and efficiently
- AC units installed in the Garage Parts Room
- Additional ventilation fan installed in the Garage welder's bay to vent fumes that are created when welding
- Ordered new in ground lifts for the Garage to replace the old lifts for the light vehicles.

Objectives/Goals for 2025

- Begin ASE program for our technicians
- Become a Blue Seal ASE recognized garage
- Purchase new diagnostic equipment for light vehicles and heavy vehicles
- Continue to provide best customer service for all departments
- Increase efficiency rate for repair of vehicles and equipment
- 99% of normally stocked warehouse items will be available within 36 hours of demand

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Average number of days to put new vehicles in service	3	3	3	2
Total number of fleet out of service at one time	4	4	4	3
Accuracy of inventory as determined by year end counts are within 97% of book value	YES	YES	YES	YES

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	2,482,660	2,815,146	3,294,397	17.02%
Capital	2,910,077	15,723,533	15,836,551	0.72%
Contractual Services	783,935	809,355	898,344	11.00%
Interfund Services	978,947	1,084,137	1,226,209	13.10%
Interfund Transfers	60,000	-	15,056	100.00%
Maint of Equipment	3,766,825	3,601,500	3,651,000	1.37%
Maint of Infrastructure	22,117	22,000	27,800	26.36%
Miscellaneous	2,765	1,906,126	1,946,126	2.10%
Operating Expenses	5,262,457	4,614,840	3,943,100	-14.56%
TOTAL DEPT. BUDGET	\$ 16,269,784	\$ 30,576,637	\$ 30,838,583	0.86%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Interest Income	705,848	100,000	100,000	-
Interfund Charges	22,682,739	27,908,930	27,959,969	0.18%
Misc Revenue	6,304	-	-	-
Non-Operating Rev	282,500	2,567,707	2,778,614	8.21%
TOTAL DEPT. BUDGET	\$ 23,677,391	\$ 30,576,637	\$ 30,838,583	0.86%

Staffing	FY 2023	FY 2024	FY 2025
Garage	19	20	19
Vehicle Services	10	10	11
Warehouse	1	1	1
Total	30	31	31

TECHNOLOGY FUND

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	184,625	211,254	374,540	77.29%
Capital	64,394	-	-	-
Contractual Services	3,029,329	5,300,133	6,803,243	28.36%
Debt Service	431,884	-	-	-
Enterprise	5,273	-	-	-
Interfund Services	9,739	15,342	42,678	178.18%
Interfund Transfers	103,198	-	1,731	100.00%
Maint of Equipment	208,918	345,000	700,000	102.90%
Miscellaneous	49,798	-	-	-
Operating Expenses	1,444,600	830,000	1,294,986	56.02%
TOTAL DEPT. BUDGET	\$ 5,531,757	\$ 6,701,729	\$ 9,217,178	37.53%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Interest Income	29,180	10,000	10,000	-
Interfund Charges	4,472,173	6,691,729	9,207,178	37.59%
Interfund Transfers	936,983	-	-	-
TOTAL DEPT. BUDGET	\$ 5,438,336	\$ 6,701,729	\$ 9,217,178	37.53%

Staffing	FY 2023	FY 2024	FY 2025
Technology Fund	2	2	3
Total	2	2	3

RISK MANAGEMENT FUND

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	863,357	977,146	1,337,679	36.90%
Contractual Services	2,078,867	3,018,857	2,963,262	-1.27%
Interfund Services	42,944	78,374	113,303	44.57%
Interfund Transfers	-	-	6,180	100.00%
Miscellaneous	-	-	275,584	100.00%
Operating Expenses	1,791	21,180	29,095	29.70%
Self-Insurance	1,504,403	2,188,307	2,138,307	-2.28%
TOTAL DEPT. BUDGET	\$ 4,517,792	\$ 6,346,414	\$ 6,944,462	9.42%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Interest Income	442,921	-	100,000	100.00%
Interfund Charges	2,908,914	3,251,711	4,966,028	52.72%
Misc Revenue	11,272	-	-	-
Non-Operating Rev	411	2,030,174	-	-
Worker Comp Charge	1,043,031	1,064,529	1,879,580	76.56%
TOTAL DEPT. BUDGET	\$ 4,406,549	\$ 6,346,414	\$ 6,945,608	9.44%

Staffing	FY 2023	FY 2024	FY 2025
General Liability, Legal	2	2	3
Risk Management	2	2	3
Workers Compensation Costs	2	2	1
General Liability, Police	2	2	3
Total	8	8	10

EMPLOYEE BENEFITS FUND

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	101,847	108,809	356,038	227.21%
Contractual Services	730,656	733,500	837,200	14.14%
Interfund Services	9,547	17,676	19,348	9.46%
Interfund Transfers	-	-	1,645	100.00%
Miscellaneous	-	1,282,525	1,953,809	52.34%
Operating Expenses	1,401	1,000	228,000	22,700.00%
Self-Insurance	11,627,018	13,498,990	13,903,960	3.00%
TOTAL DEPT. BUDGET	\$ 12,470,469	\$ 15,642,500	\$ 17,300,000	10.60%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Interest Income	658,225	50,000	200,000	300.00%
Interfund Charges	15,267,842	12,742,500	14,900,000	16.93%
Interfund Transfers	200,556	150,000	180,000	20.00%
Pay to Insurance Fund	1,836,432	2,500,000	1,800,000	-28.00%
Self-Insurance	238,624	200,000	220,000	10.00%
TOTAL DEPT. BUDGET	\$ 18,201,860	\$ 15,642,500	\$ 17,300,000	10.60%

Staffing	FY 2023	FY 2024	FY 2025
Employee Benefit	1	1	3
Total	1	1	3



A scenic view of a park with a lake, trees, and buildings in the background. The text "SPECIAL REVENUE FUNDS" is overlaid in large blue letters.

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS DESCRIPTIONS

Special Revenue Funds account for proceeds of specific revenue sources legally restricted to expenditures for specified sources:

Hotel/Motel Fund:

Hotel Motel: These are the allocations made from the Hotel/Motel Tax to various agencies.

Bush Convention Center: This division captures the cost of operating Bush Convention Center as well as records the debt service expense for the Bush Center Certificate of Obligations.

Police Special Purpose Fund-State:

This fund accounts for funds received from forfeited property under state jurisdiction. Such funds are used solely for law enforcement purposes such as salaries, training, equipment, supplies and items used by officers in direct law enforcement duties.

Police Special Purpose Fund-Federal:

This fund accounts for funds received from forfeited property under federal jurisdiction. Such funds are used solely for law enforcement purposes such as salaries, training, equipment, supplies and items used by officers in direct law enforcement duties.

Police Technology & Equipment Fund:

This fund will account for all donated funds received by the fire department.

Police LEOSE Fund:

This fund accounts for funds received from the State of Texas for the purpose of providing training to sworn officers. LEOSE stands for Law Enforcement Officers Standards and Education.

Fire Technology & Equipment Fund:

This fund will account for all donated funds received by the fire department.

Fire LEOSE Fund:

This fund accounts for funds received from the State of Texas for the purpose of providing training to sworn officers. LEOSE stands for Law Enforcement Officers Standards and Education.

Municipal Court Technology Fund:

This fund is to account for fees collected from the defendant upon conviction for a misdemeanor offense in the City of Midland Municipal Court as a cost of court. These funds are restricted for the purchase of technological enhancements for the benefit of the City of Midland Municipal Court by Texas Code of Criminal Procedure Article 102.0172.

Municipal Court Security Fund:

This fund is to account for fees collected from the defendant upon conviction for a misdemeanor offense in the City of Midland Municipal Court as a cost of court. These funds are restricted for the purchase of building security enhancements for the benefit of City of Midland Municipal Court by Texas Code of Criminal Procedure Article 102.017.

Municipal Court Time Payments Fund:

The Time Payment Fee is a special revenue fee that is restricted by the City for specific purposes. Article 102.030 of the Code of Criminal Procedure mandates that \$15.00 be collected from a person convicted of a misdemeanor and pays any part of the fine, court costs, restitution, or another reimbursement fee on or after the 31st day after the date judgment is entered. The City must deposit this fee into a separate account in the city's general revenue fund to be used for the purpose of improving the collection of outstanding court costs, fines, reimbursement fees, restitution, or improving the efficiency of administration of justice in the municipality

Golf Course Fund:

This fund is responsible for minor construction, maintenance, development, and operation of the Municipal Golf Course and related activities.

Scharbauer Sports Complex Fund:

The Sports Complex is a full-service baseball park, football, and soccer stadium with a pavilion for concerts & other shows that includes the Momentum Ballpark, Cimarex Energy Pavilion, and As-tound Broadband Stadium. Scharbauer Sports Complex is home to the Midland Rockhounds, a minor league baseball team based in Midland, Texas. The Sports Complex has four multi-purpose fields that can be used for practice and/or games and seats 6,669 fans.

Parks Oil & Gas Special Purpose Fund:

This fund accounts for all the donated funds for Parks and Recreation activities. It also accounts for all revenue and expenditures related to oil leases tied to park land. Funds collected from the oil leases are used for construction and replacement projects for the City's parks.

SPECIAL REVENUE FUNDS SUMMARY

REVENUE

SPECIAL REVENUE FUNDS	FY23 ACTUAL	FY24 BUDGET	FY25 BUDGET	% CHANGE
Police Law Enforcement Office Standars & Education (LEOSE)	8,997	14,950	20,000	33.78%
Fire Law Enforcement Office Standars & Education (LEOSE)	931	1,000	1,000	0.00%
Police Special Purpose - Federal	11,058	440,000	200,000	-54.55%
Police Special Purpose - State	110,205	4,200	70,200	1571.43%
PD Technology & Equipment	232,358	164,944	77,450	-53.04%
FD Technology & Equipment	148,909	150,000	150,000	0.00%
Municipal Court Time Payments	55,572	27,000	51,000	88.89%
Municipal Court Technology Fund	48,617	80,000	80,000	0.00%
Municipal Court Security Fund	61,718	33,000	33,000	0.00%
Park Donation & Special Purpose	34,917,236	13,036,500	21,003,832	61.12%
Hotel/Motel	8,279,662	6,510,000	7,510,000	15.36%
Golf Course	2,653,555	3,363,661	4,263,979	26.77%
Sports Complex	2,280,495	3,729,966	4,178,242	12.02%
TOTAL REVENUE:	\$ 48,809,312	\$ 27,555,221	\$ 37,638,703	36.59%

EXPENDITURES

SPECIAL REVENUE FUNDS	FY23 ACTUAL	FY24 BUDGET	FY25 BUDGET	% CHANGE
Police Law Enforcement Office Standars & Education (LEOSE)	15,000	14,950	20,000	33.78%
Fire Law Enforcement Office Standars & Education (LEOSE)	-	1,000	1,000	0.00%
Police Special Purpose - Federal	29,991	440,000	200,000	-54.55%
Police Special Purpose - State	481,663	4,200	70,200	1571.43%
PD Technology & Equipment	275,879	164,944	77,450	-53.04%
FD Technology & Equipment	46,542	150,000	150,000	0.00%
Municipal Court Time Payments	862	27,000	51,000	88.89%
Municipal Court Technology Fund	69,663	80,000	80,000	0.00%
Municipal Court Security Fund	96,386	33,000	33,000	0.00%
Park Donation & Special Purpose	3,976,910	13,036,500	21,003,832	61.12%
Hotel/Motel	5,929,062	6,510,000	7,510,000	15.36%
Golf Course	3,263,551	3,363,661	4,263,979	26.77%
Sports Complex	5,289,263	3,729,966	4,178,242	12.02%
TOTAL EXPENDITURES:	\$ 19,474,773	\$ 27,555,221	\$ 37,638,703	36.59%

GOLF COURSE

Division Overview

Hogan Park Golf Course provides Midland residents and visitors an affordable and exceptional golf experience on two public courses with a total of 36 holes and is the premier facility in the community for charity golf events.

Accomplishments of FY2024

- Improved playability of both golf courses.
- Record sales in 2023-2024 for Pro Shop (over \$900,000).
- Completed Financial Master Plan.
- Adjustment to fees to provide funds for capital improvements.
- Started Cart Barn Replacement.
- Implemented Tenfore Golf for online tee times.
- Starting using Golf Genius for better tournament experience for staff and tournament directors.
- Increased Chemical injection capabilities to all 36 holes.

Objectives/Goals for FY2025

- Complete Hogan Park Development Master Plan
- Install new tee time & point of sale system for Pro Shop.
- Continue improving new website for better customer service.
- Redesign greens irrigation and install RO system.
- Complete new Cart Barn.
- Replace 5 Restroom on golf course.
- Improve tournament experience with Blue Golf.

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Total number of tournaments held	99	99	110	105
Total number of driving range sales	\$116,469	\$163,053	\$253,449	\$260,000
Golf Cart Rentals	\$698,400	\$883,891	\$933,129	\$975,000
Total Golf Course Attendance	65,400	76,346	79,001	82,000
Keep turf maintained to standards accepted by the golfing industry within budget	90%	90%	90%	90%
Maintain a minimum of 125 golf carts for rental at any time	100%	100%	100%	100%
Pro Shop Sales	\$766,361	\$909,718	\$981,875	\$1,000,000

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	1,174,283	1,353,399	1,488,992	10.02%
Operating Expenses	852,222	213,643	220,264	3.10%
Miscellaneous	-	550,000	566,500	3.00%
Maint of Infrastructure	103,876	120,610	124,229	3.00%
Maint of Equipment	16,715	14,420	14,853	3.00%
Interfund Transfers	159,890	-	6,874	-
Interfund Services	556,370	637,905	943,626	47.93%
Debt Service	-	128,063	541,532	322.86%
Contractual Services	400,195	345,621	357,109	3.32%
TOTAL DEPT. BUDGET	\$ 3,263,551	\$ 3,363,661	\$ 4,263,979	26.77%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Golf Course Fees	3,158,682	2,859,050	4,263,979	49.14%
Interest Income	(7,251)	-	-	-
Interfund Transfers	(588,136)	-	-	-
Misc Revenue	31,340	-	-	-
Non-Operating Rev	58,920	504,611	-	-100.00%
TOTAL DEPT. BUDGET	\$ 2,653,555	\$ 3,363,661	\$ 4,263,979	26.77%

Staffing	FY 2023	FY 2024	FY 2025
Golf Course	11	13	13
Pro Shop	3	3	3
Total	14	16	16

SPORTS COMPLEX

Division Overview

Scharbauer Sports Complex is a full-service complex comprised of Astound Broadband Stadium, Coterra Pavilion, Momentum Bank Ballpark, and four auxiliary multi-purpose fields that host baseball, football, soccer and other events throughout the year. It is home to the Midland RockHounds, a minor league baseball team based in Midland, Texas and the home field for Midland Independent School District’s soccer and football teams.

Accomplishments of FY2024

- Hosted 21 playoff games.
- Hosted 4 regular season college football games.
- Hosted 1 NCAA Division 2 Playoff Game.
- Hosted 4 semi-pro soccer playoff games
- Replaced Backstop Net in Momentum Ballpark.
- Completed modernization of four elevators.
- Installed Restrooms and Concession stand on the Red and Yellow Auxiliary Fields.
- Replaced sound system at Astound Broadband Stadium.
- Replaced sound system in Momentum Ballpark.
- New Contract with MISD for Astound Broadband Stadium.

Objectives/Goals for FY2025

- Host 20 playoff games.
- Host 5 NCAA games.
- 1400 auxiliary field rentals.
- Replace Security Lighting in Complex.
- Replace playground in Momentum Ballpark.
- Replace furniture in suites at Astound Broadband Stadium.
- Develop and build 2 new auxiliary fields.
- Replace the fire suppression system.
- Replace outfield padding in Momentum Ballpark
- Replace HVAC in locker rooms at Momentum Ballpark

KEY PERFORMANCE INDICATORS:

PERFORMANCE MEASURES	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 TARGET
Momentum Bank Ballpark attendance	205,602	285,528	252,774	285,000
Astound Broadband Stadium attendance	170,814	155,479	158,967	165,000
Football/soccer concession sales total revenue	\$58,541	\$73,573	\$85,594	\$90,000
Total number of Auxiliary Field Reservations	811	1,098	1,318	1400
Rental agreements issued	49	53	48	55
Playoff football/soccer games held at auxiliary fields	12	3	4	5
Playoff football/soccer games held at Astound Stadium	13	13	17	15

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Personnel	406,311	738,178	934,940	26.66%
Operating Expenses	51,646	49,280	50,771	3.03%
Maint of Infrastructure	619,079	1,120,000	1,045,000	-6.70%
Maint of Equipment	17,359	84,500	87,035	3.00%
Interfund Transfers	2,415,631	-	4,306	100.00%
Interfund Services	984,085	766,715	813,585	6.11%
Contractual Services	795,152	946,293	1,077,605	13.88%
Civic Organizations	-	25,000	25,000	-
Capital	-	-	140,000	100.00%
TOTAL DEPT. BUDGET	\$ 5,289,263	\$ 3,729,966	\$ 4,178,242	12.02%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Non-Operating Rev	73	2,309,974	2,676,142	15.85%
MultiPurpose Fields	89,866	83,000	90,000	8.43%
Misc Revenue	12,600	-	-	-
Interest Income	782,159	360,000	360,000	-
Football Stadium	530,019	444,742	508,750	14.39%
Common Areas	81,561	57,250	65,000	13.54%
Baseball Stadium	672,970	475,000	478,350	0.71%
TOTAL DEPT. BUDGET	\$ 2,280,495	\$ 3,729,966	\$ 4,178,242	12.02%

Staffing	FY 2023	FY 2024	FY 2025
Sports Complex	10	11	12
Total	10	11	12

HOTEL/MOTEL FUND

Fund Overview

The Hotel/Motel Fund consists of 7 members who meet as needed to advise City Council on the use of funds collected pursuant to Chapter 351, "Municipal Hotel Occupancy Taxes", of the Texas Tax Code.

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Operating Expenses	(1,721)	-	-	-
Miscellaneous	-	159,070	581,942	265.84%
Maint of Infrastructure	3,192	-	-	-
Interfund Services	65,309	30,420	30,992	1.88%
Contractual Services	90,645	47,310	131,128	177.17%
Civic Organizations	3,963,898	4,476,400	4,971,138	11.05%
Capital	1,807,739	1,796,800	1,794,800	-0.11%
Operating Expenses	(1,721)	-	-	-
Miscellaneous	-	159,070	581,942	265.84%
TOTAL DEPT. BUDGET	\$ 5,929,062	\$ 6,510,000	\$ 7,510,000	15.36%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Civic Contributions	2,510	-	-	-
Hotel Motel Tax	7,363,797	6,060,000	7,060,000	16.50%
Interest Income	467,919	100,000	100,000	-
Misc Revenue	6,999	-	-	-
Non-Operating Rev	494	-	-	-
Rental Revenue	437,943	350,000	350,000	-
TOTAL DEPT. BUDGET	\$ 8,279,662	\$ 6,510,000	\$ 7,510,000	15.36%

PARKS OIL & GAS SPECIAL PURPOSE FUND

Expenditures	ACT FY23	BUD FY24	BUD FY25	%Change
Capital	99,707	12,537,719	18,500,000	47.55%
Contractual Services	43,547	77,750	78,832	1.39%
Interfund Transfers	3,346,000	-	2,000,000	100.00%
Maint of Infrastructure	9,384	-	-	-
Operating Expenses	478,272	421,031	425,000	0.94%
TOTAL DEPT. BUDGET	\$ 3,976,910	\$ 13,036,500	\$ 21,003,832	61.12%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Civic Contributions	59,228	26,500	26,500	-
Interest Income	978,944	10,000	10,000	-
Interfund Transfers	18,179,583	-	-	-
Non-Operating Rev	862	-	6,142,332	100.00%
Rental Revenue	15,699,482	13,000,000	14,825,000	14.04%
TOTAL DEPT. BUDGET	\$ 34,918,099	\$ 13,036,500	\$ 21,003,832	61.12%



DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

Debt Service Funds track the principal and interest payments on Certificates of Obligation and General Obligation Bonds.

Midland’s Debt Service Funds Include:

Governmental Debt Service – The revenue is generated from a property tax levy and from Hotel Motel fund transfer. The funds are restricted to only be used to pay authorized debt service. Money remains in this fund until spent for its authorized purpose.

Water & Sewer (W&S) Debt Service – The revenue is generated from water & sewer charges. The funds are restricted to only be used to pay authorized issuance debt service. All money remains in this fund until spent for its authorized purpose.

Sanitation Debt Service – The revenue is generated from sanitation charges. The funds are restricted to only be used to pay authorized issuance debt service. All money remains in this fund until spent for its authorized purpose.

Golf Course Debt Service – The revenue is generated from golf course charges. The funds are restricted to only be used to pay authorized issuance debt service.

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Governmental Debt Service	13,310,966	14,210,701	14,201,328	-0.07%
Water & Sewer Debt Service	17,321,217	18,957,807	19,898,160	4.96%
Sanitation Debt Service	-	-	751,757	100.00%
Golf Course Debt Service	-	128,063	541,532	322.86%
Total Revenue	\$30,632,183	\$33,296,571	\$34,641,020	3.88%

Revenues	ACT FY23	BUD FY24	BUD FY25	%Change
Governmental Debt Service	13,048,910	14,210,701	14,201,328	-0.07%
Water & Sewer Debt Service	17,704,094	18,957,807	19,898,160	4.96%
Sanitation Debt Service	-	-	751,757	100.00%
Golf Course Debt Service	-	128,063	541,532	76.35%
Total Expenditures	\$26,778,004	\$33,296,571	\$34,641,020	3.88%



APPENDIX

BUDGET GLOSSARY

ACCRUAL – An accrual is an asset or liability that represents revenue or expenses that are receivable or payable but which have not yet been paid

AD VALOREM – Refers to the tax assessed against real (land & buildings) and personal (equipment & furniture) property in compliance with the State Property Tax Code.

APPROPRIATION – A legal authorization made by the City Council which permits City officials to incur obligations against and to make expenditures of governmental resources.

ASSESSED VALUATION – A value established by the Midland Central Appraisal District which approximated market value of real or personal property.

AUDIT – An audit is an external examination of financial information, as required by the Texas Comptroller.

BALANCED BUDGET – A balanced budget occurs when the total sum of money a government has budgeted to collect in a year is equal to the amount it has budgeted to spend on goods, services and debt.

BOND – A written promise to pay a sum of money on a specific date(s) at a specific interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. Most commonly, these are General Obligation Bonds, Certificates of Obligation, or Revenue Bonds used for capital construction projects.

BUDGET – A financial plan, for a specified period, of operations that matches all planned revenues with the services provided the residents of the City. The budget is approved by Ordinance and sets legal spending limits for the fiscal year.

BUDGET DOCUMENT – the compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenues and expenditure plan.

BUDGET MESSAGE – The opening section of the budget from the City Manager which provides the City Council and the public with a general summary of the most important aspects of the budget.

BUDGET ORDINANCE – The official enactment, by City Council, to legally authorize City staff to obligate and expend resources.

CAPITAL – Expenditures for equipment, vehicles, machinery or other improvements that result in the acquisition of assets which have an estimated useful life of more than one year, a unit cost of \$5,000 or more and capable of being identified as an individual unit or property.

CERTIFICATE OF OBLIGATION (CO) – Legal debt instruments which finance a variety of public projects such as streets, buildings and improvements. These bonds are backed by the full faith and credit of the issuing government and are financed through property tax revenues.

CITY COUNCIL – The Mayor and six (6) Council Members collectively acting as the legislative and policy making body of the City.

DEBT SERVICE FUND – A fund established to account for the accumulation of resources for, and the payment of, long-term principal and interest.

DEPARTMENT – A major administrative organizational unit of the City which indicated overall management responsibility for one or more divisions.

DIVISION – A basic organization unit that is functionally unique and provides services under the administrative direction of a department.

ENTERPRISE FUND – Funds established to account for operations of the water & sewer system, drainage, sanitation, golf course and airport. These funds are operated in a manner similar to private business enterprises.

ESTIMATED REVENUE – A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

EXPENDITURE – Funds spent in accordance with budgeted appropriations on assets or goods and services obtained.

FISCAL YEAR – A consecutive 12-month period which signifies the beginning and ending dates recording financial transactions. The City of Midland's fiscal year begins October 1st and ends September 30th of the following calendar year. This is also called a budget year.

FRANCHISE FEE – A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.

FULL-TIME EQUIVALENT (FTE) – A unit of measurement that indicates the workload of an employed person in a way that makes workloads comparable across various contexts

FUND – An accounting entity with a self-balancing set of accounts that record financial transactions for specific activities or government functions.

FUND BALANCE – The difference between governmental fund assets and liabilities. An adequate fund balance is essential for several reasons, including the need to have sufficient cash for operations prior to receipt of property tax revenues, maximization of investment earnings, maintaining a financial position favorable to strong bond ratings and funds availability in case of emergencies or unexpected events.

GENERAL FUND – The fund used to account for all financial resources except those required to be accounted for in another fund. Revenues are derived from taxes, user and franchise fees which support general public services such as public safety, development services and community services.

GENERAL OBLIGATION (GO) BONDS – Legal debt instruments which finance a variety of public projects such as streets, buildings and improvements. These bonds are backed by the full faith and credit of issuing government and are financed through property tax revenues.

GOVERNMENTAL FUND – Used by governmental entities to account for resources typically derived from tax revenue and other public sources.

INTERGOVERNMENTAL REVENUE – Grants, entitlements and cost reimbursements from another federal, state or local governmental unit.

INTERNAL SERVICE FUND – These funds account for the financing of goods or services provided by one City department to other departments of the governmental unit on a cost reimbursement basis. The Garage Fund and the Technology Fund are operated as internal service funds in the City of Midland.

LEVY – To impose or collect by legal authority vested in the City Council.

LONG TERM DEBT – Debt with a maturity of more than one year after the date of issuance.

NET ASSETS (FUND EQUITY) – the noncapital portion of proprietary fund net assets, including both restricted and unrestricted net assets.

NO-NEW-REVENUE RATE (Formally the Effective Tax Rate) – The ad valorem tax rate which, when applied to properties existing on last year’s tax roll, adjusted for changes in appraisal values and other items, would yield the same tax revenues in the current year as in the previous year.

ORDINANCE – A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

PERSONNEL SERVICES – The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

PROPERTY TAXES – Used to describe all revenues received in a period from current taxes, delinquent taxes, penalties and interest on delinquent taxes. Property taxes are levied on both real and personal property according to the property’s valuation and tax rate.

PROPRIETARY FUND – proprietary fund is used in governmental accounting to account for activities that involve business-like interactions, either within the government or outside of it.

RESERVE – An account used to indicate that a portion of a fund balance is restricted for a specific purpose.

REVENUE – Funds that the government receives as income.

REVENUE BONDS – A legal debt instrument which may be used to finance projects for enterprise funds. Revenues from the borrowing fund are pledged to pay principal and interest of the bonds.

TAX BASE – The total value of all real and personal property in the City as of January 1st of each year, as certified by the Appraisal Review Board. The tax base represents net value after all exemptions.

TAX RATE – The tax rate consisted of two components, maintenance/operations and debt service and is adopted by Ordinance by the City Council after a public hearing.

VOTER APPROVAL RATE (Formally the Roll-Back Rate) – The Voter Approval tax rate is the maximum allowable tax rate that can be adopted before requesting voter approval and encompass the No-New Revenue Rate X 1.035% plus the current debt service rate.



AN ORDINANCE FIXING THE TAX LEVY FOR THE CITY OF MIDLAND, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025

WHEREAS, the Midland City Council voted to propose a tax rate of \$0.348662 for each one hundred dollar valuation of taxable property for the fiscal year beginning October 1, 2024, and ending September 30, 2025; and

WHEREAS, the Midland City Council finds and determines that the City of Midland has fully and timely complied with all notice, hearing and other legal requirements relative to the adoption of this ordinance; and

WHEREAS, THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE; AND

WHEREAS, THE TAX RATE WILL EFFECTIVELY BE RAISED BY 1.91 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000.00 HOME BY APPROXIMATELY \$0.51.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MIDLAND, TEXAS:

SECTION ONE. That to pay interest and principal on outstanding bonds as they mature, a tax levy of \$0.058342 on each \$100.00 valuation of all taxable property in the City of Midland, Texas is hereby made and levied for the year 2024 to be credited to the Interest and Sinking Fund of the City.

SECTION TWO. That to raise funds to help defray current General expenses of the City, a levy of \$0.290320 on each \$100.00 valuation of all taxable property within the City is hereby made and levied for the year 2024. The collections from these levies are to be apportioned and deposited as follows:

Interest and Sinking Fund	<u>\$0.058342</u>
General Fund	<u>\$0.290320</u>
TOTAL TAX LEVY FOR ALL PURPOSES	<u>\$0.348662</u>

The above and foregoing ordinance was duly proposed, read in full and adopted on first reading, the 10th day of September, A.D., 2024; and passed to second reading on motion of Council member Dufford, seconded by Council member Ladd, with the motion being stated as "I move that the property tax rate be increased by the adoption of a tax rate of \$0.348662, which is effectively a 1.34 percent increase in the tax rate", by the following vote:

Council members voting "AYE": Davidson, Stretcher Burkes, Blong, Dufford, Ladd, Norman

Council members voting "NAY": Poole

The above and foregoing ordinance was read in full and finally adopted by the following vote upon motion of Council member Dufford, with the motion being stated as "I move that the property tax rate be increased by the adoption of a tax rate of \$0.348662, which is effectively a 1.34 percent increase in the tax rate", seconded by Council member Norman, on the 17th day of September, A.D., 2024, at a regular meeting of the City Council:

Council members voting "AYE": Davidson, Stretcher Burkes, Blong, Dufford, Norman

Council members voting "NAY": Poole

PASSED AND APPROVED THIS 17th day of September, A.D., 2024.


Lori Merritt Blong, Mayor

ATTEST:



Marcia Bentley-German, City Secretary

APPROVED AS TO CONTENT AND
COMPLETENESS:



Christy Weakland, Director of Finance

APPROVED AS TO FORM ONLY:



John Olinemiller, City Attorney

AN ORDINANCE OF THE CITY OF MIDLAND PROVIDING FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025, BY APPROVING THE BUDGET FOR SAID PERIOD AND APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES AND UNAPPROPRIATED FUND BALANCE OF THE CITY OF MIDLAND FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS TO THE CITY; AND ORDERING PUBLICATION

WHEREAS, as required by Article IV, Section 14, of the City Charter, the City Manager has prepared and submitted to the City Council a Budget Estimate of expenditures and revenues of all City departments, activities, and offices for the year beginning October 1, 2024, and ending September 30, 2025; and

WHEREAS, said Budget has been filed with the City Secretary of the City of Midland, Texas, as required; and

WHEREAS, notices of a public hearing upon said Budget have been duly and legally made; and

WHEREAS, said public hearing has been held and full and final consideration given said Budget;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MIDLAND, TEXAS:

SECTION ONE. That for the purpose of providing the funds necessary and proposed to be expended in the Budget of the City of Midland for the fiscal year beginning October 1, 2024, and ending September 30, 2025, the Budget prepared by the City Manager and submitted to the City Council for its consideration and approval is hereby approved, and the available resources and revenues of the City of Midland as set forth in said Budget for said fiscal year, are hereby appropriated and set aside for the maintenance and operation of the various departments of the Government of the City of Midland, together with the various

activities and improvements as set forth in said Budget; and the appropriations shall be strictly applied for the uses and purposes in the respective departments as provided for in said Budget.

SECTION TWO. That the said Budget for the fiscal year beginning October 1, 2024, and ending September 30, 2025, approved herein shall be attached to and made a part of this ordinance the same as if copied in full herein, said Budget being on file in the City Secretary's office referenced by the number and date of this Ordinance.

SECTION THREE. That expenditures during the fiscal year beginning October 1, 2024, and ending September 30, 2025, shall be made in accordance with the summary Budget approved by this ordinance unless otherwise authorized by a duly enacted resolution or ordinance of the City of Midland and subject to the following provisions and conditions, to wit:

1. That no expenditure may be made without Council approval which shall increase the total appropriation for any one Fund.
2. That the City Manager may make transfers to and between departments and divisions unless such transfers would increase the total appropriation within a Fund.
3. That department managers are hereby authorized to approve transfers of amounts between line items within their departments if such transfers do not significantly change the work program contemplated in the approved Budget.

SECTION FOUR. During each year while there is any liability by reason of the City's Personnel Policies or Employment Agreements, the City Council shall compute and ascertain the rate and amount of ad valorem tax, based on the latest approved tax rolls with full allowance being made for tax collection, which will be sufficient to raise the money required to pay any sums which may be or become due during any such year, in no instance to be less than two percent (2%) of such obligation, together with all interest thereon, because of the obligations assumed by the City's Personnel Policies or Employment

Agreements. Said rate and amount of ad valorem tax will be ordered to be levied against all taxable property in the City for each year while any liability exists by reason of the obligations undertaken by the City's Personnel Policies or Employment Agreements, and said ad valorem tax shall be assessed and collected each year until all of the obligations incurred in the City's Personnel Policies or Employment Agreements shall have been discharged and all liability discharged.

SECTION FIVE. For the purpose of this ordinance, certain words as used herein are defined as follows:

1. The term "agency" wherever used in the said Budget shall mean the same and be synonymous with the term "department" as used in the Charter, ordinances, resolutions, and other official documents and policies of the City of Midland, Texas.
2. The term "organization" wherever used in the said Budget shall mean the same and be synonymous with the term "division" as used in the Charter, ordinances, resolutions and other official documents and policies of the City of Midland, Texas.

SECTION SIX. All departments of the City required to be established by the City Charter, state law, or federal law are deemed to be created.

SECTION SEVEN. That all transfers from the Water and Sewer Fund and Sanitation Fund are made in compliance with Sections 1502.057, 1502.058 and 1502.059 of the Texas Government Code.

SECTION EIGHT. That the City Manager shall give notice of water rate increases to appropriate individuals and entities as required by state law.

SECTION NINE. That the City Manager is hereby authorized and directed to execute contracts for grants of Hotel/Motel Tax funds to the extent that said grants are included in the Budget.

The above and foregoing ordinance was duly proposed, read in full and adopted on first reading, the 10th day of September, A.D., 2024; and passed to second reading on motion of Council member Ladd, seconded by Council member Dufford, by the following vote:

Council members voting "AYE": Davidson, Stretcher Burkes, Poole, Blong, Dufford, Ladd, Norman

Council members voting "NAY": None

The above and foregoing ordinance was read in full and finally adopted by the following vote upon motion of Council member Dufford, seconded by Council member Norman, on the 17th day of September, A.D., 2024, at a regular meeting of the City Council:

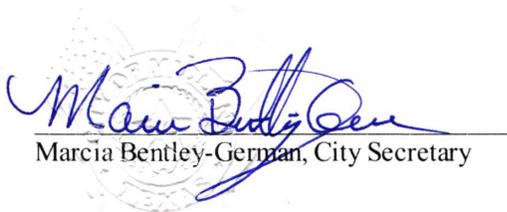
Council members voting "AYE": Davidson, Stretcher Burkes, Poole, Blong, Dufford, Norman

Council members voting "NAY": None

PASSED AND APPROVED THIS 17th day of September, A.D., 2024.


Lori Merritt Blong, Mayor

ATTEST:

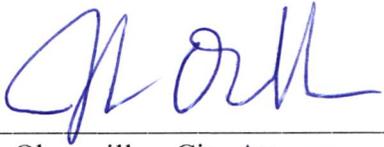

Marcia Bentley-German, City Secretary

APPROVED AS TO CONTENT
AND COMPLETENESS:



Christy Weakland, Director of Finance

APPROVED ONLY AS TO FORM:



John Ohnemiller, City Attorney



City Council Meeting

Item Number: 1
Meeting Date: September 10, 2024, September 17, 2024
To: City Council / City Manager
From: Christy Weakland, Director
Subject: AN ORDINANCE OF THE CITY OF MIDLAND PROVIDING FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025, BY APPROVING THE BUDGET FOR SAID PERIOD AND APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES AND UNAPPROPRIATED FUND BALANCE OF THE CITY OF MIDLAND FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF THE VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS TO THE CITY; AND ORDERING PUBLICATION (DISTRICT: ALL) (FINANCE) (PROVIDE SOUND GOVERNANCE & FISCAL MANAGEMENT)

Purpose:

Compliance with the Texas Local Government Code requires a public hearing on the proposed budget more than 15 days after the proposed budget is filed with the city Secretary. The budget was filed with the City Secretary on August 14, 2024.

Recommended City Council Action:

Approve

Fiscal Impact:

The proposed budget is submitted as the City of Midland's general operating plan for the fiscal year beginning October 1, 2024 and ending September 30, 2025.

Strategic Priority:

(Provide Sound Governance & Fiscal Management)

Discussion:

The City Council established a Proposed Tax Rate of 0.350662 cents on August 14, 2024. At this tax rate the General Fund will have a budget appropriated of \$176,339,702 for FY25. The budgets of the other funds total \$277,972,618.



City Manager's Office

