

City of Odessa,
Texas

Annual
Budget

Fy 2010-11



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Odessa
Texas**

For the Fiscal Year Beginning

October 1, 2009

A handwritten signature in black ink, appearing to be 'H.R.' followed by a flourish.

President

A handwritten signature in black ink, appearing to be 'Jeffrey R. Egan'.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the City of Odessa, Texas for its annual budget for the fiscal year beginning October 1, 2009.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

ANNUAL BUDGET

CITY OF ODESSA, TEXAS

Fiscal Year
October 1, 2010 through September 30, 2011

CITY COUNCIL

Larry L. Melton, Mayor
Bill Cleaver, District 1
James B. Goates, Mayor Pro Tem, District 2
Barbara Graff, District 3
Dean Combs, District 4
Roy Hunton, District 5

Richard N. Morton, Jr., City Manager

Adopted
September 14, 2010

City of Odessa 2010-2011 Annual Budget

Prepared by

Finance Department
James Zentner, Assistant City Manager – Administrative Services
Felicia Nzere, Director of Finance
Kim Underwood, Budget Manager
Bobbi House, Budget Analyst

Printed by

Printing Services
Larry McKinnerney, Print Supervisor
Jimmy Norris, Print Assistant
Virginia Zamudio, Print Assistant

In Memoriam



Donna Kay Carrasco
Former Director of Utility Billing & Collection,
Budget Manager &
City of Odessa
Performance Measurement Pioneer
(7/23/58 - 01/08/10)

Front Cover

“Water is a pioneer which the settler follows, taking advantage of its improvements.” Henry David Thoreau, American Nature Writer

Safe and accessible drinking water remains the key element in Odessa’s ability to flourish in the desert lands of West Texas. Due largely to the purchase and transportation of raw water from the Colorado River Municipal Water District, and the treatment and distribution of this precious commodity by the City of Odessa Utilities Department, a unique people have settled here and call this place home.



Council Members

Left to Right: Roy Hunton, District 5; James B. Goates, Mayor Pro Tem, District 2; Larry L. Melton, Mayor; Barbara Graff, District 3; Bill Cleaver, District 1; Dean Combs, District 4

MISSION STATEMENT

Motivated by a proactive, independent and diverse heritage, the City of Odessa will embrace the future through innovative and progressive leadership. Working in partnership with citizens of the community as well as other governmental agencies, we will provide Odessans of today and tomorrow with outstanding services and facilities that will protect and enhance the quality of life.

Adopted by Mayor and City Council on August 10, 1999.

VALUE STATEMENT

We believe the quality of life in the city of **ODESSA** depends on a partnership between the citizens, business community, elected officials and City employees. We, as City employees, are committed to the following:

ORGANIZATION

Working together as teams and individuals toward common goals.

DIRECTION

Striving constantly to improve service to the community while preserving the quality of life and promoting growth in Odessa.

EXCELLENCE

Providing high levels of service for our community with available resources.

SERVICE

Consistently performing tasks with courtesy, pride, sincerity and professionalism in a timely fashion.

SUPPORT

Empowering all with the freedom and authority to accomplish tasks through sound work ethics and policies.

ATTITUDE

Responding positively to the needs of citizens with sincere honesty, integrity and loyalty.



Left to right: James Zentner, Assistant City Manager Administrative Services; Richard Morton, City Manager; Michael Marrero, Assistant City Manager Community Services

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Budget Message

October 1, 2010

To the Citizens of the City of Odessa, Texas,
Honorable Mayor Larry Melton, and
Members of the City Council:

I am pleased to submit the 2010-11 Annual Budget for the City of Odessa, Texas. The budget is one of the most important policy documents of the City because it presents the overall plan to accomplish the Council's program of services and priorities during the upcoming fiscal year in financial terms. The annual budget projects total revenues of \$138.9 million and total current expenditures of \$136.0 million. In comparison with last year's adopted budget, this budget represents a decrease of 13.2% in revenues and a decrease of 12.56% for current expenditures. This reduction is due largely to a \$20.0 million change in a franchise agreement for natural gas. Also, in addition to this budget is the annual allocation for equipment replacement items totaling \$1.94 million for 2010-11. This budget is the culmination of our combined efforts in determining the proper resource allocation for the City based upon our agreed goals and objectives.

ECONOMIC CONDITION AND OUTLOOK

The City of Odessa has historically been very dependent upon the fortunes of the oil and gas industry. Fortunately, economic diversification efforts of city leaders over the past few years, and a leveling of oil prices and production have allowed Odessa to experience some stability in the local economy. While the U.S. rig count was up 67.30% in 2010, the West Texas region rig count also increased by 188.10% for the same time period. A comparable increase occurred in the West Texas Intermediate Crude Oil price by 19.16% over last year's figures as well. As unemployment is leveling out at an annualized rate of 8.8% with a stabilizing oil and gas industry, the community continues to strive towards diversification of its local economy.

The City of Odessa has had the advantage of a line of dedicated community leaders who understand the importance of cohesive economic development efforts. Another promotion of our diversification efforts occurred during this last year when Odessa leaders along with the Odessa Development Corporation brought in another 145 new jobs with a cumulative annual payroll of \$5.8 for the community.

2009-10 ACHIEVEMENTS

Our goals and objectives charted the course for fiscal year 2009-10, and we made considerable progress including:

- Economic diversification support efforts in 2009-10 included the continuation of development along Billy Hext Road and Eastridge Road, as well as north JBS Parkway and 52nd Street. Significant private construction of subdivisions in the east section of Odessa is still developing in the residential and commercial areas. The construction of interchanges on Parkway at BI-20 and IH-20 has been completed with the Texas Department of Transportation. Planning has begun to complete JBS Parkway south of IH-20 Interchange to connect to FM 3503 through a joint agreement with Ector County.
- Enhancement of a positive City image was achieved through park improvements and beautification with the completion of the McKinney Park sprayground enhancements, the Noel Plaza performance stage structure addition, Sherwood Park shade structures and the Skate Park lighting. Completion of major renovations to the Ratliff Ranch Golf Course (recognized through the PGA Play Golf America campaign as a “Family Golf Course”) has provided new structures for public use, additions of turf and other special course equipment has contributed to other park improvement efforts for the city. Another step towards a positive image can be noted in the successful completion of the “neighborhood sweeps” coordinated by the Neighborhood Development Services division. A neighborhood sweep encompasses specific days of neighborhood cleanup for targeted subdivisions through the cooperation of various city departments, external agencies, media, and community volunteers. These cleanup campaigns cleared approximately 130 tons of refuse from our neighborhoods in the last fiscal year.
- In an answer to the increases in property crimes across the region, the Odessa Police Department has reorganized the Burglary and Larceny Units by placing more personnel assets toward the high priority cases, i.e. serial burglaries, frauds and thefts. In 2009, auto theft investigators recovered \$541,518 in stolen property. In 2009, violent crime showed a 1.6% decrease across the state overall with Odessa demonstrating a specific decrease of 28.6% in murder crimes compared to the previous year. The OPD Mobile Crime Lab vehicle has been refurbished and set out on the streets with a new shift schedule to support patrol officers’ investigation needs. Additionally, the Narcotics Unit seized in excess of \$339,000 (street value) in controlled substances in the last year.
- The Odessa Fire Department made revolutionary productivity and service enhancements through initiation of a dual response system that included Squads and Rescues. Each of the fire stations throughout the community now employ the use of 8 front line ambulances where three are used as Squads. This change has increased effectiveness and efficiencies in operations and delivery of services. Also, electronic field reporting was fully implemented with the purchase of Toughbook computers to allow the paramedics the ability to process patient reporting before

returning to the stations. To date, the Fire Department has made 432 fire responses resulting in \$37 million in property saved.

- Intergovernmental cooperation continues through the joint efforts of the Ector County Independent School District and the City of Odessa Municipal Court with the operation of the School Attendance Court. This special night court is helping to keep students in class and off of the streets. Other joint efforts can be evidenced in Public Safety Communications as well, with implementation of WebEOC software to aid in the improvement of tracking resources and communicating with other communities and the state operations center during escalating regional emergency situations.

GOALS AND OBJECTIVES FOR 2010-11 FISCAL YEAR

Encouraged by the accomplishments of 2009-10, and our commitment to the citizens of Odessa, we focus on the City's future goals and objectives:

- An important aspect of economic development continues to be enhancement of the City's image. The continuation of allocating and expending bond funds for capital improvement projects consisting of the development and redevelopment of city parks, street drainage/paving and traffic reconstruction in major thoroughfares remain as steps taken towards this effort in the 2010-11 budget. Also included are revitalization programs in urban forestry education, inmate work release community service clean-up and city-wide neighborhood "sweeps" litter campaigns in attracting new enterprises to Odessa and keeping the present vital workforce contributing to the current economic welfare of the area.
- Crime reduction remains a major goal for Odessa. A new avenue to fulfill this need in the 2010-11 budget includes the establishment of a Police Academy (formally sponsored by Odessa College) and obtaining the license for such from TCLEOSE. A city owned academy will promote the effectiveness of keeping the Police Department at full staff. Also included in this year's budget is the Citizen's Police Academy, Citizen's on Patrol, Juvenile Curfew, and the CopLogic Online System aiding citizens in reporting minor offenses via home computers. This reporting convenience and a new patrol reorganization within the department will ensure more officers are patrolling the city at a given time. Additionally, a Police Call Center continues to better facilitate citizen information requests and reports in the various areas within the Police Department. The Criminal Investigations Unit plan to provide training to new investigators and continued training to seasoned investigators to remain current in technology and advances in methods of investigations. Intergovernmental cooperative efforts with outside agencies including the Texas Rangers, Texas Department of Public Safety, the FBI, and the U.S. Marshal's Office have assisted with investigations of homicide, robbery, child pornography and absconded sex offenders.
- Retaining and recruiting qualified personnel through competitive compensation has become a priority in the last few years. Even in Odessa's diverse economy, city

management strategically fashioned the continuation of a compensation plan funding step increases and incentive pays in keeping with this philosophy. Seeking the status as “Employer of Choice” for Odessa, accessibility to employment opportunities with the City has been enhanced through web site application processing for perspective employees.

- In keeping with intergovernmental cooperation, the Parks Department is increasing special event programming through collaborations and sponsorships with non-profit, governmental and private businesses within the City. Also, Odessa’s Public Safety Communications center maintains services to Medical Center Hospital Flight For Life in dispatching and the monitoring of paramedics in flight as another service to the local and regional community. Another agreement with the Hospital District will allow both entities to comply with requisite hazardous materials, weapons of mass destruction and bio-terrorism training through an exchange of services.
- Productivity and service enhancements benefit the city as Neighborhood Development Services strives to increase educational opportunities and improve access to information and resources that support the community through neighborhood meetings to provide an open forum for citizens to voice neighborhood concerns. The NDS group expects to distribute more than 367,000 pieces of information literature as part of this effort in the 2010-11 fiscal year.

GENERAL FUND

Decisions by the City Council on the budget for the general operating fund have a major impact on public services and the quality of life in the City of Odessa. Each year the City faces the challenge of balancing the City’s needs for services against limited financial resources. This challenge became even more of an opportunity as the City Council approved a property tax rate of 52.2750 cents per \$100 of valuation, a rate below the effective tax rate and the same rate as adopted in 2009. Even though the property tax rate remained the same for 2010-11, a small 0.74% increase in assessed values resulted in a \$150,000 increase in current property tax revenue compared to last year. This year the General Fund’s projected revenues of \$59.4 million will fund current expenditures of \$59.4 million as a balanced budget. Revenues increased less than 1.0%, or \$500,227 and expenditures increased by the same amount over the 2009-10 budget.

As mid-year 2009-10 sales tax receipts came in just below monthly estimates, paralleling a weakened national and regional economy, a conservative estimate for sales tax was projected for 2010-11 in the amount of \$17,287,932. Fiscal year 2009-10 did finish, however, on an up note with a final revenue increase of 2.3%, or \$410,487 higher than budgeted by year end.

As 2009-10 economic indicators for the general economy and the oil industry have continued in an upward direction, sales tax receipts are projected to show similar trending. Sales tax revenue continues to be the leading revenue over the estimate for

current property tax revenue in the new fiscal year as well. These two revenue sources generate 58.68% of the \$59.5 million budget for revenues in the General Fund.

The budget for 2010-11 includes funding for two (2) additional positions compared to the previous year's budget. One (1) Assistant City Attorney to attend to civil cases and the addition of one (1) Financial Reporting Accountant, funded in part by Water & Sewer, was included in the new year's budget. Five (5) positions frozen in January 2010 in the departments of Municipal Court, Street, and Parks and Recreation will remain unfunded in 2010-11 to help offset a portion of the loss in sales tax revenue growth for the General Fund.

In total, the number of General Fund positions approved in this year's budget equals 644.5 for the new fiscal year. Personnel enhancements to address recruitment and retention issues resulted in the continuation of the public safety step / incentive pay plan for sworn employees with a cost of \$804,364 for 2010-11 for the General Fund. Qualifying Police and Fire department sworn personnel will be promoted during 2010-11 to their next corresponding "step" in a program initiated by the City in 2008. Also, a 2% pay increase for all other employees not in a step system will result in an increase of \$348,275 for the General Fund effective October 1, 2010.

Changes in the Texas Municipal Retirement System benefit plan which reduce the current repeating annual annuity for retirees from 70% to 50% are to net a cost decrease in the amount of \$96,654 for the 2010-11 fiscal year. Similar reductions can be noted in most of the other funds as well.

GENERAL FUND RESERVES

To ensure sufficient funds in maintaining its reserves at an appropriate level to support operations for at least 60 days, a Budget Stabilization Account is available with a 25-day balance based on the last adopted budget. One portion of the Budget Stabilization Account accommodates up to a 15% sales tax revenue decline. The remaining balance protects against a 10% decline in property tax revenues or any other revenue loss. Also, a Compensated Absences reserve is set aside to pay employees for accrued unileave and/or old sick leave upon their resignation, termination, or retirement. In addition to meeting these minimum reserve requirements, the General Fund also maintains a healthy undesignated balance, which allows the City to allocate those funds for special and unforeseeable projects as they occur.

The September 30, 2009 ending fund balance stated in the City of Odessa Comprehensive Annual Financial Report (CAFR) of \$24,365,870 for fiscal year 2008-09 includes \$1,612,613 of encumbrances. Excluding these encumbrances the fund balance of \$22,753,257 provides an increase of \$223,308, for the 2009-10 fiscal year end. The 2010-11 budget is a balanced budget with revenues and expenditures in equal amounts of \$59,464,941 with an unrestricted available fund balance of \$8,099,058.

WATER AND SEWER FUND

Implementation of a 2% pay increase for employees, the rising cost of chemicals and other supplies highlight the Water and Sewer Fund budget for the 2010-11 fiscal year. The current rates for water and sewer services will remain the same as the previous fiscal year, and is expected to cover requisite operating expenditures. This rate level will also allow continued infrastructure improvements to support new residential development and other maintenance / upgrades of the current water and sewer infrastructure, plus meeting previous bond covenants. City staff still believes the cost of the water represents a good value for the citizens, as other cities that participate in the same water management district charge their citizenry higher water rates. The total Water and Sewer revenues for FY 2010-11 are estimated at \$39.6 million, a decrease of \$293,648 not including the \$1.15 million in bond allocations in 2009-10.

Water and Sewer operating expenditures are proposed at \$40.5 million, a 0.58 percent increase to that of the previous adopted budget. Personal services increases of \$111,448 will cover the continuation of step increase / incentive pays for qualifying full time employees plus a 2% pay increase.

In 2009-10, fund balance decreased by \$2.61 million from the 2008-09 ending fund balance of \$9,611,842. The 2010-11 budget is appropriated with projected revenues (\$39,634,200) and expenditures are estimated to be (\$40,518,356) resulting in a projected fund balance of \$6,119,660.

Any Capital Improvements initiated in 2010-11 will be allocated and funded from the previous \$65,000,000 Bond Issue from late 2007. A great deal of emphasis has been placed on the capital improvements program to satisfy State and Federal Mandates as well as City infrastructure requirements. The Utility will continue to implement state and federal mandated programs such as water conservation, water quality reporting, risk management, cross connection control, and enhanced surface water treatment issues.

SOLID WASTE FUND

The major contributing revenue sources for the Solid Waste Fund are Single-Family Residential (49.20%), Commercial (23.96%) and Roll-Off Charges (11.06%). These three sources of revenue account for over 84% of the total revenue for this fund. Total customer accounts and anticipated growth within the city limits, increased demand for roll-off usage in commercial and construction areas, and expanding service to outside-city-limits customers drive these revenue items. In 2010-11 the solid waste rates will remain at the same level as the previous fiscal year.

In 2009-10, fund balance decreased by \$202,787 from the 2008-09 ending fund balance of \$386,179. The decrease, or use of fund balance was approved in the 2009-10 budget process to fund increases in tipping fees and fleet costs. The 2010-11 budget is appropriated with projected revenue of \$9,946,200, sufficient to cover the \$9,880,166 in estimated expenditures.

Projected 2010-11 ending fund balance for the Solid Waste Fund is expected to be \$249,426. This represents a \$66,034 increase in fund balance compared to last year's estimated ending balance of \$183,392. The Solid Waste division continues to put much effort into recycling to slow the growth of tonnage hauled to the landfill each year.

This Keep Texas Beautiful award winning enterprise fund maintains a diversified focus of not only solid waste collection, but also recycling, backyard composting, tree limb recycling, household hazardous waste disposal, and education. The fund also supports the local Keep Odessa Beautiful agency that provides education to the public on numerous environmental issues. The Keep Odessa Beautiful agency will receive a budget of \$134,229 for 2010-11.

EQUIPMENT SERVICES FUND

The City provides for maintenance and replacement of its fleet and heavy equipment through an internal services fund, which receives rental revenue from the other operating funds. Equipment Services revenues for FY 2010-11 are estimated at \$10.9 million. Total expenditures of this support fund are \$8.8 million of which \$6.9 million is allocated for operating expenditures, while \$1.9 million is designated for Equipment Replacement expenditures. One critical aspect of this fund is to maintain an adequate fund balance to replace the City's fleet based upon the estimated life when purchased.

In 2009-10, fund balance decreased by \$1,081,494 from the 2008-09 ending fund balance of \$5,384,861. This decrease, or use of fund balance was approved in the 2009-10 budget process to help pay for needed equipment replacement, with repayment being extended to the next fiscal year. Projected 2010-11 ending fund balance for the Equipment Services Fund is expected to be \$6,366,507.

The scope of this fund has been broadened to include acquisitions of other major assets to be used by the operating funds. Through aggressive maintenance programs and streamlining of operations, the operating expenditures for this fund have experienced very little growth. However, adjustments were made to the rental rate schedules to ensure the Equipment Services Fund will have adequate available funds for the repair and replacement of all capital items.

RISK MANAGEMENT FUND

The City's Risk Management Fund was budgeted at \$9.5 million for expenditures in 2010-11. The Risk Management Fund is comprised of a 74.2% (\$7.0 million) allocation for Benefits including Medical/Dental Claims and Clinical Services, with the Health and Wellness program at 2.2% (\$212,652), and an allocation for Liability Insurance at 9.0% (\$849,680), plus a 6.9% (\$657,220) allocation for Workers' Compensation, including a final 7.7% (\$728,807) budget for the administrative cost of managing the program.

The Medical/Dental insurance program represents the largest portion of expenditures for the Risk Management Fund. The city has not planned any rate increases internally, or for employees or retirees during the 2010-11 fiscal year; holding the line on costs and expenses where appropriate in the medical plan considering the local and national economic condition.

The successful operation of the Family Health Clinic continues to provide more accessible medical services to employees and their dependents without a related cost increase to employees and the City. Also, a full service fitness center for medical plan covered individuals has also encouraged many employees and dependents to make preventative choices for greater health and a decreased need for medical services.

Over the past several years the Risk Management Fund has been operating with a negative fund balance due to escalating costs in the health care arena. In 2008-09, the fund balance for the Risk Management Fund was \$596,966. This marked the first time since 2002-03 that the actual ending fund balance result was positive; a clear indication that the strategies that have been implemented over the past few years have been successful.

In 2009-10, the estimated fund balance was \$662,779, a \$65,813 increase compared to the previous year's actual balance. The upward trend continues into 2010-11 with a projected ending fund balance of \$803,395. With the creation of the Family Health Clinic and the availability of the Health and Wellness center, employees have also appreciated reasonably priced minor health care and encouragement for healthier lifestyles.

GOLF COURSE FUND

The Ratliff Ranch Golf Course continues to benefit the citizens of Odessa by providing a quality municipal golf course. As the revenue base for this fund continues to grow, the ability for this fund to stand alone remains very positive. Major revenues for this fund include daily green fees (42.2%), golf cart rentals (23.5%), and Pro-Shop Sales (14.9%) bringing in 80.6% of the fund's total revenue. Revisions to some fees were adopted in late 2009 that encourage play at the course at historically low usage times of the week.

In 2009-10, the fund balance for Ratliff Ranch was a negative \$2,087,988. This deficit fund balance position is due to the closure of the golf course for major renovation and construction during the majority of 2007 and 2008. The projected 2010-11 fund balance is slightly more positive with a negative balance of \$2,084,776. To date, revenues have only incrementally begun to reverse the negative balance. However, it is anticipated that the deficit will be repaid over the next few years as the Golf Course becomes established and attendance increases in a more favorable economy.

STORM WATER FUND

In the 2009-10 budget, a new Storm Water Fund was established in response to a federally mandated regulation for storm water runoff in cities of a prescribed population. Over the last 6-7 years, the City has met the minimum requirement of this mandate. A Storm Water Fee of \$1.85 per billing and collection customer account continues to fund this requirement in fiscal year 2010-11 with a method of allocation that seems most fair and equitable to all citizens. One opportunity of this new mandate was the ability to transfer the City's street-sweeping operations from the General Fund to this new enterprise fund. Five street-sweeping positions were transferred to Storm Water, plus a Manager and Technician position were added to operate the fund's approved \$650,000 budget in 2009-10. It is anticipated that this customer fee will again generate the necessary funds for the Storm Water function in fiscal year 2010-11 as well.

CONVENTION AND VISITORS FUND

The Convention and Visitors Fund receives its funding from Hotel/Motel taxes. The Outside Agencies received funding for FY 2010-11 in the amount of \$1,856,047.

CONCLUSION

This Annual Budget continues to provide for a sound financial plan, reflects the priorities and policies of the City Council, and provides the citizens of Odessa with quality municipal services. We commit our best efforts to the Mayor and City Council to ensure that the needs of our customers are met or exceeded.

The City's 2009-10 Annual Budget document received the Government Finance Officer Association's (GFOA) Distinguished Budget Presentation Award, representing the highest form of recognition in governmental budgeting. This was the twenty-fourth consecutive year that Odessa has received this honor. In order to continue participating in this program, we have attempted to incorporate most recommended revisions, which were suggested by GFOA, into the 2010-11 Annual Budget.

The 2010-11 Budget document has been prepared with the assistance of the committed and dedicated employees who stand ready to accomplish the strategies outlined and adopted by the City Council. In closing, I would like to acknowledge the valuable effort of the Finance Department and Budget Personnel, and to extend special thanks to the Mayor and Members of the City Council for their continuing direction and support.

Respectfully submitted,

Richard N. Morton, Jr.
City Manager

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Policy Statements

POLICY STATEMENTS

BUDGET COMPLIANCE

BUDGET COMPLIANCE

The 2010-11 approved operating budget for the City of Odessa is submitted in accordance with the City Charter and all applicable State laws. The budget for the City of Odessa is based upon separate funds and sets forth the anticipated revenues and expenditures for the fiscal year for the General Fund, Water and Sewer Fund, Solid Waste Fund, Storm Water Fund, Equipment Service Fund, Risk Management Fund, Debt Service Fund, Community Development Fund, Golf Course Fund, Convention and Visitors Fund, and other miscellaneous funds.

ITEMIZED BUDGET AND CONTENTS

The annual budget developed by the City of Odessa is regulated throughout the process by the Local Government Code (LGC), which is the State statute regulating municipal budgets in Texas. State law requires an incorporated City to develop an annual budget which itemizes proposed expenditures in comparison to actual expenditures for the preceding year, and shows as definitely as possible each project for which expenditures are appropriated in the budget, (LGC, Sections 102.003, 102.003b). The annual operating budget developed by the City of Odessa contains a complete financial statement that shows:

- 1) the outstanding obligations of the municipality;
- 2) the cash on hand to the credit of each fund;
- 3) the funds received from all sources during the preceding year;
- 4) the funds available from all sources during the ensuing year;
- 5) the estimated revenue available to cover the proposed budget; and
- 6) the estimated tax rate required to cover the proposed budget.

INFORMATION FURNISHED

In preparing the budget, the budget officer (City Manager) may require any City officer or board to furnish information necessary for the budget officer to properly prepare the budget, (LGC, Section 102.004).

PROPOSED BUDGET FILED

The proposed budget is filed with the City Secretary and is available for public inspection at least thirty (30) days prior to the date when the City Council sets the property tax rate for the next fiscal year, (LGC, Section 102.005). The City Manager filed the 2010-11 Proposed Budget on August 2, 2010, which was more than 30 days prior to the scheduled adoption of the property tax rate on September 14, 2010.

POLICY STATEMENTS

BUDGET COMPLIANCE

PUBLIC HEARINGS ON PROPOSED BUDGET

The City Council shall hold a public hearing on the proposed budget in which any taxpayer may attend and participate. The Council shall set the hearing for a date occurring after the fifteenth (15th) day after the date the proposed budget was filed, but before the date on which the City Council sets the property tax rate for the next fiscal year. Public notice of the date, time, and location of the hearing must be provided, (LGC, Section 102.006).

The City of Odessa published notices as required by law, on August 12, 2010, in the local newspaper, on the City of Odessa's web site, and on the local Government Access Channel, announcing a public hearing on the proposed budget on August 24, 2010.

ADOPTION OF BUDGET

At the conclusion of the public hearing, the City Council shall take action on the proposed budget; it may make any changes to the budget it considers warranted by law or deemed to be in the best interest of the taxpayers, (LGC, Section 102.007).

The City of Odessa conducted a public hearing on August 24, 2010, as required by State law, and on September 14, 2010, adopted the Annual Budget.

APPROVED BUDGET FILED

After adoption by the City Council, the approved budget is filed with the City Secretary and the County Clerk, (LGC, Sections 102.008, 102.009d).

A complete copy of the final published budget document will be filed with the City Secretary and County Clerk. Although not required by law, the City will also file the final budget document with the State Comptroller. A copy of the Annual Budget is also placed in the Ector County Library for public access.

LEVY OF TAXES

The City may levy taxes only in accordance with the budget, (LGC, Section 102.009a). However, the adoption of the tax rate must be separate from the vote adopting the budget, (Property Tax Code, (PTC), Section 26.05b). The tax rate consists of two components, the amount of taxes to pay maintenance and operation expenditures, and the amount of taxes to pay debt service, (PTC, Section 26.05a). The tax rate, adopted by the governing body, may not exceed the calculated effective tax rate without additional legal notification and public hearing requirements, (PTC, Section 26.05d).

POLICY STATEMENTS

BUDGET COMPLIANCE

On September 14, 2010, the City Council adopted a total tax rate of \$0.522750 per \$100 dollars of property valuation for the purpose of paying for City operations (\$0.448115) and for debt service payment (\$0.074635). No public hearings were required for the adoption of the tax rate, because the proposed tax rate did not exceed the effective tax rate of \$0.524132.

EMERGENCY PROCEDURES

After final approval of the budget, the City Council may spend funds only in strict compliance with the budget, except in an emergency. The City Council may authorize emergency expenditures as an amendment to the original budget only in a case of public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget. If the budget is amended, a copy of the resolution shall be filed with the City Secretary and the County Clerk, (LGC, Section 102.009b,c,d).

CHANGES IN BUDGET

The City Council is not prevented from making changes to the budget for municipal purposes, (LGC, Section 102.010).

During the fiscal year, the City Manager is authorized to transfer budgeted amounts between departments of any fund. All funds are subject to appropriation, and uses of additional revenue received during the fiscal year are appropriated through City Council approval, resulting in an amendment to the budget. Changes to the budget that would increase the total appropriations to any fund must meet the appropriate legal requirements for public notice and citizen participation and must be approved by the City Council.

POLICY STATEMENTS

BUDGET DEVELOPMENT

BUDGET DEVELOPMENT PHASES

Annual budgeting is a dynamic activity of resource allocation. Forecasting and the setting of strategic priorities start the cycle every spring. After the departments are given direction, they reassess their goals and objectives, and request their budgets. The City Manager compiles a Proposed Budget and presents it to Council. After input from citizens and Councilmembers, the Council adopts an Operating Budget. This new budget takes effect on October 1, at which time all Departments receive their new funding. All budgets are continually monitored throughout the year to ensure compliance.

FINANCIAL FORECASTING/BUDGET RELATIONSHIP

Financial forecasting is requisite to the success of the budgeting process, aiding in proper decision-making for current year and future years. Long-range and short-range projections for revenues, reserves, and expenditures are updated annually, based on current service levels for the General Fund. Trend and experiential analyses are used to calculate expenditure and revenue patterns. For most revenue categories, a seven-year historical review is used to determine various behaviors and trends of each particular account when applicable.

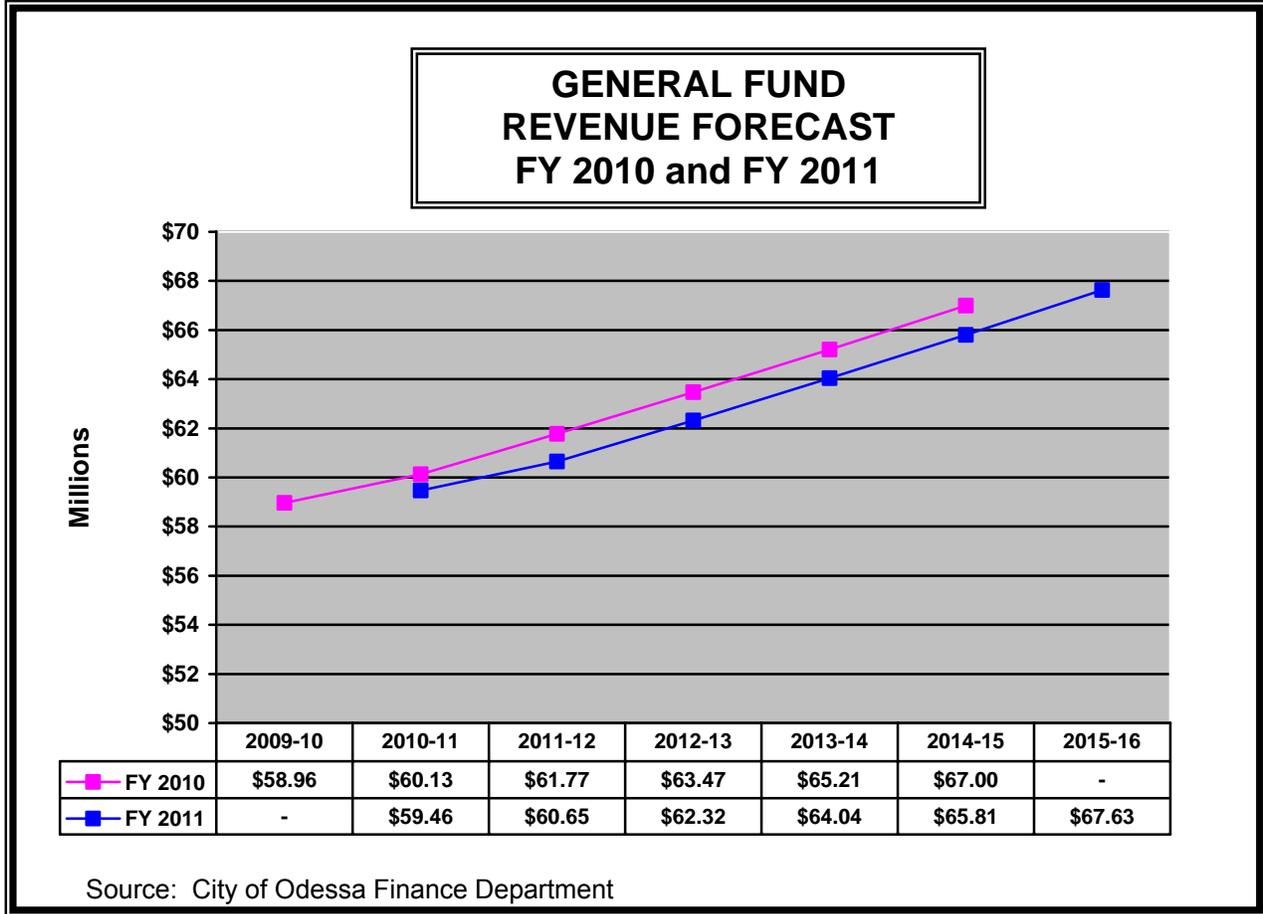
Sales Tax Revenues have exhibited a downward trend since 2008-09 due to a downturn in the local economy. Although receipts began to stabilize in 2009-10 and appear to be recovering, the 2010-11 projection for Sales Tax Revenues has been conservatively estimated at \$17,287,932, a 1.56% decrease compared to last year's budget. No increases in Sales Tax revenues are projected for 2011-12. However, thereafter, revenue projections for this category reflect an increase of 2.00% per year. Property taxes are expected to generate \$17,606,749 in 2010-11, a 0.86% increase over the previous year, with a projected annual increase of 3.00% over the next five years. Franchise Fees (Gross Receipts Tax from major utilities projects) and Transfer-In Revenues (payments other funds make to the General Fund in exchange for administrative services) will also increase by 3.00% for each of the next five fiscal years. Together, 2010-11 receipts for these four categories will increase by \$159,844 compared to 2009-10 budgeted revenues. Over all, General Fund revenues are projected to increase by \$500,227, or 0.85%, in 2010-11. In five years, total General Fund revenues will increase from \$59.46 million to \$67.63 million, an increase of 13.74%.

Personal Services makes up 71.80% of the General Fund budget. Therefore, the majority of the projected increase in General Fund expenditures is attributable to the current compensation strategy. The City is operating under a plan designed to enhance the City's ability to recruit and retain qualified applicants. The annual cost of the enhancement and the net increase of one and one-half full-time positions make up the majority of the \$721,088 budgetary increase for fiscal year 2010-11. Over the next five years, total General Fund expenses are expected to grow from \$59.46 million to \$66.04 million.

Current projections indicate that over the next five years, revenues will increase at an approximate rate of 2.61% per year, while expenditures will increase at the rate of approximately 2.13% per year. (See Fund Narratives for more detailed revenue trends, analyses, and expenditure requirements.)

POLICY STATEMENTS

BUDGET DEVELOPMENT



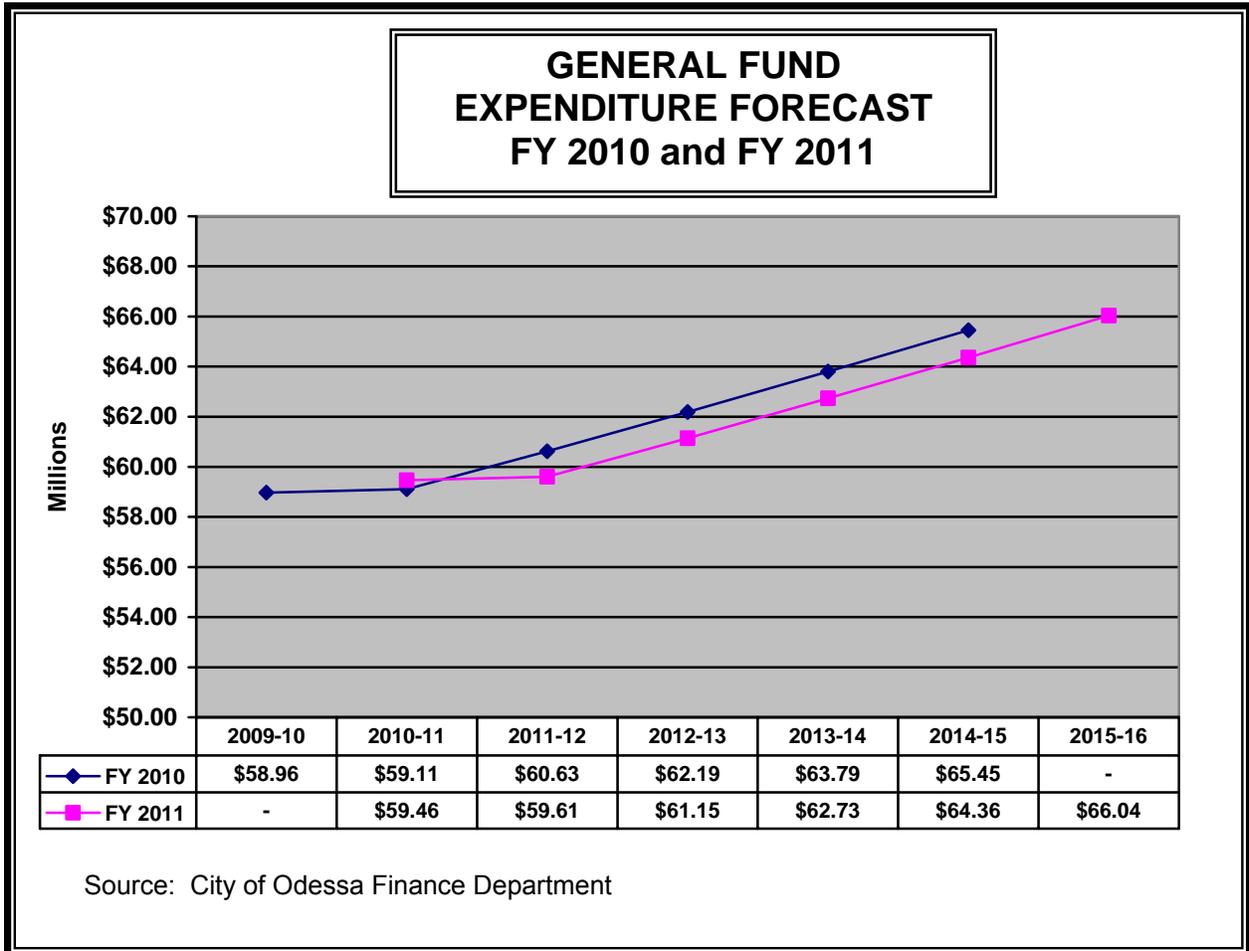
The above graph compares the revenue forecasts made in FY 2010 with those made in FY 2011. Projections begin \$666,122 lower in FY 2011 than in those of the previous year. This is due to the 2008-09 economic downturn and the lasting effects it has had on Sales Tax Receipts. Sales Tax Revenues, a major source of revenue for the General Fund, stabilized in 2009-10, but have not yet fully recovered.

In FY 2010, the projection for 2010-11 sales tax revenue was \$17,561,109. This year, it is anticipated that sales taxes will generate \$17,287,932, a decrease of 1.56%. City Council voted to adopt the same property tax rate as last year: \$0.522750 per \$100 valuation. Using this tax rate to calculate receipts, the FY 2011 projection for Property Tax Revenues is expected to fall \$373,702, or 2.08%, below the FY 2010 forecast of \$17,980,451.

The FY 2011 forecast of revenues is projected to be \$59.46 million, with an average annual increase of 2.61% each year over the next five years. No increases for 2011-12 are projected for Sale Tax Revenues. However, beginning in 2012-13, Sales Tax Receipts are expected to increase by an annual rate of 2.00% for the next five years.

POLICY STATEMENTS

BUDGET DEVELOPMENT



The FY 2011 financial forecast for expenditures begins with a projection of \$59.46 million, \$352,168 higher than the 2010-11 projection set forth in the FY 2010 financial forecast. According to FY 2011 projections, expenditures are expected to increase by \$6,572,180 over a five-year period, at an average annual growth rate of 2.13%.

The expenditure forecast provides for a comprehensive employee compensation plan, designed to improve the City's ability to recruit and retain qualified applicants. The plan calls for a 2% salary increase for full-time, non-uniformed city employees as well as step increases and increases in skills/incentive pay for sworn personnel (police officers and fire fighters). The resulting increase in General Fund expenditures is \$1.15 million.

Additionally, General Fund monies have been set aside to help cover the salary and benefit costs of two new positions: one Assistant City Attorney position, and one Accountant position. The cost of the Accountant position will be split equally between the General Fund and the Water and Sewer Fund.

POLICY STATEMENTS

BUDGET DEVELOPMENT

STRATEGIC PRIORITIES PHASE

Council develops a consensus on the direction the City should take in the coming year. Council meets at a retreat to identify priorities, issues, and trends in order to determine the City's goals and objectives. These strategic priorities form the framework of the budget.

DEPARTMENTAL REQUESTS PHASE 1

Departments are given the strategic direction to formulate their budget requests from the Council's goals and objectives, and six-month expenditure reports are distributed. Target dollar amounts are determined for each department based on a projected revenue stream. Budget manuals containing instructions to the departments are distributed, and computer training is made available to those who will enter departmental data. Departmental due dates are communicated and budgeting guidelines are given.

DEPARTMENTAL REQUESTS PHASE 2

Departments formulate their budget requests within the target amount, assessing current conditions, programs, and needs. Departments are encouraged during this phase to thoroughly examine all activities for any way to achieve more efficiency, and each department then prepares preliminary budget requests. Department effectiveness and efficiency are measured against the results of addressing customer concerns. Supplemental requests from each department are identified at this stage.

PROPOSED BUDGET PHASE

Budget requests are reviewed and the initial work on the Operating Budget is begun. The City Manager conducts budget meetings with department directors regarding their budget requests, and City staff examines each departmental budget request and supplemental request during this phase. Departmental goals and objectives are also analyzed as part of this resource allocation process. The City receives preliminary property values from the Appraisal District and uses these estimated revenues to shape the Proposed Budget.

BUDGET ADOPTION PHASE 1

The City Manager presents the Proposed Budget to Council. This budget contains all proposed expenditures and financing sources for all City departments, and it is filed with the City Secretary. The City Manager holds Budget Workshops with Council.

BUDGET ADOPTION PHASE 2

The Operating Budget is formally adopted in this phase. Legal notices for public hearings on the budget and tax rate are published in the local newspaper, posted on the City's website, and advertised on the Government Access Channel. Public hearings are conducted to obtain citizen comments. The Operating Budget and corresponding ad valorem rate (property tax rate) are then adopted by Council vote, and the Tax Assessor is notified of the adopted tax rate.

POLICY STATEMENTS

BUDGET DEVELOPMENT

BUDGET IMPLEMENTATION PHASE

The new fiscal year begins October 1, and all departments operate under their new budgetary levels. Published copies of the approved Operating Budget are filed with the City Secretary, County Clerk, and State Comptroller. Budget documents are distributed to Council, Department Directors, and other interested parties.

BUDGET MONITORING PHASE

This final phase in the budget process is an ongoing one. To ensure budgetary compliance, all budgets are monitored at least monthly, comparing actual expenditures to budgeted expenditures. Variances are investigated, and appropriation adjustments are made when necessary. Appropriation adjustments are an accounting reallocation, which neither increases, nor decreases City budget amounts. In this way, expenditures can be accurately tracked, thus providing a good history from which budget trends can be seen.

OPERATING AND CAPITAL BUDGET RELATIONSHIP/ORGANIZATION

The Capital Budget and five-year Capital Improvement Plan are summarized in the policy section of the budget document with more detailed information for each project provided in a separate section. Projects accounted for in Enterprise funds are included in the Capital Budget. Capital Budget funding sources are matched with budgeted expenditures. All future year operating impacts are noted in the Capital Budget and included in the five-year balanced financial plan.

The City of Odessa prepares separate, functional capital budgets from the operating budget, but they are all closely linked. The Capital Improvement Program as distinguished from the operating budget, is a multi-year financial plan for the acquisition, expansion, or rehabilitation of infrastructure, capital assets, or productive capacity of City Services. Capital Projects typically apply to (1) expenditures which take place over two or more years requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; and (3) scheduled replacement or maintenance of specific elements of physical assets.

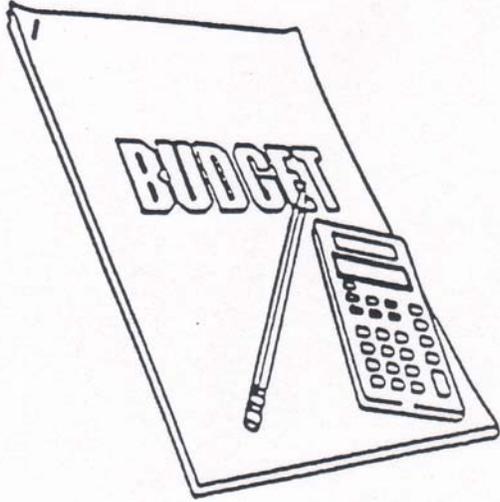
Expenditures for the Capital Improvement Program are presented on a budget basis. Budget for an entire contract is appropriated in the period in which a contract is entered. Any unspent funds at fiscal year-end are carried forward to the next budget year.

Revenues for the Capital Budget derive primarily from General Obligation Certificate sales, grant funding, and current revenues. The Capital Budget, unlike the Operating Budget, is a five-year plan that is updated annually. Only those projects scheduled during the first year of the plan are financed.

As part of the Capital Improvements Program, each department identifies those capital projects that have an operating budget impact.

POLICY STATEMENTS

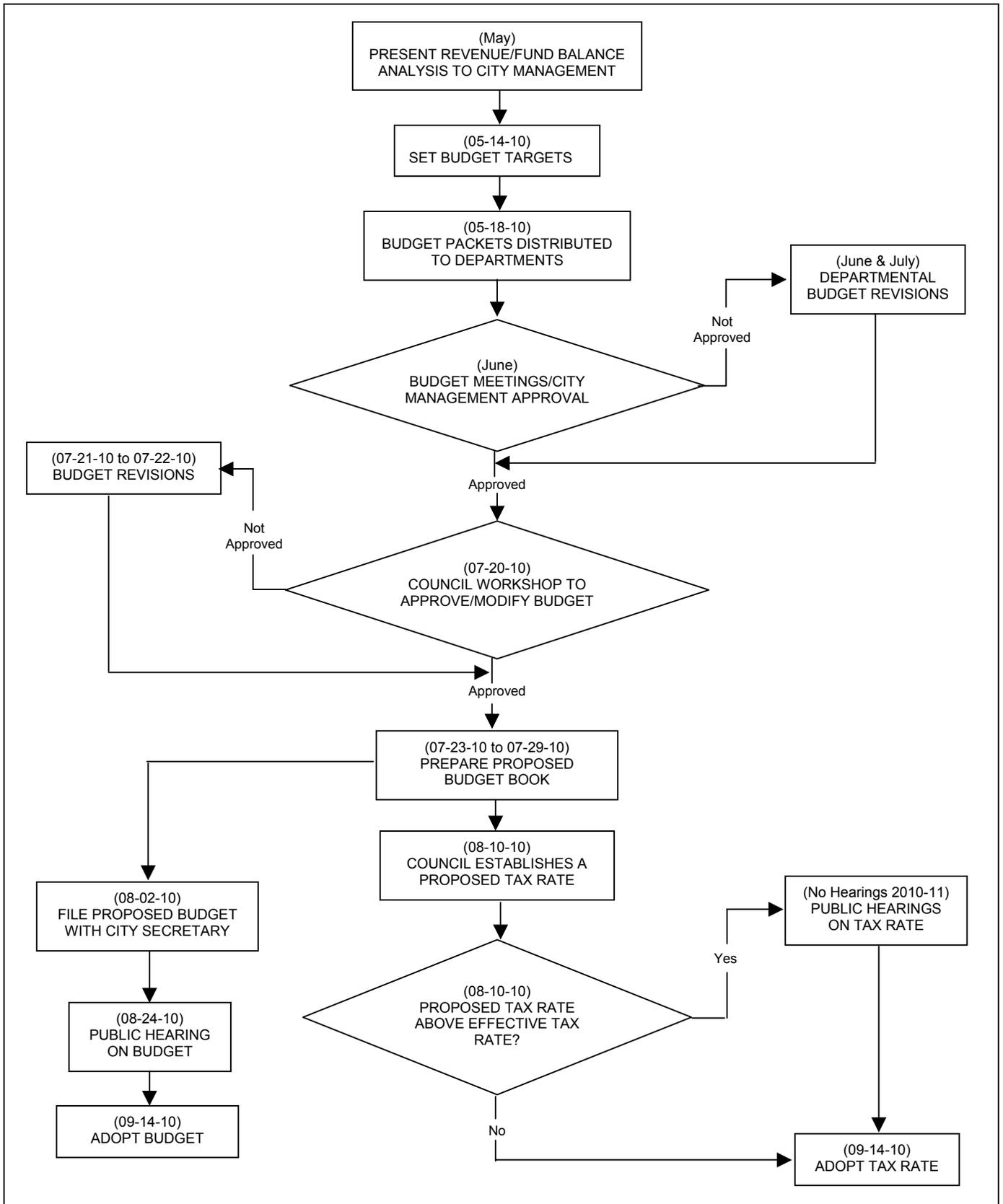
BUDGET CALENDAR



- March - April** Finance makes revenue projections and estimates fund balances for the upcoming fiscal year. After the City Manager reviews and approves the fund balance and revenue projections, departmental budget targets are set.
- May** Budget packets are distributed to department directors. The packets include all of the information the directors need to finalize their budgets and enter them into the system.
- June** Departments submit budget requests, and budget meetings with the City Management and Finance Staff are held. At this point, the department budgets are either approved or modified so as to meet with City Management's approval.
- July** City Council meets at its annual retreat where Council reviews the budget and makes any changes it deems necessary. Finance works on the Proposed Budget Book during this month, incorporating Council's changes into the document.
- August** City Manager files the Proposed Budget Book with the City Secretary for public review. Also during this month, the City Council votes on whether or not to increase the tax rate.
- August - September** City publishes legal notices for public hearings on the budget and tax rate (if tax rate is changed). After the public hearings, the budget and tax rate are adopted. The Tax Assessor is notified of the adopted tax rate.
- October** New fiscal year begins October 1.
Published copies of the approved budget are filed with the City Secretary.

POLICY STATEMENTS

BUDGET CALENDAR



POLICY STATEMENTS

FINANCIAL POLICIES

FINANCIAL POLICIES:

1. **REVENUE POLICIES.** Projected revenues are estimated using a realistic, objective, and analytical approach based upon economic trends. The entire cost of services is calculated periodically for activities supported by user fees, and such information is considered in determining those fees. An outside firm is used to review the City's user fees and determine whether the current fees are providing for full cost recovery. The study also identifies potential areas where fees are not currently being charged.

The City conducts an annual survey of twenty-eight Texas cities concerning their General Fund revenue fees. Through a comparative analysis, the City identifies areas in which Odessa's user fees fall below the mean of the survey group.

Enterprise funds establish user charges sufficient to finance the costs of providing goods/services to the public. Water and sewer rates are periodically reviewed to determine if they meet this criterion and are in compliance with the City's debt covenants. Solid Waste rates must strike a delicate balance between funding operational costs and competing with private commercial pick-up service. Stormwater rates must be sufficient to fund whatever costs are necessary to ensure compliance with EPA regulations for stormwater. (See Fund Narratives for detail of major revenue sources / trends / analysis.)

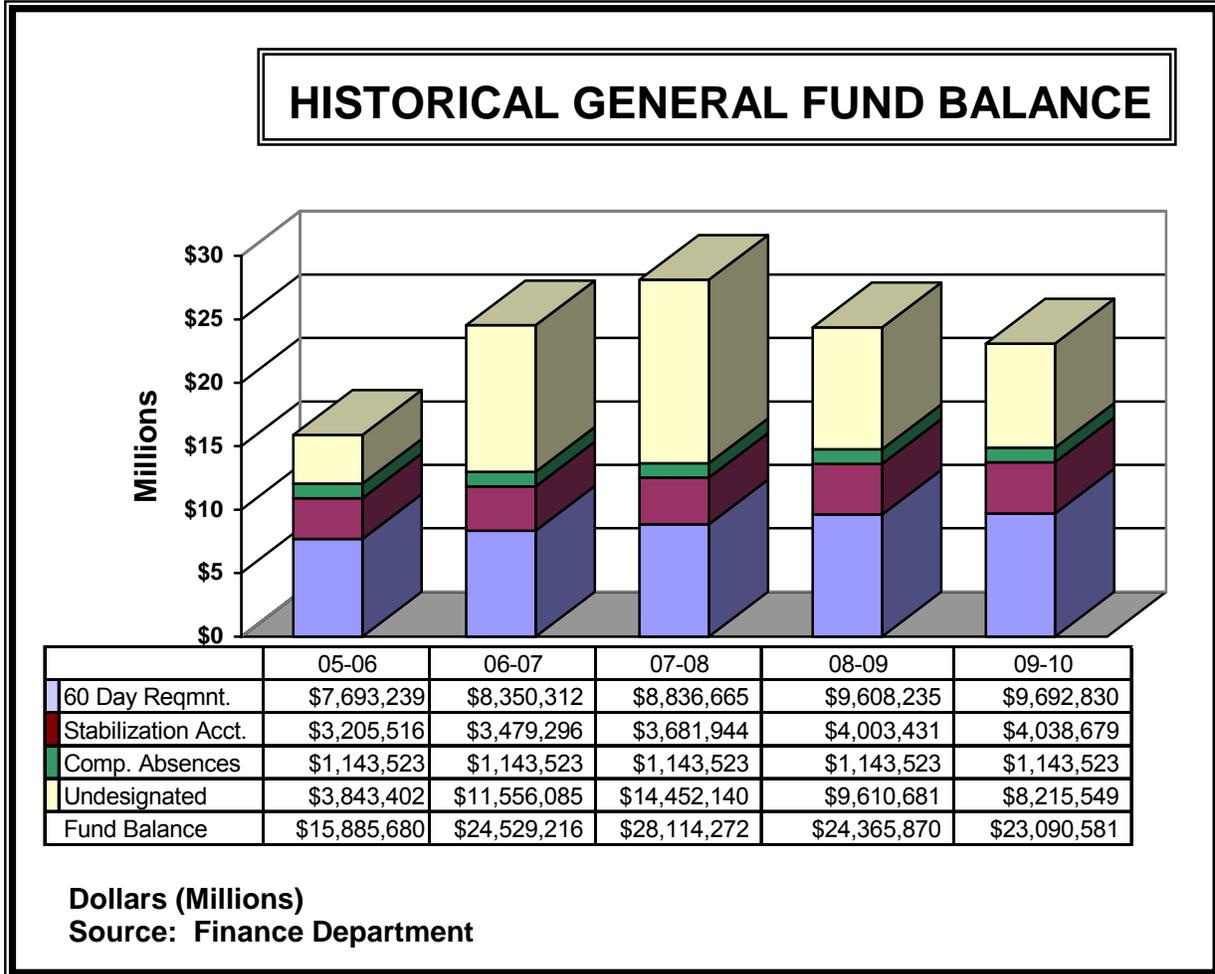
2. **FUND BALANCE/WORKING CAPITAL/RETAINED EARNINGS POLICIES.** The City should maintain the fund balance, working capital and retained earnings of the various operating funds at levels sufficient to protect the City's credit worthiness and its financial position, in the event of an emergency.

Several years ago, the City Council established a fiscal requirement that legally segregated a portion of the General Fund fund balance for a specific future use. The segregated fund balance should be sufficient to provide financing for 60 days of emergency operation. In 1998, the City Council established a \$1,000,000 reserve for Rate Stabilization for the Water and Sewer Fund to be used for unexpected water revenue fluctuations. Then again in 1999, the City Council revised the Fund Balance Policy for the General Fund (Ordinance No. 99-04) to include a reserve for a Budget Stabilization Account. The amount held in reserve is equal to the cost of operating the General Fund for 25 days, based on the previous year's adopted budget. The reserve account increases/decreases each year in proportion to the General Fund budgeted expenditures. One portion of the Budget Stabilization Account accommodates an approximate 15% sales tax revenue decline, and the remaining balance protects against a 10% decline in property tax revenues or any other revenue loss. In 2005-06, a portion of the fund balance was designated as "Compensated Absences". These funds have been set aside to reimburse employees for accumulated unileave and/or old sick leave upon their resignation, termination, or retirement from the city.

Any funds remaining after the 60-day Operating Requirement, the Budget Stabilization Account, and the Compensated Absences Reserve have been set aside are classified as undesignated fund balance. These funds are available for Council to appropriate for emergency expenditures, one-time capital project expenditures, or any special project that the City Council authorizes. (See Fund Narratives for detail of fund balance / working capital / retained earnings changes and uses.)

POLICY STATEMENTS

FINANCIAL POLICIES



Fund Balance History

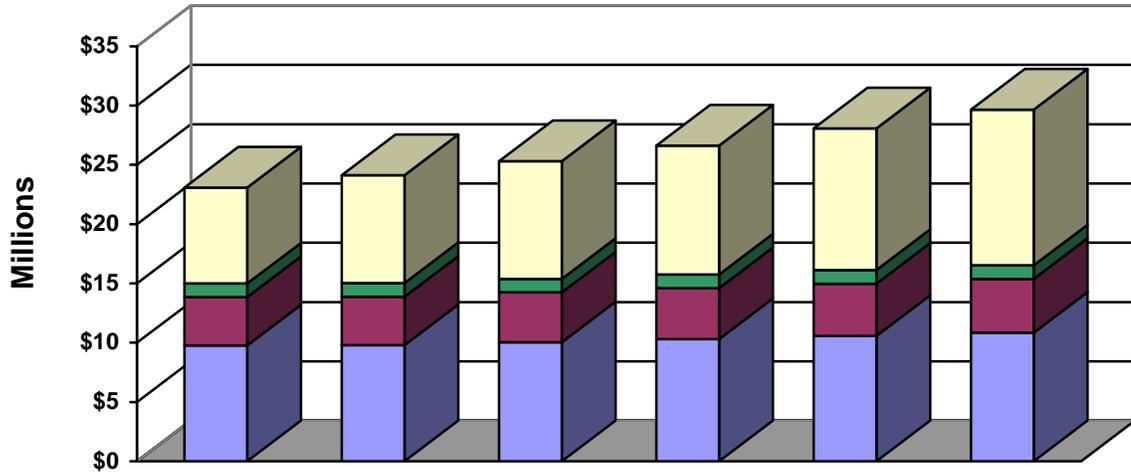
The fund balance for the General Fund is comprised of a 60-day operating requirement, a 25-day budget stabilization account, a compensated absences reserve, and a remaining undesignated reserve. Between fiscal years 2005-06 and 2009-10, the fund balance fluctuations have resulted in an overall increase of 45.35% in total fund balance. The total fund balance is estimated to be \$23.09 million by the end of the 2009-10 fiscal year.

The above graph presents the actual fund balance for the General Fund for fiscal years 2005-06 through 2008-09 and the estimated fund balance for 2009-10.

POLICY STATEMENTS

FINANCIAL POLICIES

PROJECTED GENERAL FUND BALANCE



	10-11	11-12	12-13	13-14	14-15	15-16
60 Day Reqmnt.	\$9,775,059	\$9,799,014	\$10,051,342	\$10,311,355	\$10,579,295	\$10,855,417
Stabilization Acct.	\$4,072,941	\$4,082,922	\$4,188,059	\$4,296,398	\$4,408,040	\$4,523,090
Comp. Absences	\$1,143,523	\$1,143,523	\$1,143,523	\$1,143,523	\$1,143,523	\$1,143,523
Undesignated	\$8,099,058	\$9,104,882	\$9,921,123	\$10,862,867	\$11,932,264	\$13,131,500
Fund Balance	\$23,090,581	\$24,130,341	\$25,304,047	\$26,614,143	\$28,063,122	\$29,653,530

Dollars (Millions)

Source: Finance Department

Fund Balance Projections

The ending fund balance estimate for fiscal year 2010-11 is \$9.78 million in the 60-day operating requirement, \$4.07 million in the budget stabilization account, \$1.14 million in compensated absences reserve, and \$8.10 million as undesignated reserve. This is a total fund balance of \$23.09 million.

Projections indicate that over the next five years, revenues will be sufficient to maintain the 60-day operating requirement, the 25-day stabilization account, and the compensated absences reserve, as well as provide for a steady increase in the undesignated fund balance.

The above graph presents the ending fund balance projections for the General Fund for fiscal years 2010-11 through 2015-16.

POLICY STATEMENTS

FINANCIAL POLICIES

3. **FINANCIAL REPORTING POLICIES.** The financial reporting policies of the City will conform to generally accepted accounting principles and standards of the Government Finance Officers Association.

The monthly and annual financial reports will present a summary of financial activity by major fund type. The operations of each fund, as shown in the Annual Budget, are accounted for with a separate set of self-balancing accounts that comprise its revenues and expenditures as appropriate.

An independent accounting firm will perform an annual audit of the financial statements of the City and will publicly issue an opinion. The annual audit is conducted at the end of each fiscal year.

4. **GRANT POLICY.** The City of Odessa will seek a fair share of available State and Federal financial support unless conditions attached to that assistance are contrary to the City's best current and future interests. Prior to applying for and accepting intergovernmental aid, the City will examine the matching requirements so that the source and availability of these funds may be determined before the grant application is made. The City will also assess the merits of a particular program as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits.

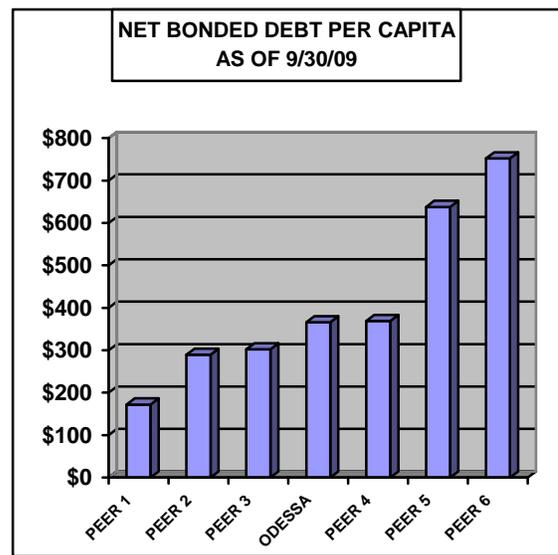
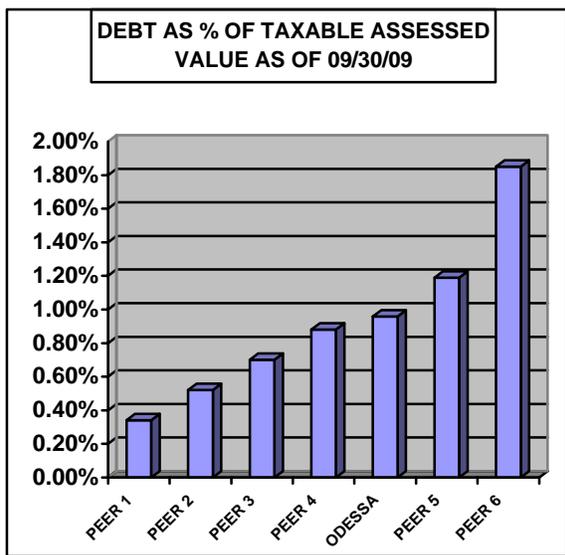
All departments requesting appropriations to participate in specific grants for the upcoming fiscal year are required to submit a City of Odessa Grant Application (COGA) form. This form can be submitted during one of the two review months (January or June) of each fiscal year. Departments will direct all requests to the Finance department for collective review by the Finance Committee and the City Council. The submission of the COGA will ensure adequate planning in funding the grant(s) for the next fiscal year (October 1 through September 30). All budget estimates in the COGA for the upcoming fiscal year will need to be submitted by either January 1 (or) June 1 of each year, regardless of the granting authority application due date.

POLICY STATEMENTS

FINANCIAL POLICIES

5. **DEBT MANAGEMENT POLICIES.** The objective of the City of Odessa debt management policy is to maintain the City's ability to incur present and future debt at the most beneficial interest rates, and in the amounts needed, to finance the Capital Improvements Program without adversely affecting the City's ability to finance essential services. When long-term debt financing is utilized, the City will ensure that repayment will be made by levying sufficient ad valorem taxes to service General Obligation debt and realizing sufficient net revenues to service revenue debt while upholding all related bond covenant agreements.
- A five-year capital improvements program (CIP) will be developed and updated annually, along with the corresponding anticipated funding sources.
 - It is the intent of the City to issue new Certificates of Obligation (CO) debt for general purpose CIP as old debt is retired, thus avoiding the need for additional revenues for debt service.
 - Efforts will be made to maintain or improve the City's bond rating. Effective communication will continue with bond rating agencies, financial advisors, independent auditors, investors, and citizens regarding its financial condition.
 - The City will develop and update comparative debt information in the form of ratios to determine the appropriate debt level for financing capital projects prior to the issuance of new debt. (Note: All debt is tax supported and does not include enterprise or overlapping debt.)

Below is a sample of the various comparative debt ratios as of September 30, 2009. The City selects certain neighboring cities as a peer group to compare debt information. As the graphs present, Odessa's net general bonded debt as a percentage of taxable assessed value (0.9586%) ranks third highest in the group. Odessa ranks fourth highest in net general bonded debt per capita (\$366).



POLICY STATEMENTS

FINANCIAL POLICIES

BUDGET POLICIES:

Staff and City Council follow established procedures in producing budgetary data.

1. In accordance with the City Charter, the City Manager is responsible for preparing and recommending an operating budget for City Council consideration prior to September 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding year. The City Charter requires that the budget be submitted in summary form. In addition, more detailed line-item budgets are included for administrative control.
2. A multi-year financial forecast is prepared as a planning tool in developing the operating budget.
3. Budget work sessions and public hearings are conducted with public notice being given within statutory limits, for the purpose of obtaining taxpayer comments. Copies of the proposed budget are made available for City Council, media, and citizens' review prior to any work sessions or public hearings.
4. The City gives the highest priority to funding daily operational costs from current revenues and funding capital assets or non-recurring expenditures from one-time revenues or unreserved fund balance.
5. Each department's operational budget is developed within a targeted dollar amount designated by Finance. The target amount is based on the total projected revenues and the department's percentage of the previous year's budget. Any proposed increases or decreases in service levels to the citizens are noted. Requests requiring funds in addition to the targeted amount are submitted for consideration in a Supplemental Request along with suggestions on how to fund the request.
6. A high priority is placed on continuing the compensation plan adopted by Council. In setting the target amount for departmental budgets, Finance takes into consideration the funding of the merit pay plan and other increases in employee benefits.
7. Since the 1996-97 fiscal year, the Departments' submitted budget requests have been evaluated based on a customer focus measurement and customer concerns.
8. Budgeted revenues and expenditures for each fund should be realistic and based upon current trends.
9. Every effort is made to create a balanced budget (a budget in which revenues equal expenditures) for the General Fund. Property tax revenue is one of two major sources of revenue for the General Fund. This policy ensures that any revenues generated by an increase in the property tax rate are used to cover necessary expenditures, rather than to increase the fund balance.

POLICY STATEMENTS

FINANCIAL POLICIES

10. All departments providing services that are based on a user-fee concept should make every effort to be self-supported by those fees.
11. The budget provides for adequate maintenance, repair, and replacement of capital assets. Postponing of such items to balance the budget would only lead to short-term gain at the expense of long-term financial security.
12. Prior to October 1, the budget is legally enacted through passage of a resolution.
13. Activities of the General Fund, Internal Service Funds, Special Revenue Funds and Debt Service Fund are included in the annual appropriated budget, legally adopted. The City includes all proprietary funds in the annual budget adopted, but only as a financial plan.
14. Capital Projects are budgeted over the life of the respective projects rather than on a fiscal year basis.
15. Once the budget is adopted, the City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase budgeted appropriations of any fund must be approved by the City Council after appropriate public notice.
16. Reports prepared monthly compare actual revenues, expenditures and encumbrances to budgeted amounts. The monitoring of expenditures to budgeted appropriations, at the departmental level, is employed as a budgetary management tool for the General Fund, Internal Service Funds, Special Revenue Funds, and Debt Service Fund.
17. Encumbrances outstanding at year-end are reported as reserved fund balances in financial accounting. For budgetary accounting, any appropriations for encumbered or obligated funds are carried over to the subsequent fiscal year in order to complete these transactions.
18. Appropriations that are not expended or encumbered at the end of the fiscal year lapse at the end of that fiscal year. The unencumbered appropriation balances of any capital projects do not lapse at year-end.

POLICY STATEMENTS

BUDGET CONTINGENCY PLAN

BUDGET CONTINGENCY PLAN

A Budget Contingency Plan was developed in 1991-92 which details various courses of action that may be undertaken when varying levels of revenue shortfalls are anticipated. The basic provisions of the plan are:

If an anticipated shortfall in revenue is equal to:

1% Shortfall

- Prohibit unbudgeted expenditures. Budget amendments will not be made from fund balances.
- City Manager, Assistant City Managers, and Department Directors will be required to review, monitor, and control planned expenditures.
- Department Directors must re-justify planned capital outlay purchases to City Manager or Assistant City Managers prior to all expenditures.
- All overtime must be pre-approved by City Manager.

2% Shortfall

- Eliminate planned capital outlay.
- Eliminate travel and training.
- Freeze all vacant positions.

3% Shortfall

- Reduce all operating departmental budgets by 2%.

4% Shortfall

- Reduce all operating departmental budgets by 3%.

Over 4% Shortfall

- Service level reductions.
- Elimination of specific programs.
- Reduction of personnel.
- Re-evaluation of funding for Outside Agencies.

POLICY STATEMENTS

ACCOUNTING POLICIES

ACCOUNTING POLICIES

The accounting policies of the City conform to generally accepted accounting principles.

1. **PRINCIPLES DETERMINING SCOPE OF REPORTING ENTITY.** The basic criterion for including a potential component unit within the City's financial statements is the City's ability to exercise oversight responsibility. The most significant indication of having this ability is financial interdependency. Other conditions of having this ability to exercise oversight responsibility include, but are not limited to, the selection of governing boards, appointments of management, the ability to significantly influence operations, and the accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service and whether it benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relations, regardless of whether the government is able to exercise oversight responsibilities.

2. City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. Management is also charged with ensuring that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.
3. The cost of a control should not exceed the benefits likely to be derived.
4. The valuation of costs and benefits requires estimates and judgments by management.
5. **SINGLE AUDIT.** A single audit is made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments.

6. **ENCUMBRANCES.** Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reserved fund balances, and do not constitute expenditures or liabilities, because the commitments will be honored during the subsequent year.

POLICY STATEMENTS

ACCOUNTING POLICIES

7. **CASH AND INVESTMENTS.** Cash includes amounts in demand deposits as well as short-term investments with maturity dates no longer than three months. The City has elected to implement GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" as of September 30, 1998. As a government entity other than an external investment pool in accordance with GASB 31, the City's investments are stated at fair value, except for external investment pools. Management's intent is to hold all investments to maturity and thereby recover the full value of the various investments made.

In compliance with the 1995 Public Funds Investment Act, Chapter 2256, Texas Government Code, the City of Odessa revised its investment policy effective September 1, 1995. It is the policy of the City of Odessa to invest public funds to provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City. The investment policies must conform to all State and local statutes governing the investment of public funds.

8. **WATER AND SEWER RECEIVABLES.** The City's Water and Sewer Enterprise Fund operates on a monthly billing cycle, issuing bills continuously throughout the month.
9. **TRANSACTIONS BETWEEN FUNDS.** Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved an organization external to the governmental unit are accounted for as revenues, expenditures, or expenses in the funds involved. Reimbursements from one fund to another for expenditures or expenses already made are recorded as expenditures or expenses in the reimbursing fund.

Non-recurring or non-routine transfers of equity between funds are treated as residual equity transfers and are reported as additions to, or deductions from, the fund balance of governmental funds. Residual equity transfers to proprietary funds are treated as contributed capital, and such transfers from proprietary funds are reported as reductions of retained earnings or contributed capital as is appropriate under the circumstances. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

10. **INVENTORIES.** Inventories are valued at cost, which approximates market, using the first-in, first-out method and are recorded under the consumption method. Inventories in the General Fund consist of expendable supplies. The cost of individual items is included as inventory when acquired and included in expenditures as supplies are used.
11. **RESTRICTED ASSETS.** These assets consist of cash, certificates of deposit, and other short-term investments legally restricted for various purposes.

POLICY STATEMENTS

ACCOUNTING POLICIES

12. **GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT ACCOUNT GROUPS.**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Asset Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated cost if actual historical cost is not available. Donated fixed assets are valued at their fair market value on the date donated. Interest costs incurred on debt-financed construction is capitalized during the construction period. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Special reporting methods are applied to governmental fund inventories using the consumption method to indicate that they do represent "available spendable resources."

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

All proprietary and pension trust funds are accounted for on a cost of services of "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

POLICY STATEMENTS

ACCOUNTING POLICIES

13. **DEPRECIATION.** Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	25 - 40 years
Improvements	25 - 40 years
Furniture and Office Equipment	7 - 10 years
Machinery and Equipment	5 - 20 years
Data Processing Equipment	5 years
Automotive Equipment	3 - 10 years
Radio Equipment	5 - 10 years

14. **ACCRUED EMPLOYEE BENEFITS PAYABLE.** During the year ending September 30, 1998, the City approved amendments to the Personnel Policy to implement a consolidated leave for sick leave, vacation, and emergency leave, to be referred to as unileave. The rate at which employees accrue unileave time is dependent upon length of service and ranges from seventeen days to twenty-seven days per year. Any unileave not used within the year in which it is accrued may be carried over to the following year without limitation, until termination of employment, at which time it will be paid to the employee at his or her current salary per hour. The vacation time that had accrued prior to the inception of this policy was transferred to the employee's unileave account and considered to be the beginning unileave balance. All sick leave an employee accrued prior to this policy was placed in an Old Plan accrual account. This sick leave is available to the employee to be utilized after the employee has utilized five consecutive full days of unileave and needs additional days for the same reason. At termination, those employees with sick leave hours remaining under the Old Plan will be paid for those hours at a rate of one-for-two, which means the employee will receive one hour of current pay for every two hours of sick leave accrued. The City accrues a liability for compensated absences that meets the following criteria:

- A. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' service already rendered.
- B. The obligation relates to rights that vest or accumulate.
- C. Payment of the compensation is probable.
- D. The amount can be reasonably estimated.

In accordance with the above criteria, the City has accrued a liability for unileave, remaining sick leave, and compensatory time which has been earned but not taken by City employees. For governmental funds, the liability for compensated absences has been recorded in the general long-term group of accounts that have accrued liability. The liability for compensated absences is recorded in proprietary fund types as an accrued liability in accordance with GASB Statement 16.

15. **GENERAL LONG-TERM OBLIGATIONS.** All unmatured long-term indebtedness other than that directly related to, and expected to be paid from, proprietary or fiduciary funds is reported in the general long-term obligations account group. This debt is secured by the full faith and credit of the City.

POLICY STATEMENTS

ACCOUNTING POLICIES

16. **BOND DISCOUNTS AND ISSUANCE COSTS.** Bond discounts and issuance costs for proprietary funds are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, whereas issuance costs are recorded as deferred charges.
17. **RESERVED AND DESIGNATED FUND EQUITY.** The City records reserves to indicate that a portion of the fund balance is legally segregated for a specific future use. Designations of fund balance set aside portions of fund balance for possible future uses. The City reserves retained earnings to indicate restrictions on retained earnings.

The following is a list of all reserved and designated fund balances and reserved retained earnings used by the City, along with a description of each:

RETAINED EARNINGS

Reserved for Debt Service - Net assets for the payment of proprietary long-term debt principal and interest.

Reserved for Obligated Projects - Funds necessary to complete ongoing projects related to additions to, or replacement of, the water and sewer system.

Reserved for Rate Stabilization-Funds necessary for unexpected water rate fluctuations.

FUND BALANCE

Reserved for Encumbrances - Encumbered but unspent funds to be recognized as expenditures upon vendors performance.

Reserved for Debt Service - Net assets legally restricted for retirement of general long-term debt.

Designated for Contingencies - Funds appropriated by City Council Resolution 83R-62 for the purpose of providing for contingencies with an amount based upon a minimum of 60 days emergency operation.

Designated for Budget Stabilization - Funds reserved by City Council Ordinance 99-04 for the purpose of protecting the City against a 15% sales tax revenue decline and a 10% decline in property tax revenues or any other revenue loss. The reserve amount is based upon a 25-day balance based on the last adopted budget.

Designated for Compensated Absences – Funds to be used to pay employees for accrued unileave and/or old sick leave upon their resignation, termination, or retirement.

Designated for Obligated Projects - Funds to be used for various capital projects currently in progress. The expenditures will be recognized as the costs are incurred.

Designated for Debt Service - Assets in excess of legally required minimums to be used for long-term debt principal and interest payments.

POLICY STATEMENTS

ACCOUNTING POLICIES

18. **REVENUE RECOGNITION - PROPERTY TAXES.** Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on the following October 1 and are due and payable at that time. Taxes are collected by the collecting agency beginning on September 1. All unpaid taxes levied October 1 become delinquent as of February 1 of the following year.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected soon enough after year-end to be used to pay current expenditures. This is approximately sixty (60) days after year-end. Delinquent taxes are considered fully collectible, and therefore, no allowance for uncollectible taxes is provided.

General property taxes are limited by Home Rule Charter to \$2.00 per \$100.00 of assessed valuation. There is no limitation within the \$2.00 ceiling for debt service.

Billing and collections are processed by the Ector County Appraisal District, which acts as an agent on the City's behalf. The Appraisal District also maintains the property tax rolls and processes all delinquent tax collections. Taxes collected by the Appraisal District for the coming fiscal year before September 30 are recognized as unearned revenue.

State statutes limit the debt service tax rate to an amount no greater than that needed to meet current year principal and interest requirements, but does provide for an allowance for the uncollected current year's tax levy. The City has adopted a policy to record all delinquent taxes in the General Fund. The effect of accounting for the delinquent taxes in this manner is to maximize the tax revenue earmarked for debt service and is not significant to the financial statements.

19. **FEDERAL AND STATE GRANTS AND ENTITLEMENTS.** Grants, entitlements, and shared revenues may be accounted for within any of the fund types. The purpose and requirement of each grant or entitlement are carefully analyzed to determine the proper fund type in which to record the related transactions. Grants or entitlements received for purposes normally financed through a particular fund type may be accounted for in that fund type provided that applicable legal restrictions can be appropriately satisfied.

POLICY STATEMENTS

ACCOUNTING / BUDGETARY BASIS

BASIS OF ACCOUNTING

Governmental and Agency funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include unmatured principal and interest on general long-term obligations which are recognized when due. This exception is in conformity with generally accepted accounting principles.

Property tax revenues and sales tax receipts are considered measurable and available when collected by the respective intermediary collecting agency and recognized as revenue at that time. Taxes collected by the collecting agency for the coming fiscal year before September 30 are recognized as unearned revenue. Licenses and permits, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded on the accrual basis in all funds. Grant and entitlement revenues are recorded on a basis applicable to the legal and contractual requirements of the various individual grant programs.

All enterprise, internal service, special revenue, and nonexpendable trust funds are accounted for using the accrual basis of accounting and "economic resources" measurement focus. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

BUDGETARY ACCOUNTING

This budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain items that are adjusted on the City's accounting system at fiscal year end. During the year, the City's accounting system is maintained on the same basis as the adopted budget. This enables departmental budgets to be easily monitored via accounting system reports on a monthly basis. The major differences between this adopted budget and GAAP for governmental funds are a) encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP); b) certain revenues and expenditures, (e.g., compensated absences) not recognized for budgetary purposes are accrued (GAAP). Enterprise Fund differences consist of the following: a) encumbrances are recorded as the equivalent of expenses (budget basis) as opposed to an expense of the following accounting period (GAAP); b) certain items, e.g., principal expenses and capital outlay, are recorded as expenditures for budgetary purposes, as opposed to adjustments of the appropriate balance sheet accounts (GAAP); c) depreciation is recorded as an expense (GAAP), and not recognized for budgetary purposes.

POLICY STATEMENTS

FUND DEFINITIONS

BASIS OF PRESENTATION - FUND ACCOUNTING

Accounts are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund, as shown in the Annual Budget, are accounted for with a separate set of self-balancing accounts that comprise its revenues and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds, based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

GOVERNMENTAL FUNDS

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The General Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs. Financing is provided by property tax levies.

The Capital Projects 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 Enterprise Funds).

ENTERPRISE FUNDS

The Water and Sewer Fund, Solid Waste Fund, Storm Water Fund, Liquid Waste Fund, and Golf Course Fund are enterprise funds. Enterprise funds are used to account for operations:

- 1) which are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods/services to the general public on a continuing basis be financed primarily through user charges; or
- 2) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. These revenues are also used to retire revenue bond debt and to fund various capital construction projects.

POLICY STATEMENTS

FUND DEFINITIONS

INTERNAL SERVICE FUNDS

The Equipment Service Fund is an internal service fund. Internal service funds are used to account for the financing of goods/services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The Equipment Service Fund is primarily financed through monthly charges to other City departments/divisions, which pay for vehicle rental, maintenance, other services and capital replacement.

Equipment Replacement is used to acquire capital equipment based upon a portion of revenue generated for the monthly rental charges.

The Risk Management Fund is an internal service fund and is financed by operating transfers from other funds, and by charges to employees for benefits.

SPECIAL REVENUE FUNDS

The Community Development Fund is a special revenue fund which accounts for revenues derived from specific taxes or other earmarked revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes. The Community Development Fund is funded entirely by federal or state grants which are used to fund projects that benefit low and moderate income individuals, families, or areas.

The Convention and Visitors Fund is a special revenue fund. It is funded through receipts from an occupancy tax on local hotels/motels. This revenue must be used to fund projects that attract conventions and tourists to Odessa. This is not a City-operated department/division. The City collects and disburses the revenue and receives an administrative fee.

The Other Funds category used in the budget summary is comprised of various funds that are special revenue funds whose use is restricted by state statute. The Drug Forfeiture Fund is a special revenue fund, which accounts for funds received from the sale of narcotics-related, confiscated property. The Law Enforcement Officers Standards and Education Fund (LEOSE) accounts for revenue received from the State for law enforcement officers' educational needs. The Municipal Court Building Security Fund's revenue is generated by a \$3 court cost that is assessed for each misdemeanor conviction. This revenue is used to fund the security needs of the court. The Municipal Court Technology Fund's revenue is generated by a fee that is assessed for each misdemeanor conviction. These funds can only be used to purchase technology that will aid the court. Various federal and state grants are budgeted under this category for convenience. Each has a specific purpose, which is discussed in the Other Funds section of the budget book.

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

General Fund
Overview

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Budget Summary

BUDGET SUMMARY

ALL FUNDS 2010-11

The accounts of the City of Odessa are organized by Fund. Each Fund is a separate accounting entity established to track specific revenues and expenditures. A brief description of each fund can be found in the Policy Statement section.

FUND NAME	PROJECTED BEGINNING BALANCE	REVENUES	EXPENDITURES	PROJECTED ENDING BALANCE	CHANGE IN FUND BALANCE
GENERAL	\$23,090,581	\$59,464,941	\$59,464,941	\$23,090,581	\$0
WATER AND SEWER	7,003,816	39,634,200	40,518,356	6,119,660	(884,156)
SOLID WASTE	183,392	9,946,200	9,880,166	249,426	66,034
STORM WATER	12,457	650,000	649,167	13,290	833
EQUIPMENT SERVICE	4,303,367	10,927,948	8,864,808	6,366,507	2,063,140
RISK MANAGEMENT	662,779	9,622,300	9,481,684	803,395	140,616
DEBT SERVICE	517,217	2,931,982	2,931,982	517,217	0
COMMUNITY DEVELOPMENT	0	1,881,179	1,881,179	0	0
CONVENTION & VISITORS	2,756,604	1,800,000	1,856,047	2,700,557	(56,047)
GOLF COURSE FUND	(2,087,988)	1,407,800	1,404,588	(2,084,776)	3,212
OTHER FUNDS:					
DRUG FORFEITURE FUND	220,170	0	205,959	14,211	(205,959)
LEOSE FUND	1,619	14,740	14,740	1,619	0
MUNICIPAL CT. SECURITY	49,775	72,337	94,601	27,511	(22,264)
MUNICIPAL CT. TECHNOLOGY	294,911	100,500	213,054	182,357	(112,554)
LIQUID WASTE	0	52,714	52,714	0	0
911 DISPATCHER GRANT	0	110,000	110,000	0	0
NEIGHBORHOOD STABILIZ.	0	48,390	48,390	0	0
SCHOOL ATTENDANCE CT.	0	273,461	273,461	0	0
TOTAL	\$37,008,700	\$138,938,692	\$137,945,837	\$38,001,555	\$992,855

BUDGET SUMMARY

ALL FUNDS 2010-11

Financing Sources:	General Fund	Water and Sewer Fund	Solid Waste Fund	Storm Water Fund	Equipment Service Fund
Beginning Fund Balance	\$23,090,581	\$7,003,816	\$183,392	\$12,457	\$4,303,367
Less Required Reserves	14,991,523	1,000,000			
Available Fund Balance	\$8,099,058	\$6,003,816	\$183,392	\$12,457	\$4,303,367
CURRENT REVENUES:					
Property Tax	\$17,606,749				
Sales Tax	17,287,932				
Franchise/Gross Receipts	6,486,000				
Other Operating Revenues	14,303,311		\$9,412,000	\$650,000	10,758,268
Water and Sewer		\$38,475,200			
Rental Revenue					
Interest Income		233,000			
Intergovernmental					
Other Revenue		926,000	534,200		169,680
Administrative Transfers					
General Fund					
Water/Sewer	2,358,920				
Equipment Service	446,188				
Risk Management	368,115				
Solid Waste	542,810				
Liquid Waste	2,548				
Hotel-Motel	12,184				
Odessa Development Corp.	44,184				
Motor MPO	6,000				
Total Current Revenues	\$59,464,941	\$39,634,200	\$9,946,200	\$650,000	\$10,927,948
Total Financing Sources	\$67,563,999	\$45,638,016	\$10,129,592	\$662,457	\$15,231,315
CURRENT EXPENDITURES:					
Personal Services	\$42,696,787	\$7,037,007	\$2,358,885	\$329,871	\$1,326,297
Supplies	1,102,475	14,728,756	71,928	6,000	2,429,100
Services	11,681,075	4,080,709	5,814,518	229,410	584,586
Maintenance	2,745,877	1,086,981	453,925	83,886	2,121,216
Capital Outlay	294,599	311,884	7,500		18,421
Other Requirements		5,457,775	1,039,181		446,188
Debt Service/Lease	534,751	7,815,244			
Housing Incentive Program					
Insurance Requirements					
Outside Agencies	80,377		134,229		
Transfers Out	329,000				
Total Current Expenditures	\$59,464,941	\$40,518,356	\$9,880,166	\$649,167	\$6,925,808
Capital Outlay-Replacement					1,939,000
Total Expenditures	\$59,464,941	\$40,518,356	\$9,880,166	\$649,167	\$8,864,808
Ending Available Balance	\$8,099,058	\$5,119,660	\$249,426	\$13,290	\$6,366,507
Plus Required Reserves	14,991,523	1,000,000			
Ending Fund Balance	\$23,090,581	\$6,119,660	\$249,426	\$13,290	\$6,366,507

BUDGET SUMMARY

ALL FUNDS 2010-11

Risk Management Fund	Golf Course Fund	Debt Service Fund	CDBG/HOME Funds	Convention & Visitors Fund	Other Funds	Total All Funds
\$662,779	(\$2,087,988)	\$517,217	\$0	\$2,756,604	\$566,475	\$37,008,700 15,991,523
\$662,779	(\$2,087,988)	\$517,217	\$0	\$2,756,604	\$566,475	\$21,017,177
\$9,622,300	\$1,202,000	\$2,931,982		\$1,800,000	\$38,128	\$17,606,749 17,287,932 6,486,000 50,717,989 38,475,200 0 233,000 2,515,193 1,635,680
	5,800		\$1,881,179		634,014	200,000 2,358,920 446,188 368,115 542,810 2,548 12,184 44,184 6,000
\$9,622,300	\$1,407,800	\$2,931,982	\$1,881,179	\$1,800,000	\$672,142	\$138,938,692
\$10,285,079	(\$680,188)	\$3,449,199	\$1,881,179	\$4,556,604	\$1,238,617	\$159,955,869
\$974,575 185,702 128,703 32,200 13,500 368,115	\$547,616 225,883 573,317 57,772		\$493,455 26,303 125,962 8,000 4,000 1,223,459	\$16,439	\$621,326 165,930 27,983 42,388 152,744 2,548	\$56,385,819 18,942,077 23,262,702 6,632,245 802,648 8,537,266 11,281,977 0 7,778,889 2,054,214 329,000
		\$2,931,982		1,839,608		
7,778,889						
\$9,481,684	\$1,404,588	\$2,931,982	\$1,881,179	\$1,856,047	\$1,012,919	\$136,006,837 1,939,000
\$9,481,684	\$1,404,588	\$2,931,982	\$1,881,179	\$1,856,047	\$1,012,919	\$137,945,837
\$803,395	(\$2,084,776)	\$517,217	\$0	\$2,700,557	\$225,698	\$22,010,032 15,991,523
\$803,395	(\$2,084,776)	\$517,217	\$0	\$2,700,557	\$225,698	\$38,001,555

BUDGET SUMMARY

AD VALOREM TAXES

Ad Valorem Tax Revenue and Distribution 2010-11 Budget

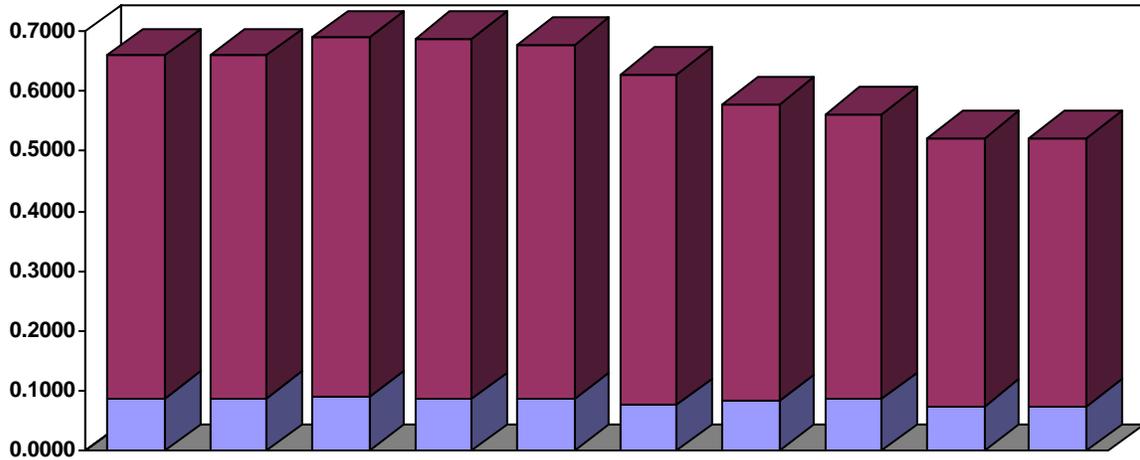
Certified 2010 Total Taxable Value =	\$3,906,950,316
Tax Rate per \$100	<u>0.52275</u>
Total Tax Levy	\$20,423,583
Estimated Collection Rate	<u>96.60%</u>
Estimated Current Collections	<u><u>\$19,728,731</u></u>
	<u>Amount</u>
General Fund -	\$16,796,749
Debt Service Fund -	<u>2,931,982</u>
TOTAL	<u><u>\$19,728,731</u></u>

BUDGET SUMMARY

AD VALOREM TAXES

PROPERTY TAX RATE

DURING PAST TEN YEARS



	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11
Debt	0.08760	0.08770	0.08870	0.08610	0.08690	0.07563	0.08330	0.08522	0.074512	0.074635
Operating	0.57230	0.57220	0.60120	0.60290	0.59210	0.55338	0.49570	0.47707	0.448238	0.448115
Total	0.65990	0.65990	0.68990	0.68900	0.67900	0.62900	0.57900	0.56229	0.522750	0.522750

Source: City of Odessa Finance Department

The property tax rate is adjusted from time to time to ensure that adequate funds be available to cover General Fund expenses. From 2001-02 to 2002-03, the tax rate remained at \$0.65990, as revenues were sufficient to cover operational costs. However, in 2003-04, it was necessary to raise the tax rate by 3 cents in order to balance the budget without cutting back on City services that had historically been provided to our citizens.

Fiscal year 2004-05 marked the beginning of a boom in the local economy, brought about by significant increases in the price of oil. In spite of an economic downturn in 2008-09, assessed property valuations increased by over 71% between 2004-05 and 2009-10. These increases made it possible for the City to lower the tax rate every year during this six-year period, resulting in an overall property tax decrease of 16.625 cents per \$100 valuation. The tax rate will remain at \$0.522750 for FY 2011, as it is anticipated that the revenues generated will be sufficient to balance the budget.

The above graph presents the actual property tax rates for the General Fund for fiscal years 2001-02 through 2010-11.

BUDGET SUMMARY

AD VALOREM TAXES

Schedule of Property Valuations 2001 Through 2010 2010-11 Budget

Roll Year	Total Market Value	%	Non-Taxable Values	%	Assessed Valuations	%
2001	2,273,193,331	100%	312,014,576	13.70%	1,961,178,755	86.30%
2002	2,378,354,486	100%	325,991,920	13.70%	2,052,362,566	86.30%
2003	2,475,169,559	100%	366,682,131	14.80%	2,108,487,428	85.20%
2004	3,244,594,329	100%	978,288,872	30.15%	2,266,305,457	69.85%
2005	3,470,899,587	100%	1,038,923,251	29.93%	2,431,976,336	70.07%
2006	3,820,171,340	100%	1,105,062,056	28.93%	2,715,109,284	71.07%
2007	4,448,275,493	100%	1,313,131,214	29.52%	3,135,144,279	70.48%
2008	5,180,679,886	100%	1,632,178,508	31.51%	3,548,501,378	68.49%
2009	5,533,312,418	100%	1,655,083,564	29.91%	3,878,228,854	70.09%
2010	5,413,762,192	100%	1,506,811,876	27.83%	3,906,950,316	72.17%

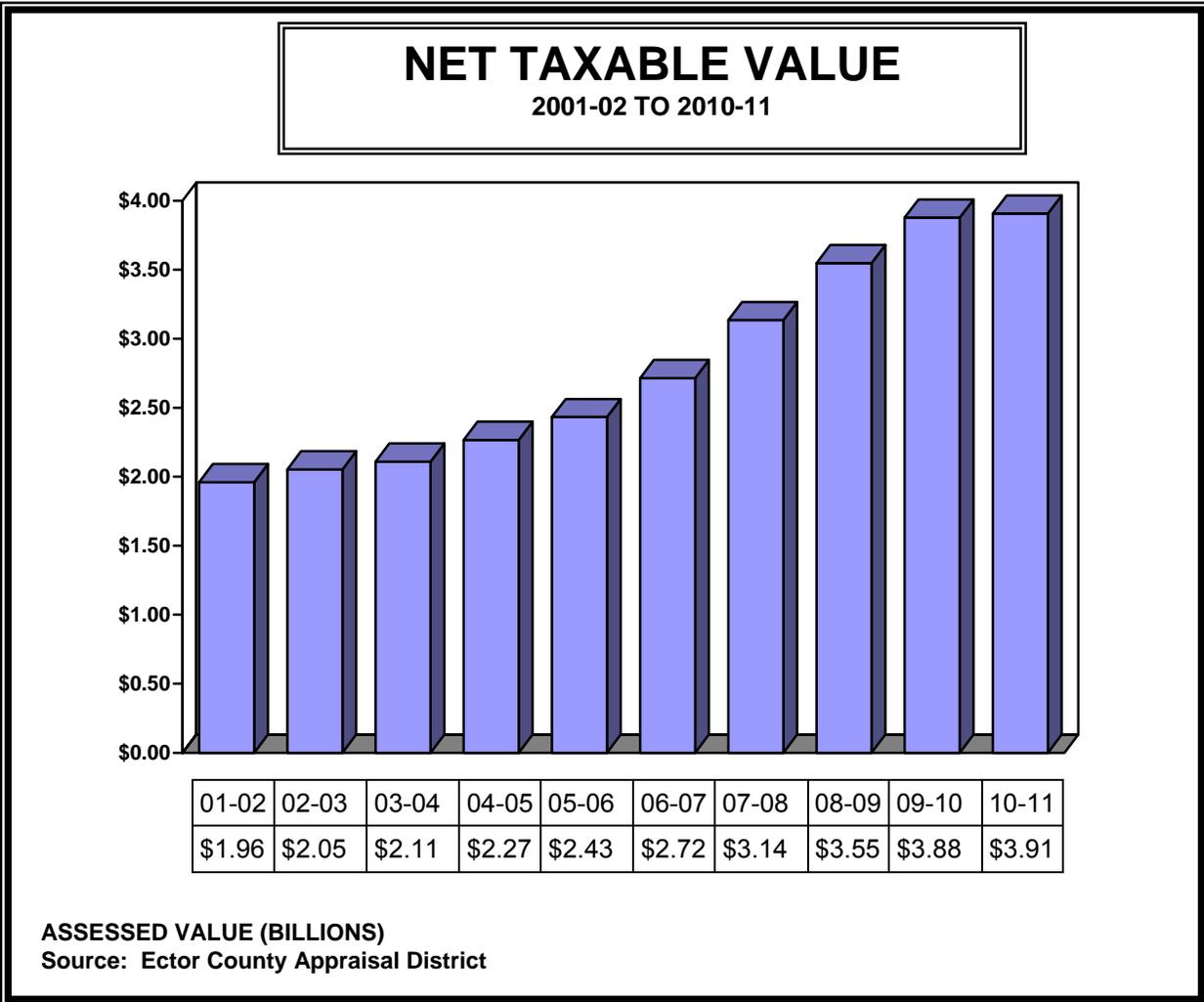
NOTES:

The Roll Year is one year prior to the Fiscal Year. For example, the 2010 roll is used to determine the Fiscal Year 2010-11 property tax revenues.

In addition to Constitutional Exemptions for property taxation, the City of Odessa provides tax exemptions to senior citizens, disabled veterans, disabled persons, and a general residential homestead exemption.

BUDGET SUMMARY

AD VALOREM TAXES



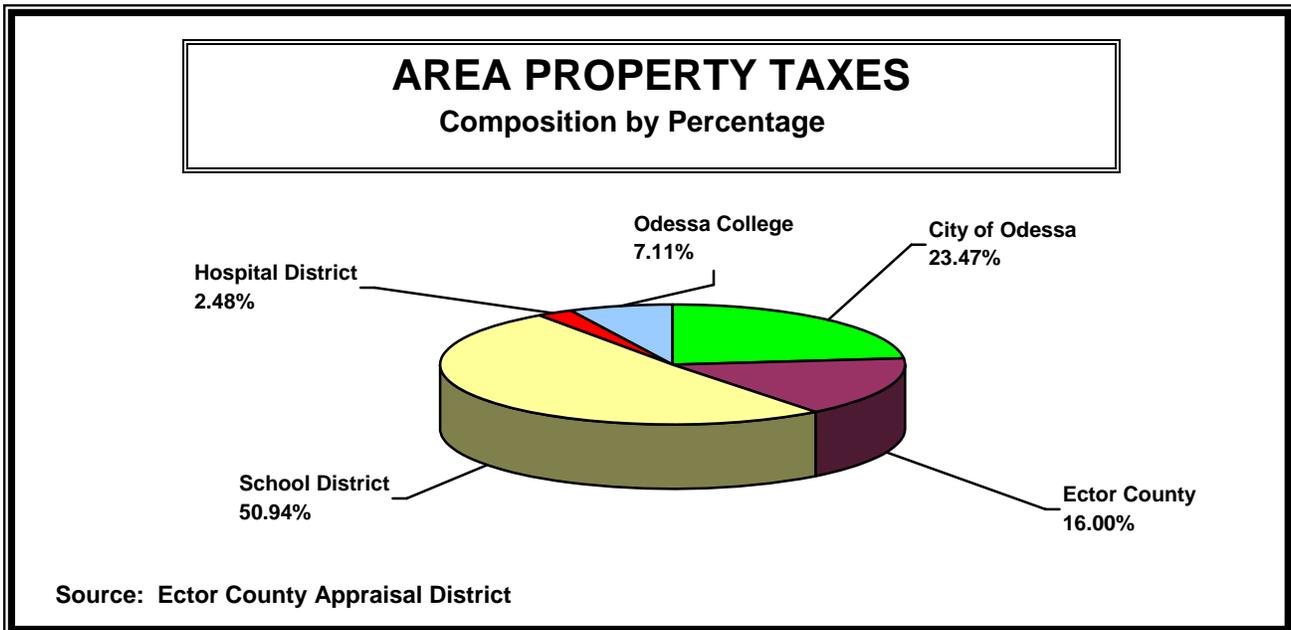
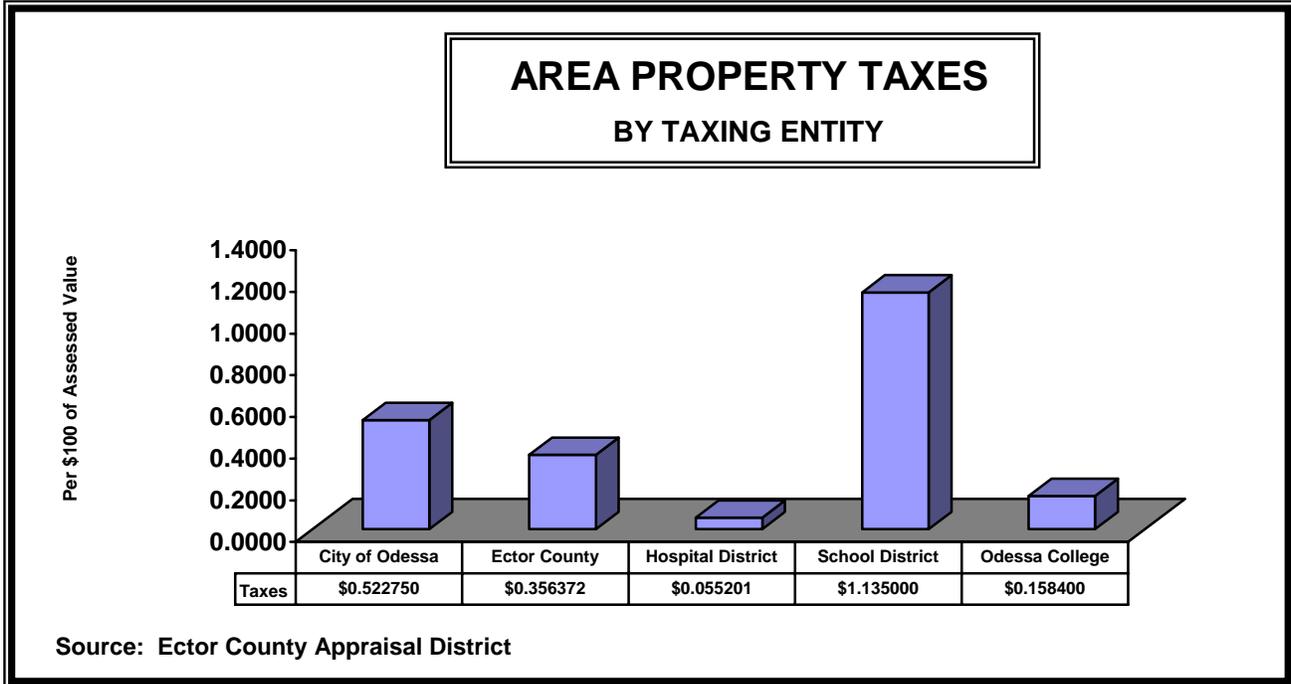
Net taxable values grew 7.65% from 2001-02 through 2003-04. During this period of steady growth, the average annual increase in assessed values was 2.55%. However, in 2004-05, net taxable values began to exhibit a more substantial rise due to a boom in the oil industry. From 2004-05 through 2010-11, net taxable values increased by over 72.25%, with an average increase of 10.32% per year. Certified values for 2010-11 are \$3,906,950,316.

Dramatic increases in oil prices have had a significant effect on assessed values. From August 2004 to August 2008, the price of oil rose by 159.68%. The resulting boom in the local economy brought new people into the area in search of jobs. The increased demand for homes drove up housing prices, which in turn had a positive impact on net taxable values.

In August 2008, Odessa experienced a downturn in the local economy due to a significant decrease in the price of oil. However, by the beginning of 2009-10, oil prices had recovered and stabilized. Since August 2008, assessed values have continued to climb, albeit at a less impressive rate than those recorded in previous years.

BUDGET SUMMARY

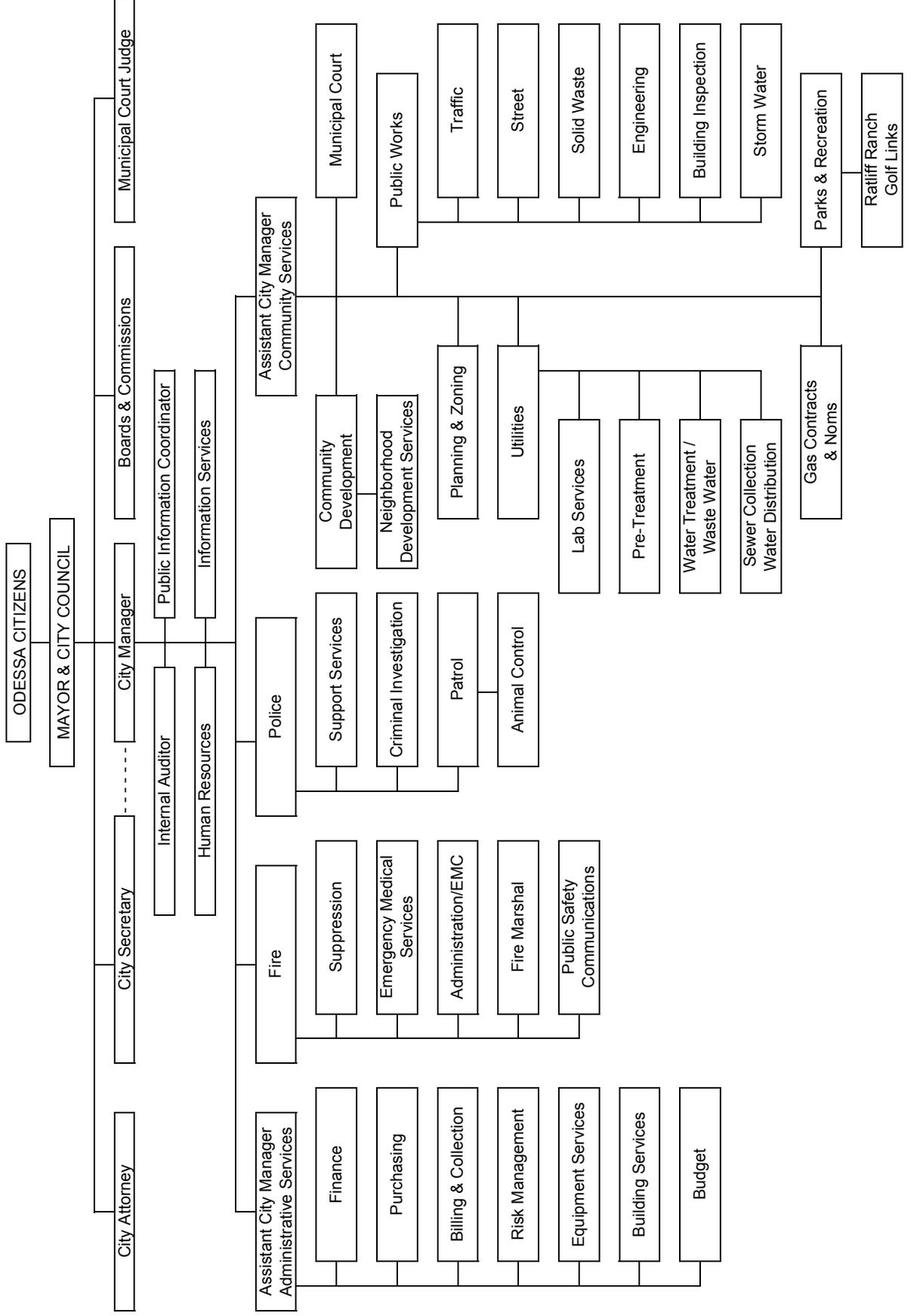
AD VALOREM TAXES



2010-11 Area Property Taxes include those from the City of Odessa, Ector County, the Hospital District, the School District, and Odessa College. Each of these entities receives its own Certified Property Values from the Ector County Appraisal District, and then each entity adopts its own ad valorem rate (property tax rate) for every fiscal year. These ad valorem rates are then applied per \$100 of assessed value.

BUDGET SUMMARY

CITY OF ODESSA ORGANIZATION CHART (By Reporting Authority, Not by Function)



BUDGET SUMMARY

ALL FUNDS 2010-11

DEPARTMENTS BY FUNCTION AND FUNDING SOURCE

FUNDING SOURCE KEY

GF	GENERAL FUND
WS	WATER AND SEWER FUND
SW	SOLID WASTE FUND
ST	STORM WATER FUND
ES	EQUIPMENT SERVICE FUND
CD	COMMUNITY DEVELOPMENT FUND
RF	RISK MANAGEMENT FUND
GC	GOLF COURSE FUND

The breakdown on the following page makes it easier to locate the divisions' budgets in the budget book. To find a division's budget, look at the name of the fund listed across from it. Then go to the section of the book pertaining to that fund. (Some divisions are funded by more than one fund, so they appear in more than one section of the budget book.)

BUDGET SUMMARY

ALL FUNDS 2010-11

DEPARTMENTS BY FUNCTION AND FUNDING SOURCE									
DIVISION	GENERAL GOV'T.	INTERNAL SERVICES	FINANCE	PUBLIC WORKS	PARKS	PUBLIC SAFETY	WATER/ SEWER	RISK MNGT.	COMM. DEV.
Building Services		GF							
City Attorney	GF								
City Council	GF								
City Secretary	GF								
Clinical Services								RF	
Communications		ES							
Community Development									CD
Equipment Replacement		ES							
Equipment Services		ES							
Finance			GF						
Fire Department						GF			
Information Services			GF						
General Liability								RF	
Golf Course					GC				
Health and Wellness								RF	
Human Resources	GF								
Medical & Dental Self Insurance								RF	
Municipal Court			GF						
Neighborhood Services	GF			SW					CD
Non-Departmental			GF						
Office of the City Manager	GF								
Outside Agencies			GF						
Parks & Recreation					GF				
Planning & Development	GF								
Police Department						GF			
Public Safety Communications						GF			
Public Works-Administration				GF					
Public Works-Building Inspection				GF					
Public Works-Engineering				GF					
Public Works-Solid Waste				SW					
Public Works-Street				GF					
Public Works-Traffic				GF					
Public Works – Storm Water Mgmt.				ST					
Purchasing			GF						
Risk Management Administration								RF	
Utilities Administration							WS		
Utilities Billing & Collection			WS						
Utilities Derrington W/W Plant							WS		
Utilities Laboratory							WS		
Utilities Repair & Replacement							WS		
Utilities W/W Collection							WS		
Utilities Water Distribution							WS		
Utilities Water Treatment							WS		
Worker's Compensation								RF	

BUDGET SUMMARY

ALL FUNDS 2010-11

THREE YEAR COMPARISON ADOPTED BUDGET

	2008-09 Budget	2009-10 Budget	% Change	2010-11 Budget	% Change
GENERAL FUND					
City Council	\$31,457	\$31,524	0.21%	\$25,470	-19.20%
City Secretary	165,144	166,142	0.60%	165,673	-0.28%
City Attorney	910,494	921,948	1.26%	1,025,689	11.25%
City Manager	792,001	794,305	0.29%	795,511	0.15%
Human Resources	535,211	538,644	0.64%	514,677	-4.45%
Building Services	1,302,164	1,361,047	4.52%	1,378,263	1.26%
Public Safety Communications	1,643,909	1,717,728	4.49%	1,767,060	2.87%
Planning and Development	319,173	320,837	0.52%	323,397	0.80%
Finance	795,265	799,987	0.59%	805,668	0.71%
Purchasing	534,705	537,921	0.60%	543,251	0.99%
Municipal Court Administration	1,422,552	1,431,299	0.61%	1,079,799	-24.56%
Information Services	1,315,130	1,393,957	5.99%	1,392,148	-0.13%
Public Works	9,592,839	9,297,663	-3.08%	9,169,707	-1.38%
Parks and Recreation	4,081,995	4,134,944	1.30%	4,048,263	-2.10%
Fire	13,999,963	14,149,136	1.07%	14,374,212	1.59%
Police	18,683,640	19,185,259	2.68%	19,862,758	3.53%
Neighborhood Services	412,692	424,301	2.81%	416,246	-1.90%
Non-Departmental	1,502,765	1,348,695	-10.25%	1,367,772	1.41%
External Agencies	80,000	80,377	0.47%	80,377	0.00%
Operating Transfers Out	329,000	329,000	0.00%	329,000	0.00%
TOTAL GENERAL FUND	\$58,450,099	\$58,964,714	0.88%	\$59,464,941	0.85%
WATER AND SEWER FUND					
Billing and Collection	\$2,090,730	\$2,147,978	2.74%	\$2,176,346	1.32%
Utilities Administration	618,924	632,022	2.12%	630,667	-0.21%
Water Distribution	2,038,534	2,091,142	2.58%	2,110,208	0.91%
Water Treatment	2,463,672	2,548,704	3.45%	2,565,623	0.66%
Bob Derrington W/W Plant	2,845,271	2,911,300	2.32%	2,917,162	0.20%
Wastewater Collection	1,084,360	1,125,287	3.77%	1,128,969	0.33%
Laboratory	815,807	849,201	4.09%	864,217	1.77%
Utilities GIS	147,414	153,932	4.42%	154,304	0.24%
Repair and Replacement	1,116,554	685,329	-38.62%	587,829	-14.23%
Non-Departmental	5,748,414	6,006,129	4.48%	5,979,767	-0.44%
Water Purchases	11,862,150	12,455,257	5.00%	13,078,020	5.00%
Gulf Coast	310,000	310,000	0.00%	310,000	0.00%
Debt Service	7,664,269	7,668,831	0.06%	7,815,244	1.91%
Housing Incentive Program	500,000	500,000	0.00%	0	-100.00%
Participation in Line Extensions	200,000	200,000	0.00%	200,000	0.00%
TOTAL WATER & SEWER FUND	\$39,506,099	\$40,285,112	1.97%	\$40,518,356	0.58%

BUDGET SUMMARY

ALL FUNDS 2010-11

THREE YEAR COMPARISON ADOPTED BUDGET

	2008-09 Budget	2009-10 Budget	% Change	2010-11 Budget	% Change
SOLID WASTE FUND					
Solid Waste Division	\$8,463,732	\$8,595,390	1.56%	\$8,618,012	0.26%
Neighborhood Services	86,884	87,876	1.14%	88,744	0.99%
Non-Departmental	1,040,929	1,176,455	13.02%	1,039,181	-11.67%
External Agencies	129,443	129,443	0.00%	134,229	3.70%
TOTAL SOLID WASTE FUND	\$9,720,988	\$9,989,164	2.76%	\$9,880,166	-1.09%
STORM WATER FUND	\$0	\$650,000	n/a	\$649,167	-0.13%
EQUIPMENT SERVICE FUND					
Equipment Services	\$6,404,530	\$6,588,106	2.87%	\$6,607,763	0.30%
Equipment Replacement	3,759,950	4,829,000	28.43%	1,939,000	-59.85%
Communications	266,455	300,699	12.85%	318,045	5.77%
TOTAL EQUIPMENT SERVICES	\$10,430,935	\$11,717,805	12.34%	\$8,864,808	-24.35%
RISK MANAGEMENT FUND	\$9,451,947	\$9,474,421	0.24%	\$9,481,684	0.08%
GOLF COURSE FUND	\$1,337,681	\$1,396,734	4.41%	\$1,404,588	0.56%
COMMUNITY DEV. FUND	\$1,705,634	\$1,878,663	10.14%	\$1,881,179	0.13%
CONVENTION & VISITORS FUND	\$1,648,186	\$2,233,400	35.51%	\$1,856,047	-16.90%
GENERAL DEBT SERVICE FUND	\$3,026,112	\$2,925,686	-3.32%	\$2,931,982	0.22%
MISCELLANEOUS FUNDS	\$766,541	\$859,435	12.12%	\$1,012,919	17.86%
SUBTOTAL ALL FUNDS	\$136,044,222	\$140,375,134	3.18%	\$137,945,837	-1.73%
WATER & SEWER CIP	\$0	\$0	n/a	\$0	n/a
TOTAL ALL FUNDS WTH CIP	\$136,044,222	\$140,375,134	3.18%	\$137,945,837	-1.73%

BUDGET SUMMARY

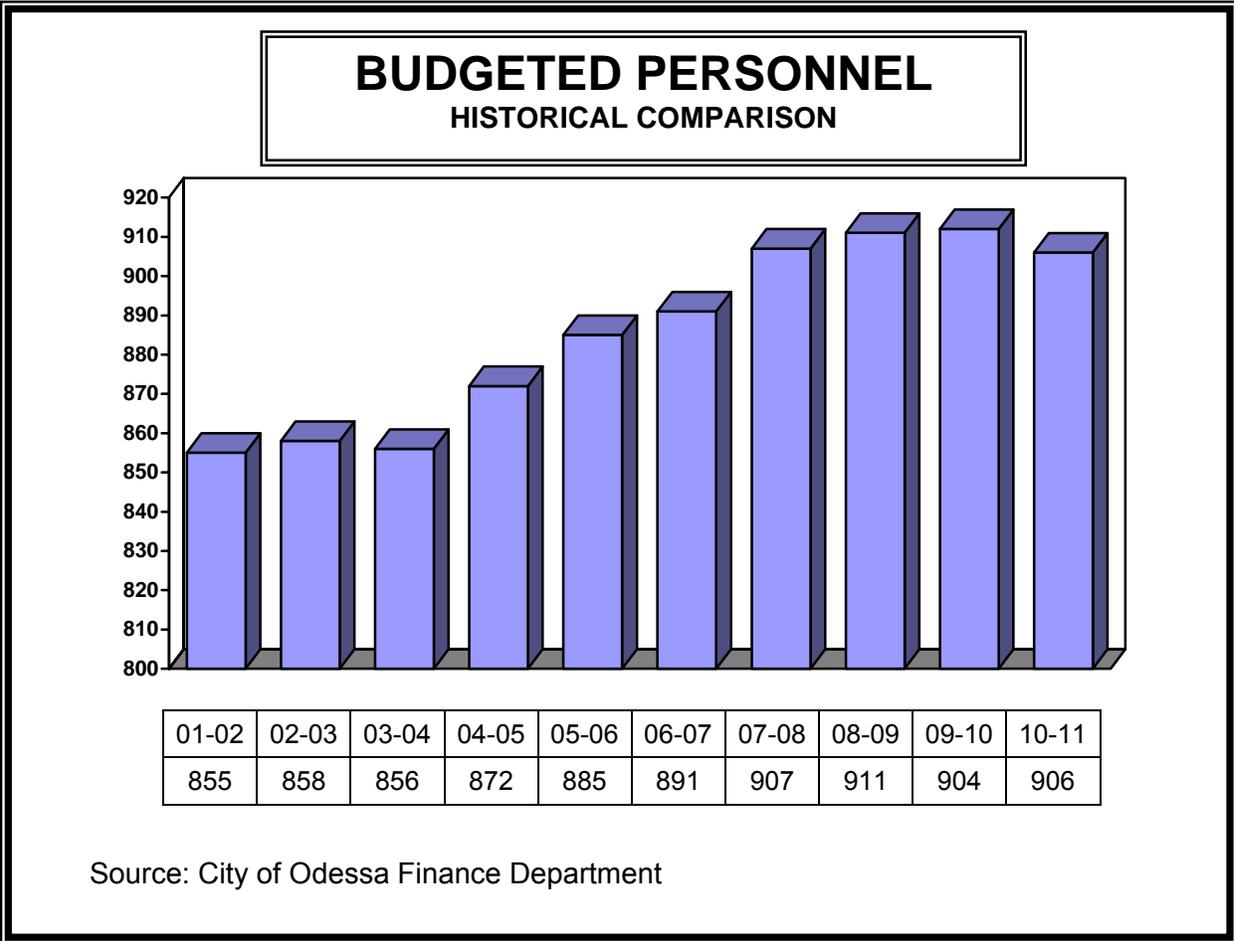
PERSONNEL

PERSONNEL HISTORY OF FULL-TIME POSITIONS BY FUNDING SOURCE

DEPARTMENT	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11
City Secretary	1	1	2	2	2	2	2	2	2	2
City Attorney	8.5	8.5	8.5	8.5	9.5	9.5	9.5	9.5	9.5	10.5
City Manager	7	5	5	5	6	5	6	6	6	6
Neighborhood Services	4	4	4	4	4	5	6	6	6	6
Human Resources	5	5	5	5	5	5	6	6	6	6
Building Services	13	13	13	13	13	13	13	13	13	13
Public Safety Comm.	29	29	29.5	29.5	29.5	29.5	28.5	28.5	25.5	25.5
Planning/Development	4	4	4	4	4	4	4	4	4	4
Finance	13	13	12	12	12	12	11	11	11	11
Non-Departmental	0	0	0	0	0	0	0	0	0	.5
Purchasing	8	8	8	8	8	8	8	8	8	8
Municipal Court	17	17	17	19	24	24	24	24	21	19
Information Services	7	8	9	9	9	10	13	15	15	15
Public Works	85	85	85	85	87	87	89	91	84	84
Parks/Recreation	42	40	40	40	40	40	40	40	38	38
Fire	162	168	165	164	165	164	170	171	172	172
Police	218	218	217	217	217	220	221	222	222	224
GENERAL FUND	623.5	626.5	624	625	635	638	651	657	643	644.5
Billing/Collection	31.5	31.5	31.5	31.5	31.5	32.5	32.5	33.5	33.5	33.5
Utilities	99	99	99	99	99	99	102	102	103	103.5
CIP	3	3	3	3	3	3	0	0	0	0
WATER/SEWER FUND	133.5	133.5	133.5	133.5	133.5	134.5	134.5	135.5	136.5	137
NATURAL GAS FUND	1	1	1	1	0	0	0	0	0	0
SOLID WASTE FUND	43.5	44.5	45.5	46.5	47.5	47.5	49.5	49.5	49.5	49.5
STORM WATER FUND	0	7	7							
GOLF COURSE FUND	0	0	0	0	8	8	9	9	9	9
EQUIP SERV FUND	26	26	25.5	24.5	25.5	25.5	25.5	25.5	25.5	25.5
CDBG/HOME	11.5	11.5	11.5	11.5	11.5	9.5	9.5	9.5	9.5	9.5
RISK MGMT. FUND	5	5	5	14	14	14	14	14	15	15
LIQUID WASTE FUND	1									
MC SECURITY FUND	2									
MC TECH FUND	0	1	1							
GRANTS (VARIOUS)	8	7	7	13	7	11	11	8	5	5
TOTAL PERSONNEL	855	858	856	872	885	891	907	911	904	906

BUDGET SUMMARY

PERSONNEL



Between 2001-02 and 2010-11, Odessa's population has grown from 90,943 to 103,704, increasing the demand for City services. In order to meet this demand while continuing to maintain the quality of City services, the number of employees has trended upward over the past ten years.

From time to time, the City workforce experiences a decrease in number. In 2003-04 and 2009-10, the number of budgeted positions fell compared to the previous year in order to control expenditures and balance the budget.

Currently, the City funds 906 full-time, budgeted positions. This represents a net increase of two positions compared to 2009-10 numbers. Changes to the **General Fund** include the addition of one Assistant City Attorney position and one Financial Reporting Accountant position. The cost of the Accountant position will be shared equally between the General Fund and the Water and Sewer Fund.

GENERAL FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$27,218,884	\$24,365,870	\$22,867,273	\$23,090,581
Required 60 Day Reserves	9,608,235	9,692,830	9,692,830	9,775,059
Budget Stabilization Account	4,003,431	4,038,679	4,038,679	4,072,941
Compensated Absences	1,143,523	1,143,523	1,143,523	1,143,523
AVAILABLE FUND BALANCE	\$12,463,695	\$9,490,838	\$7,992,241	\$8,099,058
CURRENT REVENUES				
Operating	\$54,555,867	\$54,459,908	\$53,976,486	\$54,658,692
Interest Income	235,684	50,000	300,000	50,000
Intergovernmental	1,099,872	1,064,700	965,300	975,300
Administrative Transfer In	3,775,290	3,727,430	3,722,928	3,780,949
TOTAL CURRENT REVENUES	\$59,666,713	\$59,302,038	\$58,964,714	\$59,464,941
TOTAL FINANCING SOURCES	\$72,130,408	\$68,792,876	\$66,956,955	\$67,563,999
EXPENDITURES				
Personal Services	\$42,410,812	\$41,975,699	\$41,975,699	\$42,696,787
Supplies	1,048,224	1,213,009	1,104,830	1,102,475
Services	11,022,990	12,235,751	11,913,013	11,681,075
Maintenance	4,174,517	2,599,656	2,732,945	2,745,877
Capital Outlay	2,929,342	1,608,748	294,099	294,599
Outside Agencies	80,277	80,713	80,377	80,377
Transfers Out	207,511	329,000	329,000	329,000
Lease Payment	646,054	534,751	534,751	534,751
TOTAL EXPENDITURES	\$62,519,727	\$60,577,327	\$58,964,714	\$59,464,941
ENDING AVAILABLE BALANCE	\$9,610,681	\$8,215,549	\$7,992,241	\$8,099,058
Plus 60 Day Reserves	9,608,235	9,692,830	9,692,830	9,775,059
Budget Stabilization Account	4,003,431	4,038,679	4,038,679	4,072,941
Compensated Absences	1,143,523	1,143,523	1,143,523	1,143,523
ENDING FUND BALANCE	\$24,365,870	\$23,090,581	\$22,867,273	\$23,090,581

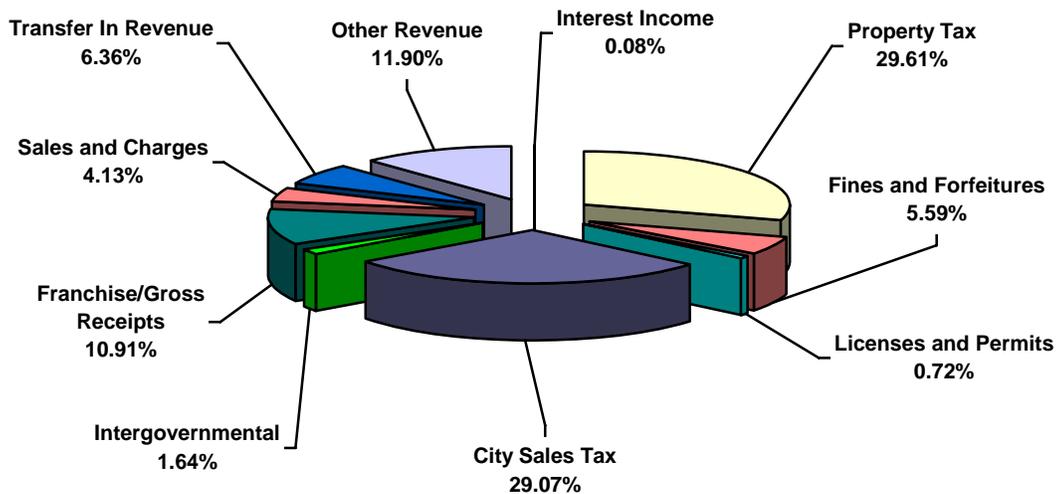
GENERAL FUND

OVERVIEW

General Fund Revenue

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Property Tax	\$17,070,038	\$17,442,749	\$17,456,749	\$17,606,749
City Sales Tax	19,156,502	17,287,932	17,561,109	17,287,932
Franchise/Gross Receipts	6,685,777	6,416,000	6,261,000	6,486,000
Licenses and Permits	596,579	424,650	443,100	426,400
Sales and Charges	2,466,918	2,371,245	2,087,250	2,455,650
Intergovernmental	1,099,872	1,064,700	965,300	975,300
Fines and Forfeitures	2,631,477	3,325,650	2,951,500	3,322,600
Interest Income	235,684	50,000	300,000	50,000
Transfer In Revenue	3,775,290	3,727,430	3,722,928	3,780,949
Other Revenue	5,948,576	7,191,682	7,215,778	7,073,361
Total Revenue	<u>\$59,666,713</u>	<u>\$59,302,038</u>	<u>\$58,964,714</u>	<u>\$59,464,941</u>

**GENERAL FUND
2010-11 REVENUES BY SOURCES**



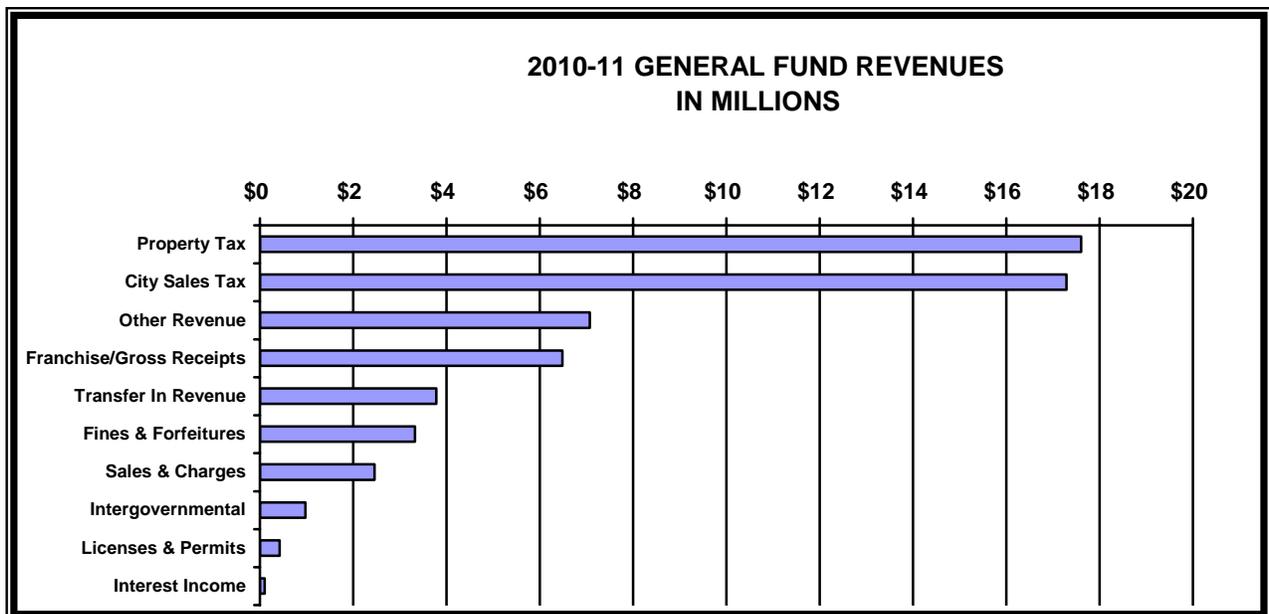
GENERAL FUND

OVERVIEW

Revenues

The 2010-11 adopted budget for General Fund reflects realistic revenue projections of \$59,464,941 based on historical information and economic trends. Total budgeted revenue increased by 0.85%, compared to 2009-10's budgeted revenue. A comparative summary below indicates the major revenue sources, their individual percentage of the total revenue, and an amount/percentage of increase/decrease compared to the 2009-10 Budget. The overall 0.85% increase is due to the fact that the revenue increases in some categories were offset by revenue decreases in others. Together, Property Tax Revenues, Franchise/Gross Receipts, Transfers in, Fines and Forfeitures, Sales and Charges, and Intergovernmental Revenues realized a \$1.18 million increase compared to last year's budget. At the same time, City Sales Tax, Other, Licenses and Permits, and Interest Revenues experienced a decrease of \$682,294.

<u>Source</u>	2010-11 Budget		Increase/(Decrease) Over 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Property Tax	\$17,606,749	29.61%	\$150,000	0.86%
City Sales Tax	17,287,932	29.07%	(273,177)	(1.56%)
Other Revenue	7,073,361	11.90%	(142,417)	(1.97%)
Franchise/Gross Receipts	6,486,000	10.91%	225,000	3.59%
Transfer In Revenue	3,780,949	6.36%	58,021	1.56%
Fines and Forfeitures	3,322,600	5.59%	371,100	12.57%
Sales and Charges	2,455,650	4.13%	368,400	17.65%
Intergovernmental	975,300	1.64%	10,000	1.04%
Licenses and Permits	426,400	0.72%	(16,700)	(3.77%)
Interest	50,000	0.08%	(250,000)	(83.33%)
TOTAL	\$59,464,941	100.00%	\$500,227	0.85%



GENERAL FUND

OVERVIEW

Property Tax Revenue accounts for 29.61% of the General Fund total revenue, and is the single largest source of revenue for the City. Thus, any fluctuation in property value assessed by the City will have a major impact on the ability to fund operations for the General Fund. The assessed taxable value for the roll of January 1, 2010, upon which the fiscal year 2011 levy is based, is \$3,906,950,316. Net taxable property values have increased 0.74% over last year. This revenue is based on the assessed value of real estate, personal property and minerals within the taxing jurisdiction.

In the 2010-11 budget, the ad valorem tax rate will remain the same as last year: 52.275 cents per \$100 valuation. The total property tax rate is comprised of the portion of taxes allocated to debt service (debt rate of \$0.074635) and the appropriations for the city's operating needs (O & M rate of \$0.448115).

Taxes are due January 31st following the October 1st levy date and are considered delinquent after January 31st of each year. Based upon historical collection trends, current tax collections for 2010-11 are estimated to be 96.60% of levy and will generate \$19,728,731 in revenue, of which General Fund's portion is \$16,796,749. Delinquent taxes and penalties are expected to generate an additional \$810,000 for a total property tax revenue projection for General Fund of \$17,606,749, an increase of \$150,000 over the 2009-10 Adopted Budget. It is anticipated that the growth trend for property tax revenue will average 3% per year for future fiscal years' projections.

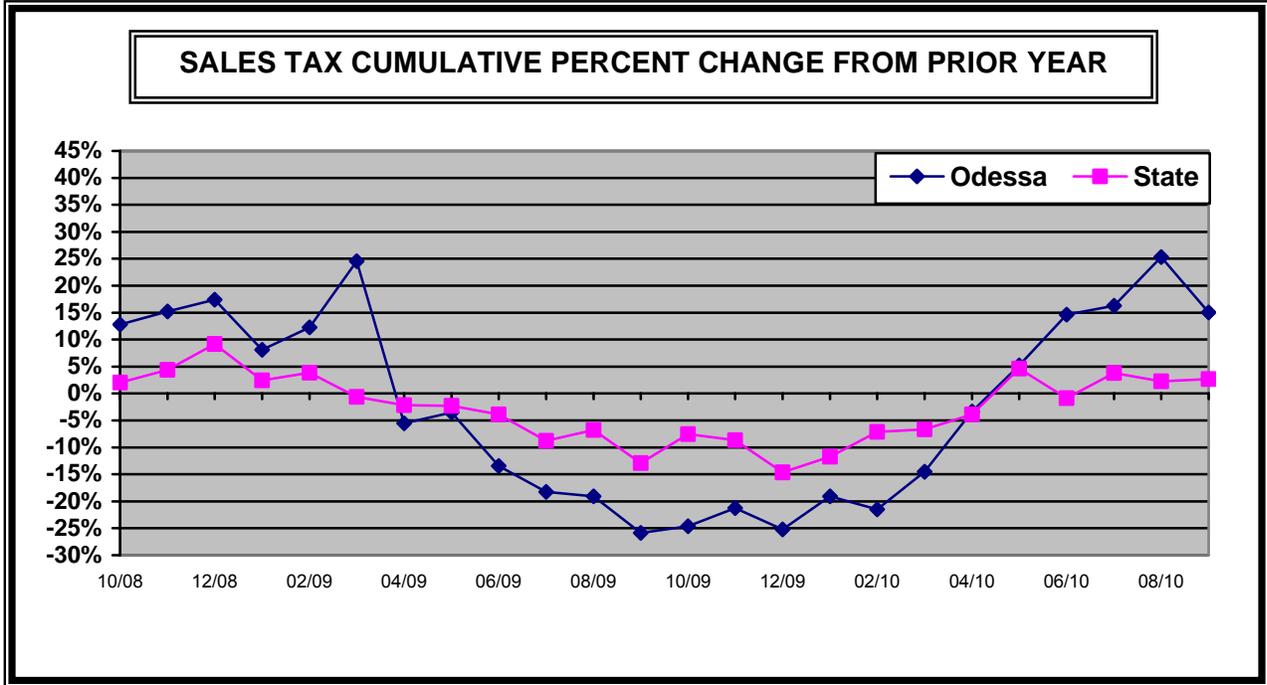
City Sales Tax Revenue, is the second largest source of revenue for the City. It accounts for 29.07% of General Fund revenue, and is projected to be \$17,287,932 in 2010-11. This represents a 1.56% decrease compared to last year's sales tax revenue projection. The line graph on the following page plots the annual percent change in monthly sales tax collections for the City of Odessa and the State of Texas. As illustrated by the graph, the annual percent change in Odessa's monthly sales tax collections ranges from -25.88% to 25.33%. In comparison, the annual percent change in the State's monthly collections ranges from -14.61% to 9.20%. Sales Tax Revenue generated in 2011-12 is expected to remain at the same level as 2010-11 numbers. Thereafter, a modest increase of 2% per year is anticipated.

The sales tax rate in the City of Odessa is 8.25% of goods and services sold within the city boundaries. At the point of sale, businesses collect the tax and remit it to the State's Comptroller of Public Accounts on a monthly or quarterly basis. (Of the 8.25% tax, the City of Odessa receives 1%, the Hospital District receives 0.75%, the Odessa Development Corporation receives 0.25%, and the State retains 6.25%.) The State distributes tax proceeds to local entities within forty days following the period for which the tax is collected by the businesses.

Franchise/Gross Receipt Taxes are a set percentage of the gross receipts of the utility companies of gas (5%), electricity (4%), telephone (growth factor), and cable (5%). Franchise fees are assessed for the use of the City's streets, alleys, highways, and other public ways and places as authorized by Ordinance. Projections are based on historical data trends, adjusted for population and other factors known to impact this revenue. Demands for utility services continue to rise. The trend is stable growth in these sources, similar to the trend in the Ad Valorem base and Water/Sewer connections. Franchise/gross receipt taxes represent 10.91% of General Fund revenue and are expected to increase by \$225,000 compared to the previous year's budget.

GENERAL FUND

OVERVIEW



Transfer-In Revenue projections have increased by \$58,021 or 1.56%. Transfer-In revenues are monies that the other funds pay to the General Fund in exchange for certain administrative services. An independent study is conducted each year by an outside firm to determine the distribution of costs for these administrative services. Transfer-in revenues account for 6.36% of General Fund revenue. Below is a breakdown of the inter-fund transfers.

<u>SOURCE</u>	<u>2010-11 Budget</u>	<u>2009-10 Budget</u>	<u>Increase/ Decrease</u>
Water and Sewer Fund	\$2,358,920	\$2,349,177	\$9,743
Equipment Service Fund	446,188	376,896	69,292
Risk Management Fund	368,115	376,130	(8,015)
Hotel-Motel Tax Fund	12,184	11,702	482
Solid Waste Fund	542,810	556,568	(13,758)
Odessa Develop Corporation	44,184	44,184	0
MOTOR-MPO	6,000	6,000	0
Liquid Waste Fund	<u>2,548</u>	<u>2,271</u>	<u>277</u>
TOTAL	\$3,780,949	\$3,722,928	\$58,021

GENERAL FUND

OVERVIEW

Major Sources of Revenue

The four major revenue sources for the General Fund are Property Tax Revenue (29.61%), Sales Tax Revenue (29.07%), Other Revenue (11.90%), and Franchise/Gross Receipts Tax Revenue (10.91%). Together, they represent 81.49% of all General Fund Revenue.

Fines and Forfeitures Revenue is generated by police citations and represents 5.59% of all General Fund revenues. Projections indicate that this source of revenue will increase by \$371,100, or 12.57%, in 2010-11.

Sales and Charges Revenue is generated by fees that the City charges for certain services. The largest revenue item in this category consists of sales and charges for services provided for emergency medical service (EMS). It is projected that EMS revenue will reach \$2.10 million in fiscal year 2011, and that the entire Sales and Charges category will increase by \$368,400.

Intergovernmental Revenue is projected to increase by \$10,000 compared to last year's numbers. The Fire Department maintains a Fire/EMS contract for first response services to a portion of the County. This contract generates the majority of the revenue in this category. Other items reimbursed under this category include expenditures for Highway Lighting, Civil Defense, School Crossing Guards, and dispatch services for Medical Center Hospital's Care Star Helicopter Service.

Licenses and Permits Revenue represents 0.72% of General Fund revenue and is expected to decrease by \$16,700, or 3.77% in the upcoming year.

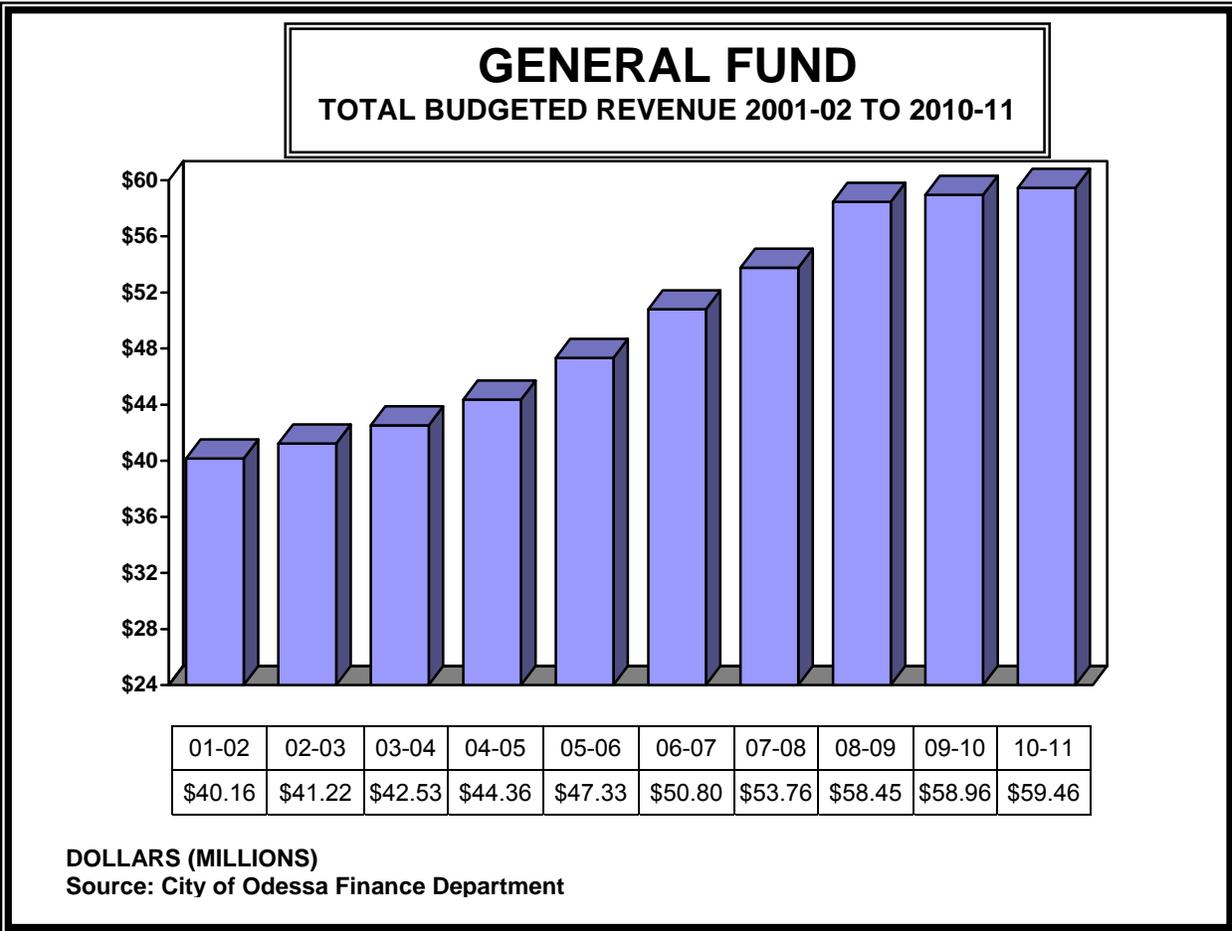
Interest Income is expected to decrease by \$250,000, or 83.33%, compared to the 2009-10 budget. It is anticipated that the City will maintain approximately the same daily cash balances as in 2009-10, with the decrease in interest income attributable to lower interest rates.

Other Revenue includes revenue from several sources. The majority of Other Revenue is generated by Industrial District contracts for water, sewer, and trash services provided by the City to districts outside the city limits. Another major source of income for this category are Payments in Lieu of Taxes (Assessment) from the Water and Sewer Fund and the Solid Waste Fund. These payments include a 5% franchise fee on gross receipts and an assessment of property similar to an ad valorem tax. Other Revenue accounts for 11.90% of General Fund Revenues, and shows a decrease of 1.97% compared to last year. Below is a breakdown of these revenues.

<u>SOURCE</u>	<u>2010-11 Budget</u>	<u>2009-10 Budget</u>	<u>Increase/ (Decrease)</u>
Water/Sewer Gross Receipt	\$1,943,892	\$1,902,882	\$41,010
Water/Sewer Assessment	1,012,396	1,027,762	(15,366)
Solid Waste Gross Receipt	499,860	464,881	34,979
Solid Waste Assessment	34,992	35,463	(471)
Industrial Contracts Lieu of Tax	2,700,000	2,700,000	0
Other Revenue	<u>882,221</u>	<u>1,084,790</u>	<u>(202,569)</u>
TOTAL	\$7,073,361	\$7,215,778	(\$142,417)

GENERAL FUND

OVERVIEW



Revenues in the General Fund reflect continued growth from 2001-02 to 2010-11, topping out at \$59.46 million in 2010-11. Budgeted Revenues for 2010-11 reflect a \$19.30 million, or 48.06%, increase over 2001-02 revenues.

The most significant gains were realized in the four-year period between 2004-05 and 2008-09. During this time, a boom in the local economy resulted in dramatic increases in sales tax and property tax receipts. As a result, General Fund revenues increased by \$14.09 million, or 31.76%.

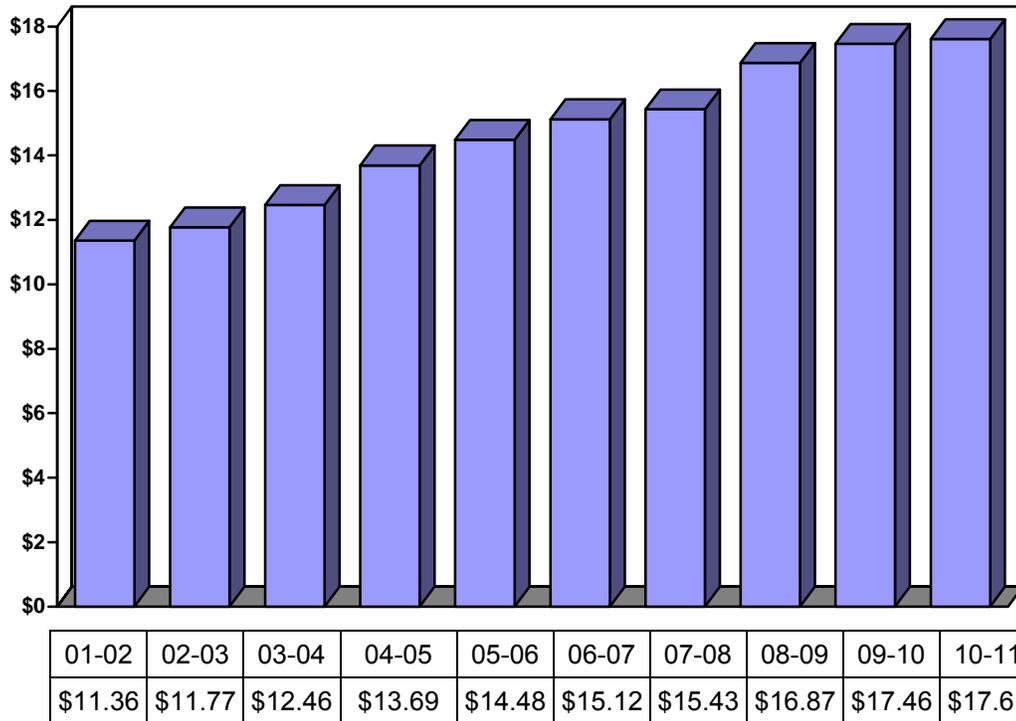
Beginning in 2008-09, Odessa experienced an economic downturn that negatively impacted sales tax revenues, a major source of revenue for the General Fund. As a result, General Fund Revenues experienced a mere 0.87% increase in 2009-10 compared to the previous year.

The economy has been showing signs of recovery since the last half of 2009-10; however, 2010-11 projections remain conservative. It is anticipated that revenues generated in 2010-11 will exceed those of 2009-10 by no more than 0.85%.

GENERAL FUND

OVERVIEW

REVENUE: PROPERTY TAX BUDGETED REVENUES 2001-02 TO 2010-11



DOLLARS (MILLIONS)

Source: City of Odessa Finance Department

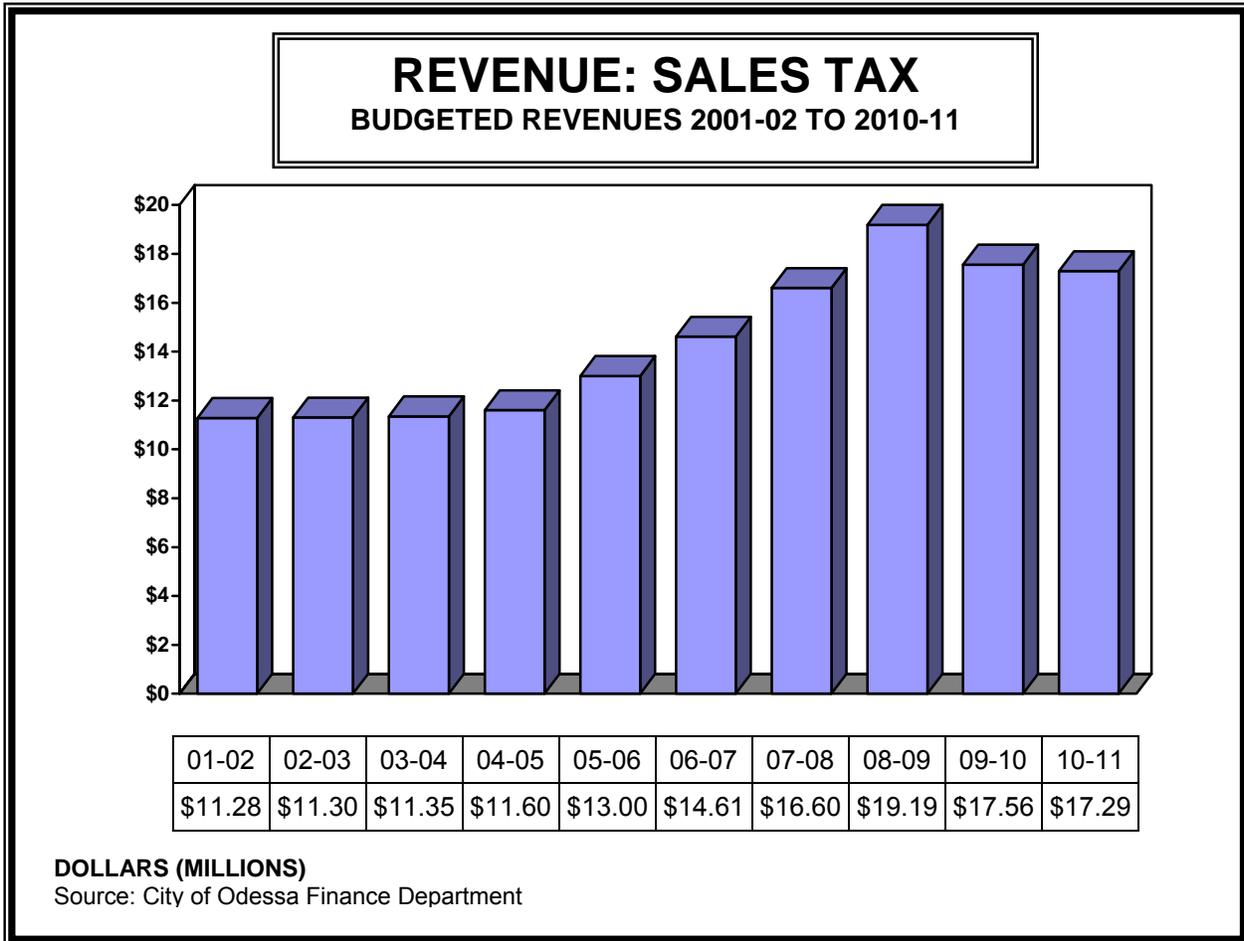
Property tax revenue is the largest source of revenue for the General Fund, and accounts for 29.61% of all General Fund revenues in 2010-11. Revenues have steadily climbed over the past ten years, realizing an average annual increase of 55.02%.

From 2001-02 to 2003-04, property tax revenues grew by an average of 4.74% per year. However, between 2004-05 and 2008-09, the local economy experienced an economic boom brought about by dramatic increases in the price of oil. The resulting rise in property values drove up revenues by an average of 5.39% per year, yielding an overall increase of 21.57% in a five-year period. During this same time, the property tax rate underwent a cumulative 12.67-cent reduction. Despite an economic downturn in 2008-09, property tax revenues reached \$17.46 million in 2009-10, a 3.50% increase over the previous year.

In 2010-11, the property tax rate will remain at \$0.52275 per \$100 valuation; the same rate that was adopted last year. It is anticipated that this rate will generate \$17.61 million in property taxes, a 0.86% increase over 2009-10 revenues.

GENERAL FUND

OVERVIEW



Sales Tax revenue is currently the second largest source of income for the General Fund, accounting for 29.07% of all General Fund revenues in 2010-11. Between 2001-02 and 2008-09, sales taxes receipts increased by 70.12%, with the largest gains being made between 2004-05 and 2008-09. During this time, rising oil prices had driven up wages, created more jobs, and brought more businesses into the area. The positive changes in the economy increased the average household's disposable income. Consequently Odessans made more purchases, thereby generating more sales tax revenue for the city. In this four-year period alone, sales tax receipts increased by \$7.59 million.

In the first half of 2008-09, oil prices plummeted, the West Texas oil rig count dropped, and the local unemployment rate rose from 3.5% to 9.9% in a 10-month period. However, oil prices began to recover in March of 2009 and by 2009-10, had stabilized. Still, sales tax revenues trailed behind the previous year's receipts. As a result, 2009-10 revenues were projected at \$17.56 million, an 8.49% decrease compared to the previous year.

While the economy has gained ground over the past year, sales tax receipts have not completely recovered. For this reason, 2010-11 revenues have been projected conservatively. In 2010-11, sales tax revenues are expected to reach \$17.29 million, a 1.54% decrease compared to 2009-10 budgeted revenues.

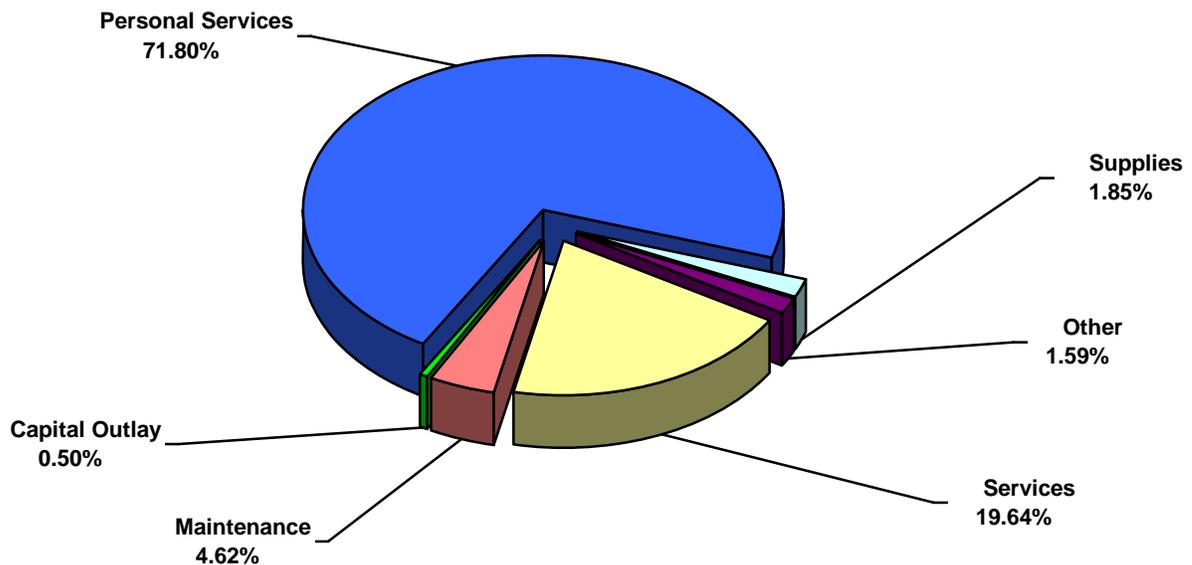
GENERAL FUND

OVERVIEW

Expenditures By Classification

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Personal Services	\$42,410,812	\$41,975,699	\$41,975,699	\$42,696,787
Supplies	1,048,224	1,213,009	1,104,830	1,102,475
Services	11,022,990	12,235,751	11,913,013	11,681,075
Maintenance	4,174,517	2,599,656	2,732,945	2,745,877
Capital Outlay	2,929,342	1,608,748	294,099	294,599
	<u>\$61,585,885</u>	<u>\$59,632,863</u>	<u>\$58,020,586</u>	<u>\$58,520,813</u>
Subtotal				
Outside Agencies	80,277	80,713	80,377	80,377
Operating Transfers Out	207,511	329,000	329,000	329,000
Lease Payments	646,054	534,751	534,751	534,751
	<u>646,054</u>	<u>534,751</u>	<u>534,751</u>	<u>534,751</u>
Total Expenditures and Other Uses of Funds	<u><u>\$62,519,727</u></u>	<u><u>\$60,577,327</u></u>	<u><u>\$58,964,714</u></u>	<u><u>\$59,464,941</u></u>

GENERAL FUND 2010-11 EXPENDITURES BY CLASSIFICATION



GENERAL FUND

OVERVIEW

Expenditures

For the 2010-11 fiscal year, General Fund budgeted expenditures are \$59,464,941, which is an increase of \$500,227, or 0.85%, over the 2009-10 adopted budget. The major factors contributing to the increase include:

- position step increases, and increases in skill and incentive pays for uniformed employees
- a 2% pay increase for non-uniformed employees
- the addition of one Assistant City Attorney position and one Accountant position
- increases in the cost of miscellaneous services
- increases in software/hardware maintenance costs

As the chart below reflects, the resources allocated for General Fund operations of the new fiscal year can be broken down into six main functions of service.

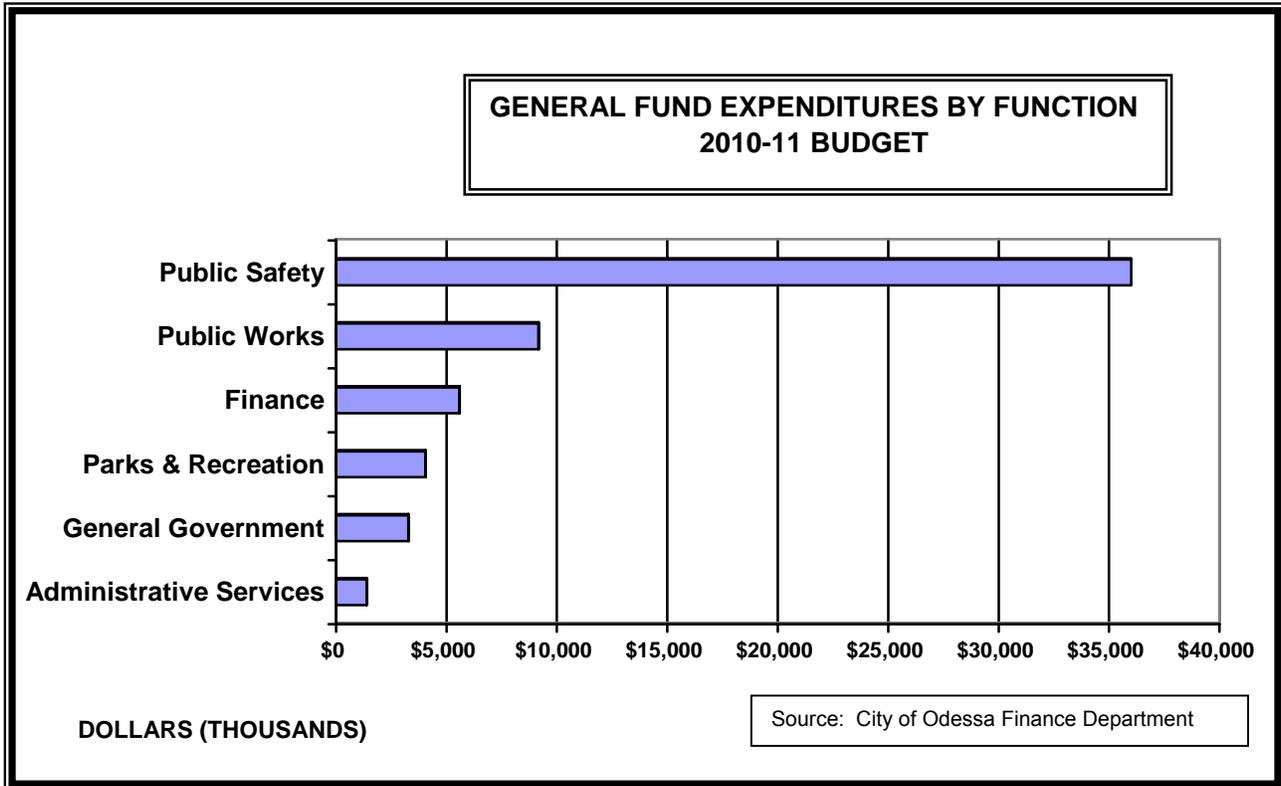
<u>Function</u>	<u>2010-11 Budget</u>		<u>Increase / Decrease From 2009-10 Budget</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
General Government	\$3,266,663	5.49%	\$68,962	2.16%
Administrative Services	1,378,263	2.32%	17,216	1.26%
Finance	5,598,015	9.41%	(323,221)	(5.46%)
Public Works	9,169,707	15.42%	(127,956)	(1.38%)
Parks & Recreation	4,048,263	6.81%	(86,681)	(2.10%)
Public Safety	<u>36,004,030</u>	<u>60.55%</u>	<u>951,907</u>	<u>2.72%</u>
TOTAL	\$59,464,941	100.00%	\$500,227	0.85%

The Public Safety function, which includes Police, Fire, and Public Safety Communication, comprises 60.55% of the total General Fund budget. The next largest function of General Fund is the Public Works Department at 15.42% of the total budget. The Finance function, which includes the departments of Finance, Purchasing, Municipal Court, and Information Services, constitutes another 9.41% of the total budget. The remaining functions of General Government, Administrative Services, and Parks comprise 14.62% of the total General Fund budget.

GENERAL FUND

OVERVIEW

Expenditures (cont'd.)



General Government function includes the departments of the City Council, City Secretary, City Attorney, Office of the City Manager, Human Resources, Planning and Development, and Neighborhood Development Services (NDS). Total expenditures for this function will increase by \$68,962. The majority of the increase will be used to fund an additional Assistant City Attorney position and cover the cost of a 2% raise for non-uniformed employees. The total General Government budget of \$3,266,663 funds 34.5 full-time positions, one more position than was funded in the previous year.

Finance function consists of the divisions of Finance, Purchasing, Municipal Court, and Information Services. Also included in this function are Non-Departmental, Outside Agency funding, Special Projects, and Operating Transfers-Out, which funds the anticipated cash match of grants. As the comparative summary reflects, this function's total budget has decreased by \$323,221 compared to 2009-10 numbers. The decrease is almost entirely due to personnel changes in Municipal Court. Two Warrant Officer positions have been moved to the Police Department, along with associated costs for overtime, minor tools and equipment, and fleet maintenance. In addition, one Court Clerk position has been frozen, and one Technology Specialist position that had previously been funded through the General Fund is now being funded through the Municipal Court Technology Fund.

GENERAL FUND

OVERVIEW

Expenditures (cont'd.)

Parks Department expenditures for the 2010-11 budget are expected to decrease by \$86,681 compared to the previous year, with the majority of the decrease being attributed to the freezing of one Grounds Maintenance Worker position and one Irrigation Technician position. The remainder of the savings is due to budgetary decreases in travel and pool chemical costs. The total Parks Department budget of \$4,048,263 funds 38 full-time positions.

Public Safety includes the Fire and Police Departments and Public Safety Communications. The function of Public Safety accounts for 60.55% of the total General Fund budget. The Police Department's budget increased \$677,499 in fiscal year 2010-11. The total budget of \$19,862,758 funds 224 full-time positions, including two Warrant Officer positions that were transferred to the Police Department from Municipal Court. The majority of the 3.53% increase will be used to fund step increases and increases in skills/incentive pay for sworn officers. The Fire Department's budget shows an increase of \$225,076 for the 2010-11 budget. The total budget of \$14,374,212 funds 172 full-time positions, the same number as were funded in the previous year. The Fire Department's 1.59% increase will be used to cover the cost of step increases and skills/incentive pay for sworn personnel. The Public Safety Communication Department runs the dispatch service for emergency calls for both Police and Fire. The total budget of \$1,767,060 has increased by \$49,332, or 2.87%, compared to 2009-10 numbers. This increase will cover the cost of the 2% pay raise for non-uniformed employees, as well as step increases and skills/incentive pay for employees as they attain higher levels of certification.

Public Works function includes the divisions of Public Works Administration, Engineering, Building Inspection, Street and Traffic. Total expenditures for this function will decrease by \$127,956, or 1.38% compared to the 2010-11 adopted budget. The decrease is primarily due to the freezing of two Street Worker positions and lower street lighting costs. The Public Works function comprises 15.42% of the total General Fund budget with a budget of \$9,169,707 that includes funding for 84 full-time positions, the same number of positions as last year.

Administrative Services function includes the division of Building Services in the General Fund. The total budget of \$1,378,263 has increased by \$17,216, or 1.26%, compared to last year's budget. The majority of the increase will be used to fund a 2% raise for employees, as well as increases in the cost of janitorial services.

Expenditures by category groups all expenditures by eight major categories within each fund. As the chart on the following page indicates, Personal Services accounts for the largest portion of the General Fund budget at 71.80% of the total cost of operations. The 2010-11 budget for Personal Services will fund 644.5 positions, a net total of 1.5 additional positions compared to last year. The budget also includes funding for a 2% pay raise for non-uniformed employees and step increases and increases in skills/incentive pay for all sworn personnel.

The Supplies category has experienced a net decrease of \$2,355 compared to last year's budget. Major increases in the Police and Information Services Supplies budgets have been offset by a \$20,000 reduction in pool chemical costs and a \$25,000 decrease in Non-Departmental purchases. It is anticipated that the majority of the increase in the Police Department's budget will be funded by an increase in private donations. Information Services will fund its \$11,000 increase in operating supplies by reducing travel and training costs.

GENERAL FUND

OVERVIEW

Expenditures (cont'd.)

The Services category reflects a \$231,938 decrease compared to last year, as a result of necessary budget reduction efforts. The decrease is primarily due to savings in street lighting and travel costs, and to the cancellation of this year's awards banquet and employee picnic.

The Maintenance function shows an increase of \$12,932, or 0.47%, compared to last year's numbers. Most of the additional monies will be used to cover the rising cost of software and software maintenance.

Capital Outlay realized an increase of \$500 in 2010-11. This category's budget fluctuates from year to year, depending upon the need for large-ticket items.

Expenditures by Category	2010-11 Budget		2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Personal Services	\$42,696,787	71.80%	\$41,975,699	71.19%
Supplies	1,102,475	1.85%	1,104,830	1.87%
Services	11,681,075	19.64%	11,913,013	20.20%
Maintenance	2,745,877	4.62%	2,732,945	4.63%
Capital Outlay	294,599	0.50%	294,099	0.50%
Outside Agencies	80,377	0.14%	80,377	0.14%
Transfers Out	329,000	0.55%	329,000	0.56%
Lease Payments	<u>534,751</u>	<u>0.90%</u>	<u>534,751</u>	<u>0.91%</u>
TOTAL	\$59,464,941	100.00%	\$58,964,714	100.00%

Fund Balance

In 2009-10, fund balance decreased by 5.23%, or \$1,275,289, compared to the 2008-09 audited ending fund balance of \$24,365,870. The 2010-11 budget is a balanced budget with revenues and expenditures in equal amounts of \$59,464,941 and an unrestricted available fund balance of \$8,099,058.

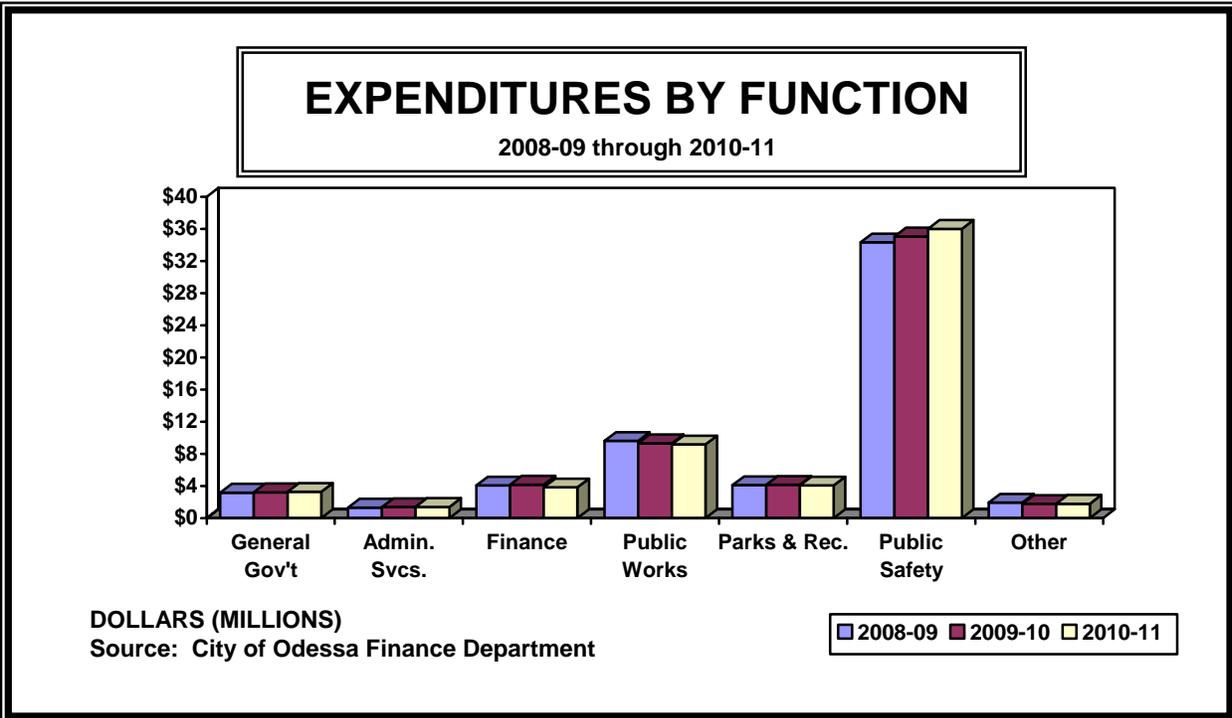
GENERAL FUND

OVERVIEW

Expenditures by Function	2008-09	2009-10	2009-10	2010-11
	Actual	Estimated	Budget	Budget
City Council	\$24,388	\$31,524	\$31,524	\$25,470
City Secretary	155,995	167,290	166,142	165,673
City Attorney	892,813	926,081	921,948	1,025,689
Office of the City Manager	789,654	794,305	794,305	795,511
Human Resources	551,382	541,378	538,644	514,677
Planning and Development	315,355	320,837	320,837	323,397
Neighborhood Services	252,565	435,030	424,301	416,246
TOTAL GENERAL GOVERNMENT	\$2,982,152	\$3,216,445	\$3,197,701	\$3,266,663
Building Services	\$1,691,563	\$1,369,142	\$1,361,047	\$1,378,263
TOTAL ADMINISTRATIVE SRVS.	\$1,691,563	\$1,369,142	\$1,361,047	\$1,378,263
Finance	\$777,446	\$800,785	\$799,987	\$805,668
Purchasing	527,750	538,322	537,921	543,251
Municipal Court	1,235,495	1,431,299	1,431,299	1,079,799
Information Services	1,274,255	1,428,208	1,393,957	1,392,148
Non-Departmental	1,497,328	1,350,375	1,348,695	1,367,772
Outside Agencies	80,277	80,713	80,377	80,377
Operating Transfers Out	207,511	329,000	329,000	329,000
Special Projects	1,970,044	1,264,827	0	0
TOTAL FINANCE	\$7,570,106	\$7,223,529	\$5,921,236	\$5,598,015
Public Works Administration	\$209,897	\$212,173	\$212,173	\$213,885
Engineering	1,308,053	1,363,353	1,350,991	1,376,069
Building Inspection	696,396	778,119	767,906	776,141
Traffic	1,635,772	1,559,350	1,537,587	1,546,528
Street	6,794,256	5,429,006	5,429,006	5,257,084
TOTAL PUBLIC WORKS	\$10,644,374	\$9,342,001	\$9,297,663	\$9,169,707
	\$4,257,678	\$4,193,182	\$4,134,944	\$4,048,263
PARKS AND RECREATION	\$4,257,678	\$4,193,182	\$4,134,944	\$4,048,263
Fire	\$14,489,183	\$14,167,622	\$14,149,136	\$14,374,212
Police	19,189,396	19,347,678	19,185,259	19,862,758
Public Safety Communications	1,695,275	1,717,728	1,717,728	1,767,060
TOTAL PUBLIC SAFETY	\$35,373,854	\$35,233,028	\$35,052,123	\$36,004,030
Total Expenditures	\$62,519,727	\$60,577,327	\$58,964,714	\$59,464,941

GENERAL FUND

OVERVIEW



From 2008-09 through 2010-11, General Fund budgets have exhibited varied growths/declines by function. In 2010-11, all functions show an increase in salaries, with the majority of the increase being used to fund the new employee compensation package that went into effect on October 1, 2010. Other factors contributing to the increase include the net addition of 1.5 new positions and the rising cost of employee benefits.

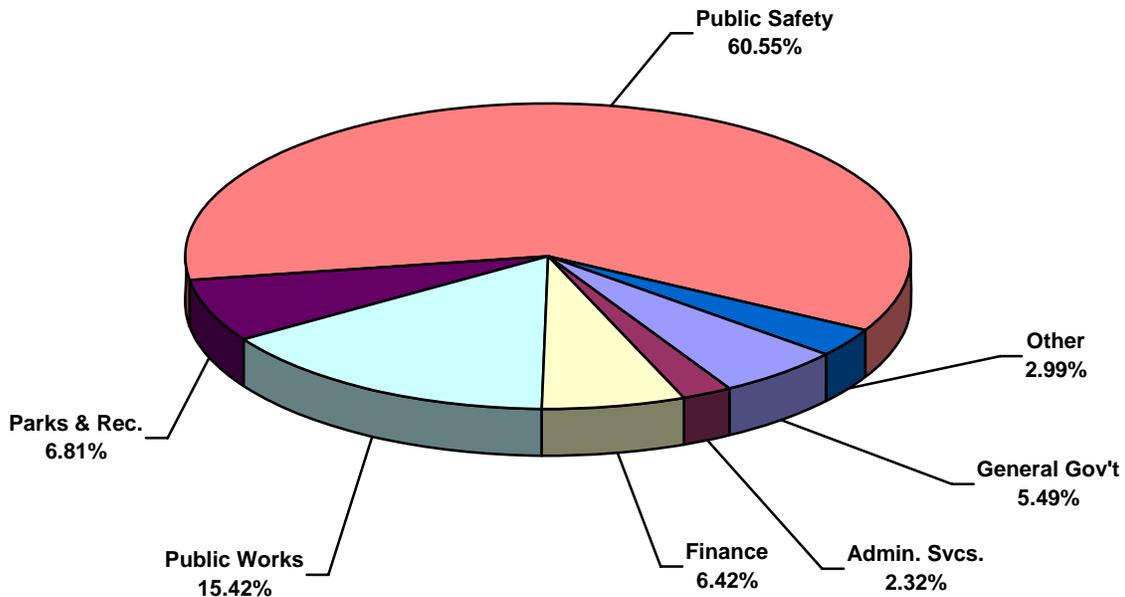
This year, a 2.16% increase in the General Government budget will primarily be used to fund the cost of the new employee compensation plan and the creation of a new Assistant City Attorney position. The majority of the 1.26% increase in Administrative Services will fund employee pay raises and help cover rising janitorial costs. Public Safety will use the bulk of its 2.72% budgetary increase to cover the cost of the new employee compensation plan and to fund two Warrant Officer positions (including associated operating/fleet costs) that have been transferred to the Police Department from Municipal Court (Finance).

The Finance, Public Works, and Parks functions have experienced budgetary decreases of 5.46%, 1.38%, and 2.10%, respectively. The majority of the decrease in Finance is due to personnel changes in Municipal Court. One Court Clerk position has been frozen, and two Warrant Officer positions, along with all associated operating and fleet costs, have been transferred to the Police Department (Public Safety). The decrease in the Public Works budget is primarily due to street lighting savings and the freezing of two Street Worker positions. Meanwhile, the majority of the decrease in the Parks budget is attributable to a \$20,000 savings in pool chemical costs, the freezing of one Irrigation Technician position and one Grounds Maintenance Worker position, and a reduction in travel costs.

GENERAL FUND

OVERVIEW

2010-11 GENERAL FUND BUDGETS BY FUNCTION



NOTE: The function of Other Includes Non-Departmental and Operating Transfers Out
Source: City of Odessa Finance Department

The Public Safety function including Fire (24.17%), Police (33.41%) and Public Safety Communication (2.97%), totals 60.55% of the total General Fund budget for 2010-11. The next largest use of the General Fund is the Public Works function (15.42%). Sharing the remaining 24.03% of the current General Fund budget are the functions Parks & Recreation (6.81%), Finance (6.42%), General Government (5.49%), Other (2.99%), and Administrative Services (2.32%).

GENERAL FUND

CAPITAL OUTLAY

Fund and Department/Division	Item	Item Total	Total
GENERAL FUND			
City Attorney	Data Processing Equipment	<u>\$1500</u>	
	Subtotal City Attorney		\$1,500
Human Resources	Data Processing Equipment	<u>2,729</u>	
	Subtotal Human Resources		2,729
Public Safety Communications	Furniture & Office Equipment	<u>8,600</u>	
	Subtotal Pub. Safety Comm.		8,600
Information Services	Data Processing Equipment	<u>45,001</u>	
	Subtotal Information Services		45,001
Public Works			
Engineering	Data Processing Equipment	19,200	
Building Inspection	Office Equipment	4,698	
Traffic Engineering	Traffic Infrastructure Improvements & Other Traffic Projects	<u>24,998</u>	
	Subtotal Public Works		48,896
Fire Department			
Administration	Data Processing Equipment	3,128	
Fire - GIS	Data Processing Equipment	<u>15,000</u>	
	Subtotal Fire		18,128
Police Department			
Patrol Operations	Machinery & Equipment	56,000	
	Data Processing Equipment	13,745	
	Technology Replacement	<u>100,000</u>	
			169,745
TOTAL CAPITAL OUTLAY – GENERAL FUND			<u>\$294,599</u>

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

General Fund
Detail by Department/Division

GENERAL FUND
DEPARTMENTS/DIVISIONS

City Council
City Secretary
City Attorney
Office of the City Manager
Human Resources
Building Services
Public Safety Communications
Planning and Development
Finance
Purchasing
Municipal Court
Information Services
Non-Departmental
Outside Agencies
Operating Transfers Out
Special Projects
Public Works Administration
Engineering
Building Inspection
Traffic Engineering
Street
Parks and Recreation
Fire
Police
Neighborhood Development Services

CITY COUNCIL

Mission

The City Council is the legislative policy-making body of the City that approves contracts, adopts regulatory ordinances and resolutions, approves the annual budget, determines the tax rate, provides direction to the City Manager and other Council appointees and provides a forum for active community participation in setting and achieving City policies, goals and objectives.

Departmental Goals/(City's Value Statement Goals)	Number of Services Provided										
<ol style="list-style-type: none"> 1. Continue participating in the Council of Government meetings./(Organization) 2. Publish the State of the City annual report for the citizens./(Service) 3. Address quality of life issues through the Capital Improvement Projects./(Direction) 	<table border="1" style="margin: 0 auto; border-collapse: collapse;"> <caption>Number of Services Provided</caption> <thead> <tr> <th>Fiscal Year</th> <th>Number of Services</th> </tr> </thead> <tbody> <tr> <td>2008-09</td> <td>12</td> </tr> <tr> <td>2009-10</td> <td>12</td> </tr> <tr> <td>2010-11</td> <td>12</td> </tr> </tbody> </table>			Fiscal Year	Number of Services	2008-09	12	2009-10	12	2010-11	12
Fiscal Year	Number of Services										
2008-09	12										
2009-10	12										
2010-11	12										
Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>								
<u>Effectiveness</u>											
<ol style="list-style-type: none"> 1. Provide cost effective and efficient City services to the citizens of Odessa. Review opportunities to consolidate like-services with other governmental entities. 2. Provide consistent and informative communication. Publish an annual report for the citizens of Odessa. 3. Offer the opportunity for citizen involvement and input. Encourage citizen involvement by the appointment of citizens to boards, commissions, and special task forces. Currently, 153 citizens participate on these boards, commissions and special task forces. 	12	12	12								
	N/A	100%	100%								
	100%	100%	100%								

CITY COUNCIL

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$2,379	\$3,229	\$3,229	\$3,229
Supplies	6,356	8,000	8,000	7,500
Services	15,653	20,295	20,295	14,741
Maintenance	0	0	0	0
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$24,388	\$31,524	\$31,524	\$25,470

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Mayor	1	1	1
Councilmembers	<u>5</u>	<u>5</u>	<u>5</u>
Total Personnel	6	6	6

CITY SECRETARY

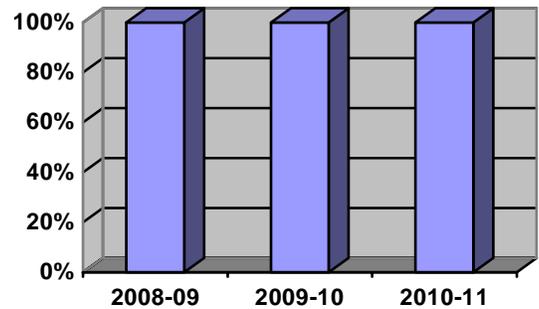
Mission

The City Secretary is primarily responsible for providing and preserving accurate records of minutes, ordinances, resolutions and proclamations; preparing agendas and attending all Council meetings and bid opening meetings; overseeing municipal elections, administering the City Seal, meeting legal requirements for posting and publishing all legal notices, accepting all bids and serving as Assistant Secretary to the Odessa Development Corporation. The City Secretary serves as a liaison between citizens and the Mayor and City Council.

Departmental Goals/(City's Value Statement Goals)

1. Be proficient in compiling the Council Agenda on electronic medium./(Excellence)
2. Strive for accurate and concise minutes./(Excellence)
3. Provide accurate records upon request in a timely manner./(Excellence)
4. Administer the Records Management Program for departments./(Service)

% of Resolutions & Ordinances Scanned



Objectives / Performance Measures

Effectiveness

1. Accurately record and transcribe the minutes of City Council and other meetings within 5 days.
2. Provide retrieval of information for citizens and staff within 5 days.
3. Maintain official documents including deeds, agreements, agendas, minutes, resolutions, ordinances, and election registers in an organized manner that provides quick retrieval of accurate information and the safe archival of records.
4. Ensure that the municipal elections are conducted in accordance with all state and federal laws; have fair and equitable processing of the candidates in a courteous and competent manner.
5. Scan all ordinances & resolutions for easy retrieval.
6. Systematically maintain all ordinances, minutes, and resolutions in the Council Minute Books.

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
--	-----------------------------	-------------------------------	-----------------------------

	100%	100%	100%
	95%	95%	95%
	100%	100%	100%
	N/A	100%	N/A
	100%	100%	100%
	100%	100%	100%

CITY SECRETARY

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$123,754	\$124,695	\$124,695	\$126,515
Supplies	9,154	8,000	8,000	8,500
Services	19,698	34,595	33,447	30,658
Maintenance	0	0	0	0
Capital Outlay	<u>3,389</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$155,995	\$167,290	\$166,142	\$165,673

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
City Secretary	1	1	1
Administrative Assistant	1	1	1
Total Personnel	2	2	2

CITY ATTORNEY

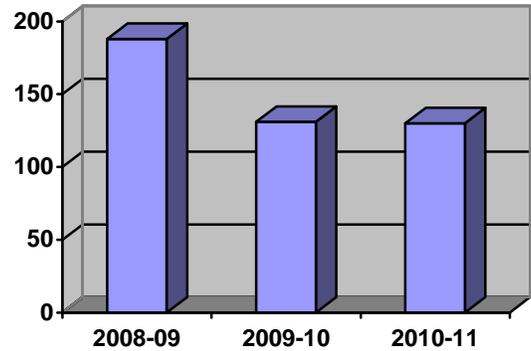
Mission

The mission of the Legal Department of the City is to serve the City Council, City Departments, and the public by providing legal counsel, preparing contracts and other legal documents. It is also to provide legislative assistance and representation before courts and boards, with ability and in a timely, courteous and professional manner. This includes insuring the legality of City operations and protecting the legal rights of the City, reducing liability risk and assisting the City in accomplishing its goals and objectives.

Departmental Goals/(City's Value Statement Goals)

- 1. Increase the Legal Department's level of performance for the 2010-11 fiscal year./(Excellence)

Number of Contracts Prepared



Objectives / Performance Measures

Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Contracts Prepared – Includes the following types of contracts: Consultant, Franchise & Public Utility, General (including CDBG and Outside Agencies), Leases, Water and Economic Development * Industrial District contracts renew every seven years. District 1 renewed in 08-09.	188	131	130
2. Resolutions and Ordinances Prepared	175	158	160
3. Collections:			
Suits Filed	30	8	20
Collection From Suits	\$2,201	\$356	\$1,500
Total Collection From Payment Arrangements After Filing Suit	\$1,287	\$570	\$1,500
Total Collected from Judgments	\$5,777	\$1,698	\$2,000
Total Collected from Liens	\$2,776	\$7,840	\$4,000

CITY ATTORNEY

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$843,527	\$862,146	\$862,146	\$968,252
Supplies	6,981	14,811	12,230	11,230
Services	30,329	31,097	31,097	29,667
Maintenance	11,976	16,475	16,475	15,040
Capital Outlay	<u>0</u>	<u>1,552</u>	<u>0</u>	<u>1,500</u>
Total Expenditures	\$892,813	\$926,081	\$921,948	\$1,025,689

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
City Attorney	1	1	1
Senior Assistant Attorney	1	1	2
Assistant City Attorney	2	2	3
Assistant City Attorney – Civil	1	1	0
Juvenile Case Manager **	1	1	1
Legal Assistant*	1	1	1
Legal Assistant – Criminal	1	1	1
Executive Legal Secretary	1	1	1
Administrative Legal Secretary - Civil	1	1	1
Administrative Legal Secretary – Criminal	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	11	11	12
Funding Sources:			
General Fund	9.5	9.5	10.5
Water and Sewer *	0.5	.5	.5
School Attendance Court Grant **	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	11	11	12

OFFICE OF THE CITY MANAGER

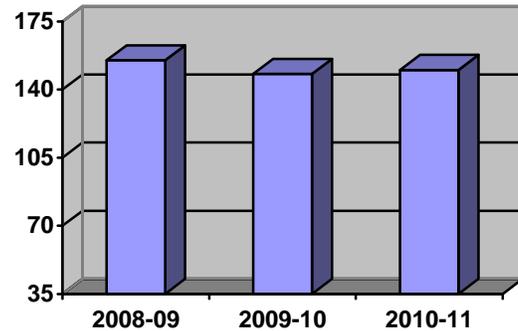
Mission

On behalf of City Council directives and policies, the Office of the City Manager administers City affairs to provide for all basic municipal services within set financial guidelines, advising the City Council on the financial condition, administrative activities and internal and external needs of the City, including plans for the City's future development, while acting as a liaison between the governing body, municipal employees, and the public.

Departmental Goals/(City's Value Statement Goals)

1. Provide leadership to the organization based on the City's Core Values./(Organization, Direction, Excellence, Service, Support, Attitude)
2. Ensure that the goals and objectives of City departments fulfill City Council directives./(Direction)
3. Provide leadership and coordinate the City's role in local, regional, state, and federal intergovernmental issues./(Direction)
4. Provide leadership and communicate with citizens and the news media on city-wide issues./(Direction)

**Resolutions / Ordinances Posted For
Citizen Review**



Objectives / Performance Measures

	FY 2008-09	FY 2009-10	FY 2010-11
1. Economic Development Support	<u>Actual</u>	<u>Estimate</u>	<u>Target</u>
a. Support Business Diversification– ODC Job Creation Initiatives	95	174	100
b. Support development at JBS Parkway and BI-20 interchange	100%	100%	100%
2. Enhancement of Positive City Image			
a. Oversee implementation of Stormwater Mgmt Program	10%	90%	100%
b. N'borhood "Sweeps" – Cleanup Campaign- Tons	125	130	135
c. Maintain status as Tree City USA	100%	100%	100%
d. Guide Parks Master Plan Priorities	40%	80%	100%
3. Crime Reduction			
a. Continue Citizens On Patrol / Academy	100%	100%	100%
b. Support CopLogic Online Reporting for Citizens	100%	100%	100%
c. Continue Advertising PD Safe Zones - Patrolling	100%	100%	100%
4. Productivity and Service Enhancements			
a. Provide enhanced IVR system 24/7 for water / sewer / trash customer payment arrangements	80%	100%	100%
b. Normal Equipment Replacement (\$)	\$2,876,627	\$4,980,122	\$1,939,000
5. Intergovernmental Cooperation			
a. Continue School Attendance Court – E.C.I.S.D	100%	100%	100%
b. CAPP Membership – Co-op Electrical Purchases	100%	100%	100%
6. Retaining / Recruiting Qualified Personnel			
a. Continuation of Step Increases, Incentive Pays for qualifying employees	100%	100%	100%
b. Partner with schools to promote careers in public service	90%	95%	100%

OFFICE OF THE CITY MANAGER

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$741,414	\$745,264	\$745,264	\$756,021
Supplies	11,889	15,996	15,996	15,996
Services	36,351	32,495	32,495	22,944
Maintenance	0	550	550	550
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$789,654	\$794,305	\$794,305	\$795,511

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
City Manager	1	1	1
Assistant City Manager / Administrative Services	1	1	1
Assistant City Manager/Community Services	1	1	1
Internal Auditor	1	1	1
Public Information Coordinator	1	1	1
Executive Secretary to the City Manager	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	6	6	6

HUMAN RESOURCES

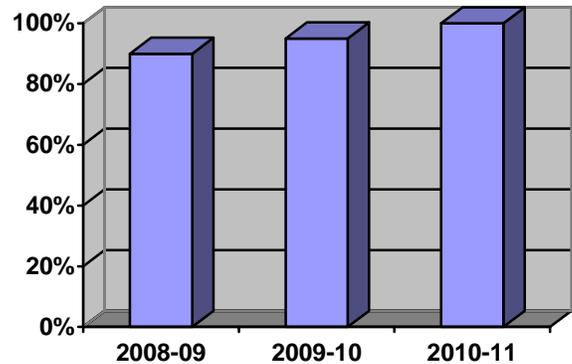
Mission

The Human Resources Department provides internal and external customer service within the City of Odessa municipal organization. The department exists to promote an environment that will optimize the relationship between the City of Odessa's mission and goals and employees' employment objectives. The department strives to achieve this mission through oversight of fair, equitable, and consistent employment policies, recruitment, and retention of employees with outstanding talent and abilities; promotion of an environment that provides stimulating and challenging work; and emphasis toward a unique and diverse organization.

Departmental Goals/(City's Value Statement Goals)

1. Recruit & hire quality employees./(Excellence)
2. With Legal Department, revise the Personnel Policies & Procedures Manual as needed./(Organization)
3. Use paperless alternatives when possible./(Direction)
4. Verify accuracy of position descriptions./(Excellence)
5. Follow-up on employees their first year./(Attitude)
6. Maintain/improve HR Information System./(Service)
7. Review and improve service./(Excellence)
8. Provide a kiosk in HR./(Service)
9. Maintain & improve HR website./(Excellence)

Provide Supervisor Training



Objectives / Performance Measures

Effectiveness

1. Acquire training and increase the number of qualified trainers.
2. Develop and promote training programs.
3. Offer monthly Lunch 'N Learn sessions.
4. Provide supervisory training.
5. Automate the job application process & employee history files.
6. Make recommendations concerning compensation.
7. Work to improve employee retention.
8. Follow up on employees during their first year.
9. Ensure that HR personnel visit every employee at his/her work site.
10. Coordinate Annual Employee Picnic & Service Awards Recognition Banquet.
11. Partner with schools to promote careers in public service.

Workload

1. Number of Grievances Filed
2. Percent of Grievances Resolved Before Passing From Management Control

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Acquire training and increase the number of qualified trainers.	80%	85%	90%
2. Develop and promote training programs.	90%	95%	100%
3. Offer monthly Lunch 'N Learn sessions.	10%	15%	20%
4. Provide supervisory training.	90%	95%	100%
5. Automate the job application process & employee history files.	90%	95%	100%
6. Make recommendations concerning compensation.	100%	100%	100%
7. Work to improve employee retention.	90%	90%	90%
8. Follow up on employees during their first year.	30%	45%	50%
9. Ensure that HR personnel visit every employee at his/her work site.	30%	40%	50%
10. Coordinate Annual Employee Picnic & Service Awards Recognition Banquet.	100%	100%	100%
11. Partner with schools to promote careers in public service.	85%	90%	95%
1. Number of Grievances Filed	8	5	3
2. Percent of Grievances Resolved Before Passing From Management Control	100%	100%	100%

HUMAN RESOURCES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$469,103	\$413,631	\$413,631	\$406,201
Supplies	531	14,454	12,777	12,777
Services	79,917	109,157	109,157	83,620
Maintenance	30	1,407	350	9,350
Capital Outlay	<u>1,801</u>	<u>2,729</u>	<u>2,729</u>	<u>2,729</u>
Total Expenditures	\$551,382	\$541,378	\$538,644	\$514,677

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Human Resources	1	1	1
Human Resource Assistant	1	0	0
Senior Human Resource Specialist	1	1	1
Human Resource Specialist – Public Safety	1	1	1
Human Resource Specialist - Administration	0	1	1
Human Resource Coordinator	1	1	1
Human Resource Clerk	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	6	6	6

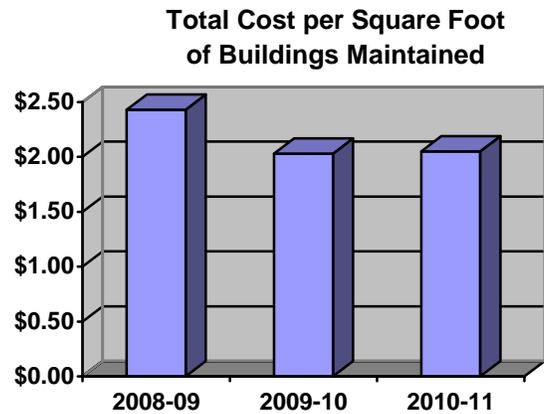
BUILDING SERVICES

Mission

Maintain and operate all City owned and operated buildings in a cost efficient, safe and comfortable manner.

Departmental Goals/(City's Value Statement Goals)

1. Remove graffiti and cover paint to return facilities to their original texture./(Service)
2. Provide training & cross-training to further employees' growth and development./(Excellence)
3. Inspect all City-owned buildings for black mold./(Service)
4. Remodel certain rooms in City-owned buildings as requested./(Service)



Objectives / Performance Measures

Effectiveness

1. Clean and paint out 2,000 square feet of graffiti each month.
2. Clean and paint out graffiti on all major thoroughfares.
3. Percentage of citizen survey responses indicating that neighborhood problems (including graffiti) are "not at all a problem" or "only a small problem" in the community.
4. Cross-train 100% of employees each year in multiple skills: carpenter-painter, plumber-HVAC technician, electrician-carpenter.
5. Inspect 100% of buildings for black mold annually.
6. Remove or replace Christmas lights located on Grant Ave. buildings from I-20 to 1700 N. Grant.

Efficiency

1. Total Cost per Square Foot of City Office Buildings Maintained
2. Operating Cost (Minus Personal Services) per Square Foot of City Office Buildings Maintained

Workload

1. Janitorial Service Contract Costs

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
	85%	60%	90%
	96%	100%	100%
	81%	85%	82%
	18%	25%	25%
	100%	100%	100%
	0%	10%	10%
	\$2.43	\$2.03	\$2.05
	\$1.47	\$0.96	\$0.95
	\$168,099	\$200,702	\$200,702

BUILDING SERVICES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$664,925	\$725,067	\$725,067	\$736,029
Supplies	5,329	6,430	6,430	6,430
Services	445,729	480,140	480,140	486,394
Maintenance	383,861	157,505	149,410	149,410
Capital Outlay	<u>191,719</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$1,691,563	\$1,369,142	\$1,361,047	\$1,378,263

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Building Services	1	1	1
Building Service Superintendent	1	1	1
Maintenance Supervisor	1	1	1
Senior Administrative Assistant	1	1	1
Journeyman Electrician	1	1	1
Journeyman Plumber	1	1	1
Carpenter	1	1	1
HVAC Technician	1	1	1
Senior Building Maintenance Technician	2	2	2
Building Maintenance Technician	2	2	2
Painter	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	13	13	13

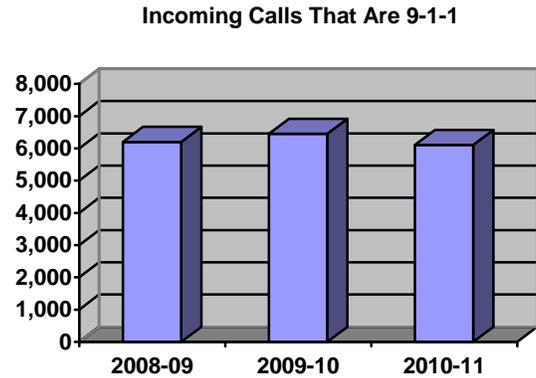
PUBLIC SAFETY COMMUNICATIONS

Mission

Public Safety Communications receives, processes, and dispatches calls for service for Police, Fire and Emergency Medical Service (EMS) in a timely, courteous manner for anyone requesting assistance. This is accomplished by obtaining complete, accurate information from callers and forwarding the necessary information to emergency service personnel in order to protect the lives and property of all individuals involved.

Departmental Goals/(City's Value Statement Goals)

1. Respond to an industry-wide 9-1-1 public safety shortage by:
 - a) recruiting & retaining staff/(Direction)
 - b) preventing a reduction in staff/(Direction)
2. Improve fire/law call taking and CAD skills by:
 - a) performing random supervisor review of calls & offering specific coaching/(Excellence)
 - b) improving EMD review/(Excellence)
 - c) increasing annual "Continuing Education" hours by both class and resource material/(Excellence)



Objectives / Performance Measures

Effectiveness

1. Medical (Delta) Responses Entered Into CAD per EMS Protocol
2. Fire Responses Entered Into CAD Within 30/50 Seconds Following Call-Taking Interview
3. Police (Priority 1) Calls Entered Into CAD Within 60 Seconds Following Call-Taking Interview
4. Police (Priority 2) Calls Entered Into CAD Within 90 Seconds Following Call-Taking Interview
5. EMS (Delta) Calls Dispatched in 40 Seconds
6. Police (Priority 1) Calls Dispatched in 60 Seconds or Advise Police Field Supervisor of Pending Priority Call
7. Police (Priority 2) Calls Dispatched in 120 Seconds or Advise Police Field Supervisor of Pending Priority Call
8. Fire Calls Dispatched in 30/50 Seconds

FY 2008-09
Actual

FY 2009-10
Estimate

FY 2010-11
Target

99%	99%	99%
99%	99%	99%
99%	99%	99%
99%	99%	99%
99%	99%	99%
99%	99%	99%
99%	99%	99%
99%	99%	99%

Workload

1. All Telephone Calls to PSAP Serving Ector County
2. Incoming Calls That Are 9-1-1
3. Police Administration
4. Fire Administration Lines

Monthly Avg.

Monthly Avg.

Monthly Avg.

31,000	29,100	26,219
6,200	6,450	6,109
22,100	21,050	18,728
1,620	1,650	1,382

PUBLIC SAFETY COMMUNICATIONS

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,624,676	\$1,645,188	\$1,645,188	\$1,694,925
Supplies	18,951	17,097	17,097	16,097
Services	26,994	39,443	39,443	36,352
Maintenance	156	7,400	7,400	11,086
Capital Outlay	<u>24,498</u>	<u>8,600</u>	<u>8,600</u>	<u>8,600</u>
Total Expenditures	\$1,695,275	\$1,717,728	\$1,717,728	\$1,767,060

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Public Safety Communications	1	1	1
Dispatcher IV	1	1	1
Dispatcher III	2	5	5
Dispatcher II	6	2	2
Dispatcher I *	3	1	1
Public Safety Communications Supervisor	3	3	3
Public Safety Communications Supervisor Night	2	2	2
Dispatcher III Night	5	5	5
Dispatcher II Night	6	4	4
Dispatcher I Night	2	1	1
Senior Administrative Assistant **	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	32	26	26
Funding Sources:			
General Fund	28.5	25.5	25.5
9-1-1 Funding *	3	0	0
Equipment Service Fund **	<u>.5</u>	<u>.5</u>	<u>.5</u>
Total Personnel	32	26	26
** ½ Funded by Public Safety Communications, ½ Funded by Communications.			

PLANNING AND DEVELOPMENT

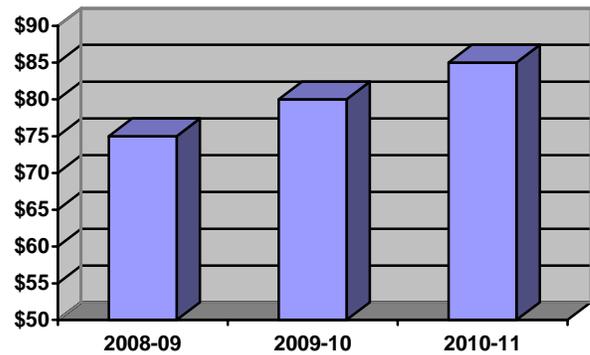
Mission

The Planning Department is responsible for coordinating the comprehensive planning activities of the City, administering the subdivision regulations and coordinating the pre-development phase of the development of private property. The program activities include processing zoning change requests, special user permits, preliminary plats, final plats, replats, annexations, technical site plans, variances, special exceptions, appeals and certificates of appropriateness. The Department is responsible for maintaining and updating the zoning ordinance based on state law, demographic database and development trends. The Department provides staff support to the City Council, Planning and Zoning Commission, Historic Preservation Commission and Zoning Board of Adjustment.

Departmental Goals/(City's Value Statement Goals)

1. Provide Planning and Zoning Commission, Zoning Board of Adjustment & Historic Preservation Commission with up-to-date information & professional staff assistance./(Support)
2. Respond to inquiries in a timely and accurate manner./(Service)
3. Provide high quality and cost-effective services to the public./(Excellence)

Average Cost Per Plan Reviewed



Objectives / Performance Measures

Effectiveness

1. Percentage of Initial Submittals Reviewed Within Two Days
2. Percentage of Applicants Satisfied With Plan Review
3. Percentage of Total Cases Meeting Approval

Efficiency

1. Average Cost per Plan Reviewed
2. Average Cost per Information Request
3. 12-City Comparative Survey – Number of Cases Processed per Planner for the Fiscal Year

Workload

1. Number of Plans Submitted for Review

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Percentage of Initial Submittals Reviewed Within Two Days	95%	95%	95%
2. Percentage of Applicants Satisfied With Plan Review	97%	97.5%	97.5%
3. Percentage of Total Cases Meeting Approval	96%	96%	96%
1. Average Cost per Plan Reviewed	\$75	\$80	\$85
2. Average Cost per Information Request	\$33	\$35	\$35
3. 12-City Comparative Survey – Number of Cases Processed per Planner for the Fiscal Year	Mean: 26 Odessa: 44	Median: 28 Odessa: 40	Median: 28 Odessa: 40
1. Number of Plans Submitted for Review	425	420	400

PLANNING AND DEVELOPMENT

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$294,552	\$299,504	\$299,504	\$303,961
Supplies	3,784	3,800	3,800	3,800
Services	17,019	17,533	17,533	15,636
Maintenance	0	0	0	0
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$315,355	\$320,837	\$320,837	\$323,397

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Planning	1	1	1
Planner	1	1	1
Planning Technician	1	1	1
Senior Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	4	4	4

FINANCE

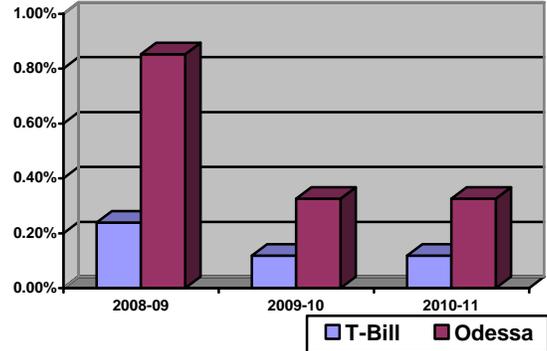
Mission

The Finance Department strives to provide timely and accurate financial information to the citizens, Council, and the employees of the City of Odessa. The main objective is to minimize short and long term costs of financial services by efficiently monitoring and managing City resources.

Departmental Goals/(City's Value Statement Goals)

1. Administer the budget process as a sound basis for planning, financial analysis and decision-making for departments, management and Council. (Service)
2. Account, analyze, and report financial data internally and externally on a timely basis. (Excellence)
3. Generate cash disbursements in an accurate and timely manner. (Support)
4. Invest & maintain city funds in an efficient & prudent manner for maximum fiscal stability. (Excellence)

**Annual Rate of Return Comparison
Odessa Investments vs. 3 Mth. T-Bill**



Objectives / Performance Measures

Effectiveness

1. All Employee Payroll Checks Calculated, Printed and Distributed No Later Than the 5th and 20th of Each Month
2. Accurately Calculate Employee Payroll Checks 100% of the Time
3. Rate of Return on Investments to Equal or Exceed the Annual Average of the 3-Month T-Bill Rate of Return
4. Certified Annual Financial Report (CAFR) Awarded a "Clean Opinion" in External Audit
5. Annual GFOA Certificate of Achievement for Financial Reporting
6. Annual GFOA Distinguished Budget Award

Workload

1. Debt Service Per General Fund Expenditures
2. Number of Accounts Payable Checks Processed
3. Number of Payroll Checks Processed

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
	100%	100%	100%
	100%	100%	100%
	T-Bill: 0.2392% City: 0.8525%	T-Bill: 0.1182% City: 0.3255%	T-Bill: 0.1182% City: 0.3255%
	100%	100%	100%
	24	25	26
	23	24	25
	4.68%	4.83%	4.93%
	12,526	11,313	11,313
	21,333	21,680	21,680

FINANCE

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$647,220	\$655,491	\$655,491	\$666,412
Supplies	18,151	20,287	20,287	20,287
Services	106,420	118,507	117,709	112,469
Maintenance	1,647	6,500	6,500	6,500
Capital Outlay	<u>4,008</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$777,446	\$800,785	\$799,987	\$805,668

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Finance	1	1	1
Chief Accountant	1	1	1
Jr. Accountant	1	1	1
Bookkeeper	1	1	1
Budget Manager	1	1	1
Payroll Specialist	1	1	1
Accountant	1	1	1
Budget Analyst	1	1	1
Senior Administrative Assistant	1	1	1
Finance Clerk	<u>2</u>	<u>2</u>	<u>2</u>
Total Personnel	11	11	11

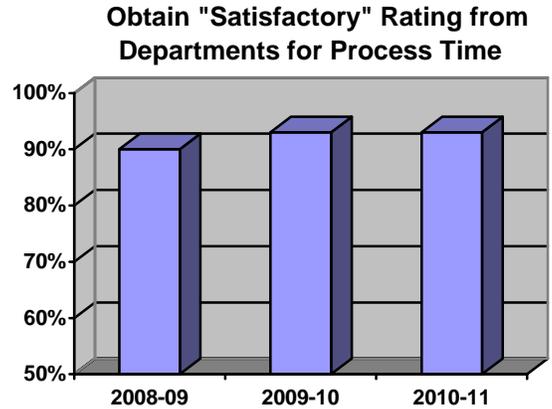
PURCHASING

Mission

The Purchasing Department supports all departments and divisions within the City of Odessa by providing centralized procurement of quality goods and services in an accurate, timely, cost effective and courteous manner while ensuring compliance with City policy and State of Texas statutes.

Departmental Goals/(City's Value Statement Goals)

1. Continue to achieve/improve upon performance measures./(Excellence)
2. Edit vendor base for formal bids in an effort to maintain a competitive environment./(Organization)
3. Expand local market for all purchases./(Excellence)



Objectives / Performance Measures

Effectiveness

1. Process routine requisitions (under \$500) within three (3) days.
2. Process standard requisitions (informal) within ten (10) days.
3. Process emergency requisitions within two (2) days.
4. Meet user specifications for goods/services.
5. Obtain from user departments a minimum rating of "satisfactory" for process time.
6. Obtain from user departments a rating which indicates that Purchasing personnel are helpful throughout the purchasing process.

FY 2008-09

Actual

89%

88%

91%

100%

90%

97%

FY 2009-10

Estimate

89%

89%

92%

100%

93%

97%

FY 2010-11

Target

90%

90%

92%

100%

93%

100%

PURCHASING

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$451,490	\$451,591	\$451,591	\$458,293
Supplies	22,283	13,575	13,434	13,434
Services	48,447	56,633	56,633	55,261
Maintenance	5,530	16,523	16,263	16,263
Capital Outlay	0	0	0	0
Lease Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$527,750	\$538,322	\$537,921	\$543,251

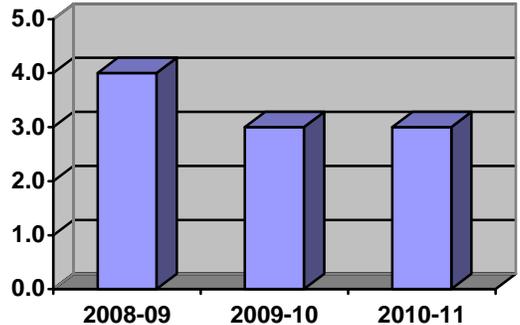
Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Purchasing	1	1	1
Senior Buyer	1	1	1
Buyer	1	1	1
Warehouse Supervisor	1	1	1
Warehouse Assistant	1	1	1
Print Shop Supervisor	1	1	1
Print Shop Assistant	1	1	1
Senior Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	8	8	8

MUNICIPAL COURT

Mission

The Municipal Court exists to provide defendants and all other individuals and agencies involved in the judicial process with impartial, competent, effective, and efficient case management.

Departmental Goals/(City's Value Statement Goals) 1. Improve utilization of software./(Excellence) 2. Become a court of record./(Direction) 3. Implement VOIP Telephone System./(Excellence) 4. Improve building security & monitoring./(Direction)	Number of Days to Enter Citations Into System										
	 <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <caption>Data for: Number of Days to Enter Citations Into System</caption> <thead> <tr> <th>Fiscal Year</th> <th>Number of Days</th> </tr> </thead> <tbody> <tr> <td>2008-09</td> <td>4.0</td> </tr> <tr> <td>2009-10</td> <td>3.0</td> </tr> <tr> <td>2010-11</td> <td>3.0</td> </tr> </tbody> </table>			Fiscal Year	Number of Days	2008-09	4.0	2009-10	3.0	2010-11	3.0
Fiscal Year	Number of Days										
2008-09	4.0										
2009-10	3.0										
2010-11	3.0										
Objectives / Performance Measures <u>Effectiveness</u>	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>								
1. On average, customers are to reach the service window within 15 minutes.	15 minutes	10 minutes	15 minutes								
2. On average, a clerk is to complete a customer's transaction within 5 minutes of reaching the window.	6 minutes	6 minutes	10 minutes								
3. Increase annual disposition rates by 1.5% each year.	96%	100%	94%								
4. 100% of all certified clerks should receive training each year to maintain certification.	100%	100%	100%								
6. On average, new citations should be entered into the system within 2 working days.	4 days	3 days	3 days								
7. All mailed in payments should be processed within 1 day of receipt.	5 days	3 days	2 days								

MUNICIPAL COURT

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,063,408	\$1,275,712	\$1,275,712	\$978,096
Supplies	46,302	34,481	34,481	32,481
Services	103,442	111,194	111,194	61,810
Maintenance	22,343	9,912	9,912	7,412
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$1,235,495	\$1,431,299	\$1,431,299	\$1,079,799

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Municipal Court	1	1	1
Municipal Court Judge	1	1	1
Bailiff *	2	2	2
Warrant Officer (Corporal)	1	2	0
Municipal Court Supervisor	2	2	2
Deputy Court Clerk **	19	16	16
Associate Municipal Court Judge	1	1	1
Bailiff/Warrant Officer	1	0	0
Judicial Assistant	1	1	1
Technology Specialist – Municipal Court	<u>0</u>	<u>1</u>	<u>1</u>
Total Personnel	29	27	25
Funding Sources:			
General Fund	24	21	19
Security Fund *	2	2	2
Technology Fund *	0	1	1
School Attendance Court Grant **	<u>3</u>	<u>3</u>	<u>3</u>
Total Personnel	29	27	25

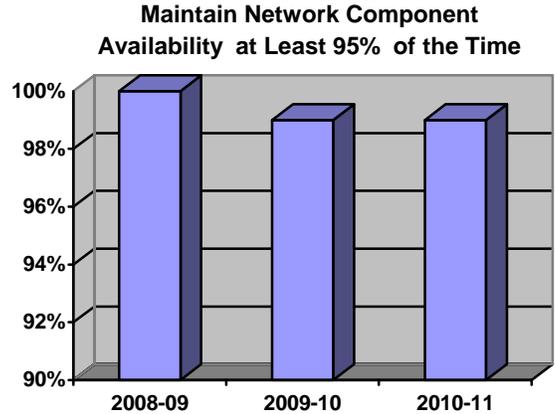
INFORMATION SERVICES

Mission

In order for City of Odessa employees to meet the business needs of the City, Information Services offers City departments telecommunications and data processing services that provide comprehensive electronic communications, responsive system access, data integrity and data security in a way that reflects service excellence qualities of technical ability, timeliness, reliability and personalized attention.

Departmental Goals/(City's Value Statement Goals)

1. Continue efforts to eliminate paper forms by creating & managing electronic documents./(Support)
2. Continue to provide state-of-the-art computer and communications tools for City staff./(Excellence)



Objectives / Performance Measures

Effectiveness

1. Provide AS/400 system availability to meet all critical application scheduling requirements.
2. Maintain critical network component availability at 95% or better of scheduled availability.
3. Maintain central radio system availability 100% of the time.
4. Respond to all critical computer and radio system emergencies within two hours.
5. Maintain a customer work order satisfaction level of good/excellent 95% of the time.

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1.	99%	99%	99%
2.	100%	99%	99%
3.	99%	99%	99%
4.	100%	100%	100%
5.	100%	100%	100%

INFORMATION SERVICES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$995,254	\$1,040,042	\$1,040,042	\$1,047,880
Supplies	26,134	36,627	35,500	46,500
Services	40,131	41,775	41,775	29,172
Maintenance	189,219	220,639	220,639	223,595
Capital Outlay	<u>23,517</u>	<u>89,125</u>	<u>56,001</u>	<u>45,001</u>
Total Expenditures	\$1,274,255	\$1,428,208	\$1,393,957	\$1,392,148

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Information Services	1	1	1
Network Support Specialist	2	2	2
Systems Manager *	1	1	1
Senior Programmer/Analyst	1	1	1
PC Support Specialist	2	2	2
Database Support Specialist	1	1	1
Web Master	1	1	1
System Administrator	1	1	1
Technical Applications Specialist	3	3	3
Public Safety PC Support Specialist	1	1	1
System Support Specialist	1	1	1
Communications Manager	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	16	16	16
Funding Sources:			
General Fund	15	15	15
Water and Sewer Fund *	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	16	16	16

GENERAL FUND – NONDEPARTMENTAL

Mission

General Fund Non-Departmental provides services beneficial to all General Fund operations. These include: general liability, property insurance, City-wide memberships, and property appraisal and collection of taxes by the Ector County Appraisal District.

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services *	\$40,281	(\$200,000)	(\$200,000)	(\$168,168)
Supplies	0	0	0	(25,000)
Services	1,306,812	1,548,695	1,548,695	1,560,940
Maintenance	30,606	0	0	0
Capital Outlay	8,326	1,680	0	0
Lease Payments	111,303	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$1,497,328	\$1,350,375	\$1,348,695	\$1,367,772
* Funds ½ of Financial Reporting Accountant position.				

GENERAL FUND

Outside Agencies

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Teen Court	\$45,654	\$45,713	\$45,377	\$45,377
Crime Stoppers	<u>34,623</u>	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>
Total Expenditures	\$80,277	\$80,713	\$80,377	\$80,377

Operating Transfers Out

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Capital Outlay	0	0	0	0
Operating Transfers Out	<u>207,511</u>	<u>329,000</u>	<u>329,000</u>	<u>329,000</u>
Total Expenditures	\$207,511	\$329,000	\$329,000	\$329,000

Special Projects

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Additional Demolition Funds	\$0	\$54,999	\$0	\$0
Civic Center Study	0	75,000	0	0
Voice Over IP System	32,374	367,626	0	0
Comprehensive Plan/Downtown Growth Plan	0	200,000	0	0
GIS Upgrade	0	0	0	0
HTE Upgrade, Tiburon Upgrade	122,838	39,442	0	0
Supplemental Requests	<u>1,814,832</u>	<u>527,760</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$1,970,044	\$1,264,827	\$0	\$0

PUBLIC WORKS ADMINISTRATION

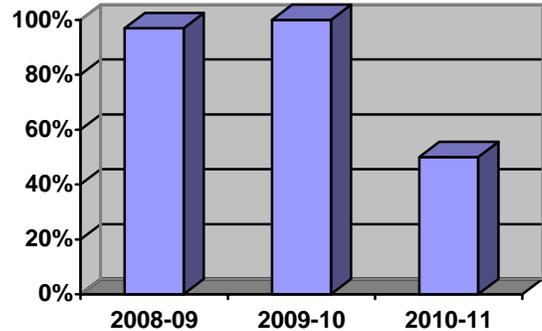
Mission

Public Works Administration provides direction and coordination of divisions in Public Works, consisting of Engineering, Building Inspection, Street, Traffic, Storm Water, and Solid Waste, including Household Hazardous Waste Management. These divisions of Public Works are responsible for the design, operation, and maintenance of public works improvements including streets, alleys, drainage improvements, trash pick-up and disposal, signing and traffic signal light improvements. The Administration section responds to requests from divisions and coordinates responses to private citizens, developers, and other governmental entities.

Departmental Goals/(City's Value Statement Goals)

1. Promote development and make infrastructure improvements throughout the city./(Direction)
2. Continue to work with the GIS Office to create databases for the GIS System./(Support)
3. Continue project development for the JBS Parkway/FM 3503 extension project & the extension of Spur 588, Faudree Rd./(Service)
4. Implementation of Public Works Infrastructure Capital Improvement Plan./(Service)

**Public Works CIP Projects
Percent of Completion**



Objectives / Performance Measures

Effectiveness

1. Timely Developer Responses – Continue current efforts to coordinate between developers and City departments to provide information for proposed projects in Odessa by value of completed right-of-way construction permits.
2. Percent of completion of projects in the Public Works Infrastructure Capital Improvements Plan.

FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
\$15.4 million	\$12 million	\$13 million
97%	100%	50% *

* Proposed 2011 Funding for Street and Drainage Improvements

PUBLIC WORKS ADMINISTRATION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$203,012	\$204,774	\$204,774	\$207,698
Supplies	2,381	1,687	1,687	1,687
Services	4,504	5,462	5,462	4,250
Maintenance	0	250	250	250
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$209,897	\$212,173	\$212,173	\$213,885

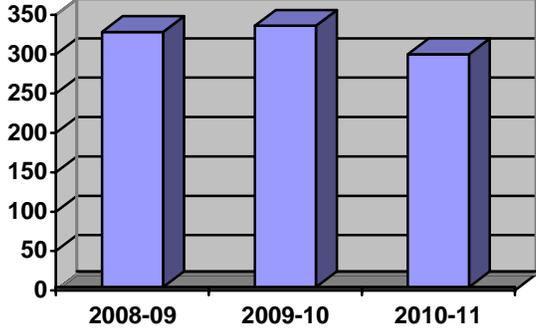
Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Public Works	1	1	1
Senior Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	2	2	2

ENGINEERING

Mission

In order to promote public safety and accessibility and to maintain the quality of design, information and construction standards, the Engineering Division provides clear and concise technical design advice and services, and implements City ordinances in a courteous and timely manner for City divisions, governmental agencies, private entities, and citizens.

Departmental Goals/(City's Value Statement Goals)	Right-of-Way Permits Issued										
<ol style="list-style-type: none"> 1. Review plans within 10 days./(Excellence) 2. Provide right-of-way inspections no later than 30 minutes after requested./(Excellence) 3. Provide 800 man-hours of training to division personnel./(Excellence) 	 <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <caption>Right-of-Way Permits Issued Data</caption> <thead> <tr> <th>Year</th> <th>Permits Issued</th> </tr> </thead> <tbody> <tr> <td>2008-09</td> <td>328</td> </tr> <tr> <td>2009-10</td> <td>336</td> </tr> <tr> <td>2010-11</td> <td>300</td> </tr> </tbody> </table>			Year	Permits Issued	2008-09	328	2009-10	336	2010-11	300
Year	Permits Issued										
2008-09	328										
2009-10	336										
2010-11	300										
Objectives / Performance Measures	FY 2008-09	FY 2009-10	FY 2010-11								
<u>Effectiveness</u>	<u>Actual</u>	<u>Estimate</u>	<u>Target</u>								
1. Timely Plan Review (Goal: 10 Days)	<10 Days	< 10 Days	< 10 Days								
2. Timely Right-of-Way Inspections (Goal: 30 Min.)	<30 Minutes	< 30 Minutes	< 30 Minutes								
3. Division Personnel Training (Goal: 800 Man-Hours)	500 Hours	>600 Hours	> 800 Hours								
<u>Workload</u>											
1. Customer Service Questionnaires Distributed	87	90	90								
2. Construction Contracts Awarded	9	11	14								
3. Right-of-Way Permits Issued	328	336	300								
4. Flood Permits Issued	144	100	100								
5. Plats Processed	48	30	40								
6. Map Sales	8	8	10								
7. Plan Reviews	52	60	60								
8. Building Permit Plan Reviews	270	300	300								

ENGINEERING

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,117,708	\$1,222,003	\$1,222,003	\$1,240,092
Supplies	39,097	14,910	14,910	13,210
Services	82,898	81,648	81,648	80,337
Maintenance	36,580	30,500	23,230	23,230
Capital Outlay	<u>31,770</u>	<u>14,292</u>	<u>9,200</u>	<u>19,200</u>
Total Expenditures	\$1,308,053	\$1,363,353	\$1,350,991	\$1,376,069

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
City Engineer	1	1	1
Assistant City Engineer	1	1	1
Civil Engineer	1	1	1
Civil Engineer Associate *	1	1	1
Survey Party Chief	2	2	2
Construction Supervisor	1	1	1
Survey/GIS Supervisor	1	1	1
Drafting Supervisor	1	1	1
Right-of-Way Technician	2	2	2
Construction Inspector *	3	4	4
Senior Drafting Technician	2	2	2
Drafting Technician	1	1	1
Survey Instrument Technician	2	2	2
Administrative Assistant	1	1	1
GIS Analyst	1	1	1
Total Personnel	21	22	22
Funding Sources:			
General Fund	20	20	20
Water & Sewer *	1	2	2
Total Personnel	21	22	22

BUILDING INSPECTION

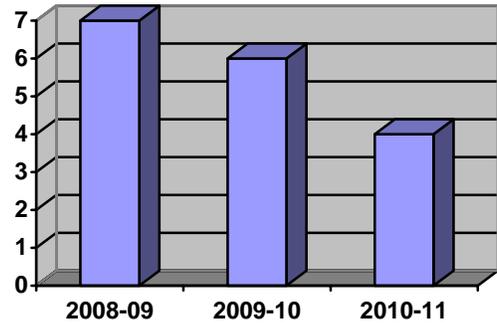
Mission

The Building Inspection Division protects the property, life, health and welfare of the community by enforcing State and Local building codes and provides courteous, efficient plan review, inspections and code enforcement and technical assistance to community building construction/planning advisory boards.

Departmental Goals/(City's Value Statement Goals)

1. Respond to each Customer Suggestion./(Attitude)
2. Review residential plans submitted for permits within 4 days./(Excellence)
3. Review commercial plans submitted for permits within 11 days./(Excellence)
4. Provide timely response for requests for inspections./(Service)
5. Annually update the building, electrical, plumbing, fuel gas, mechanical and energy codes as required by law./(Excellence)

**Review of Residential Plans
(Average Number of Days)**



Objectives / Performance Measures

Effectiveness

1. Utilize and respond to customer suggestions as a means of monitoring Building Inspection services.
2. Provide timely review of residential plans submitted for permits. (5 days)
3. Provide timely review of commercial plans submitted for permits. (11 days)
4. Provide timely response for requests for inspections. (4 hrs. average)
5. Modify and update building, electrical, plumbing, mechanical and energy codes and ordinances as required by State and Federal laws.

Workload

1. New Residential Construction Permits Issued
2. New Commercial Construction Permits Issued
3. Total New Residential Construction Value
4. Total New Commercial Construction Value
5. Total Permits Issued

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
	100%	100%	100%
	7 Days	6 Days	4 Days
	14 Days	14 Days	11 Days
	3 Hrs.	3.75 Hrs.	3 Hrs.
	0 Code	7 Codes	5 Codes
	183	206	250
	45	53	60
	\$27,935,161	\$29,635,557	\$35,000,000
	\$42,549,569	\$45,505,607	\$47,000,000
	6,734	6,962	7,000

BUILDING INSPECTION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$587,856	\$657,894	\$657,894	\$669,143
Supplies	25,308	9,301	7,314	7,314
Services	70,560	89,979	89,979	86,965
Maintenance	1,296	8,347	8,021	8,021
Capital Outlay	<u>11,376</u>	<u>12,598</u>	<u>4,698</u>	<u>4,698</u>
Total Expenditures	\$696,396	\$778,119	\$767,906	\$776,141

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Building Official	1	1	1
Assistant Building Official	1	1	1
Plans Examiner	2	2	2
Building Codes Inspector	5	5	5
Administrative Assistant	1	1	1
Building Inspection Clerk	<u>3</u>	<u>3</u>	<u>3</u>
Total Personnel	13	13	13

TRAFFIC ENGINEERING

Mission

The Traffic Division installs and maintains uniform traffic control devices and responds to citizen requests and concerns in a timely, consistent manner in order to provide the safe and efficient movement of people and goods for the Odessa community.

Departmental Goals/(City's Value Statement Goals)																									
<ol style="list-style-type: none"> 1. Upgrade overhead street name signs./(Service) 2. Continue to install pavement legends using thermo-plastic for improved visibility/performance./(Service) 	<p>Number of Signs Repaired or Replaced Each Fiscal Year</p> <table border="1" style="display: none;"> <caption>Data for Sign Repairs Chart</caption> <thead> <tr><th>Fiscal Year</th><th>Number of Signs</th></tr> </thead> <tbody> <tr><td>2002</td><td>2300</td></tr> <tr><td>2003</td><td>1900</td></tr> <tr><td>2004</td><td>1900</td></tr> <tr><td>2005</td><td>1400</td></tr> <tr><td>2006</td><td>2100</td></tr> <tr><td>2007</td><td>1050</td></tr> <tr><td>2008</td><td>1000</td></tr> <tr><td>2009</td><td>1250</td></tr> <tr><td>2010</td><td>1300</td></tr> <tr><td>2011</td><td>1300</td></tr> </tbody> </table>			Fiscal Year	Number of Signs	2002	2300	2003	1900	2004	1900	2005	1400	2006	2100	2007	1050	2008	1000	2009	1250	2010	1300	2011	1300
Fiscal Year	Number of Signs																								
2002	2300																								
2003	1900																								
2004	1900																								
2005	1400																								
2006	2100																								
2007	1050																								
2008	1000																								
2009	1250																								
2010	1300																								
2011	1300																								
Objectives / Performance Measures	FY 2008-09	FY 2009-10	FY 2010-11																						
	<u>Actual</u>	<u>Estimate</u>	<u>Target</u>																						
<u>Workload</u>																									
1. Signal maintenance calls (LED replacement, controller/detector malfunctions, other calls).	1,059	1,000	1,000																						
2. Number of signs repaired or replaced.	1,245	1,300	1,300																						
3. Traffic counts completed.	147	125	125																						
4. Lane miles of roadways striped.	169	200	200																						
5. Pavement markings painted (crosswalks, stopbars, arrow, etc.).	3,850	4,000	4,000																						
6. Number of ground-mounted street name signs updated.	1,361	1,150	Project Complete																						
7. Number of signalized intersections upgraded to count down pedestrian signals	0	3	40																						

TRAFFIC ENGINEERING

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$788,651	\$828,987	\$828,987	\$840,493
Supplies	23,427	19,578	19,150	19,150
Services	324,271	450,652	450,652	448,087
Maintenance	265,937	232,080	213,800	213,800
Capital Outlay	<u>233,486</u>	<u>28,053</u>	<u>24,998</u>	<u>24,998</u>
Total Expenditures	\$1,635,772	\$1,559,350	\$1,537,587	\$1,546,528

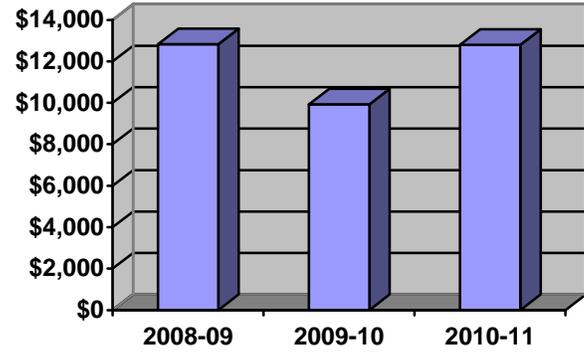
Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Traffic Coordinator	1	1	1
Lead Signal Technician	1	1	1
Traffic Administration Supervisor	1	1	1
Data Entry Technician	1	1	1
Signal Technician I	1	0	0
Signal Technician II	2	3	3
Traffic Counter Technician	1	1	1
Traffic Operations Supervisor	1	1	1
Striping Supervisor	1	1	1
Sign Supervisor	1	1	1
Legend Supervisor	1	1	1
Paint Technician	<u>4</u>	<u>4</u>	<u>4</u>
Total Personnel	16	16	16

STREET

Mission

The Street Division provides well-maintained streets, alleys and drainage channels. We respond to customer complaints in a courteous and efficient manner so that the public may enjoy clean, smooth, and safe roadways.

<p>Departmental Goals/(City's Value Statement Goals)</p> <ol style="list-style-type: none"> 1. Maintain streets/roads in good condition./(Service) 2. Maintain adequate street lighting./(Service) 3. Maintain cleanliness of streets./(Service) 	<p>Maintenance Cost Per Street Mile</p> 		
<p>Objectives / Performance Measures</p> <p><u>Efficiency</u></p> <ol style="list-style-type: none"> 1. Maintenance Expenditure per Street Mile <p><u>Workload</u></p> <ol style="list-style-type: none"> 1. Percentage of Crack Seal and Seal Coat Lane Miles to Total Lane Miles Maintained 2. Number of vacant lots mowed. 	<p>FY 2008-09 <u>Actual</u></p>	<p>FY 2009-10 <u>Estimate</u></p>	<p>FY 2010-11 <u>Target</u></p>
	\$12,830	\$9,930	\$12,800
	13%	14%	6%
	5,714	6,000	6,000

STREET

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,814,325	\$1,625,304	\$1,625,304	\$1,571,912
Supplies	33,515	34,585	34,585	34,585
Services	2,078,971	2,101,162	2,101,162	1,982,632
Maintenance	2,838,361	1,492,458	1,667,955	1,667,955
Capital Outlay	<u>29,084</u>	<u>175,497</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$6,794,256	\$5,429,006	\$5,429,006	\$5,257,084

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Street Superintendent	1	1	1
Street Operations Supervisor	1	1	1
Maintenance/H.E. Supervisor	1	1	1
Administrative Assistant	1	1	1
Right-of-Way Maintenance Technician	1	1	1
Maintenance Mechanic	1	1	1
Heavy Equipment Operator	4	4	4
Heavy Equipment Relief Operator	1	1	1
Street Supervisor	1	1	1
Sweeper Supervisor	1	1	1
Street Maintenance Crew Leader	4	4	4
Street Equipment Operator	4	4	4
Street Worker	14	12	12
Sweeper Operator	<u>5</u>	<u>0</u>	<u>0</u>
Total Personnel	40	33	33

PARKS AND RECREATION

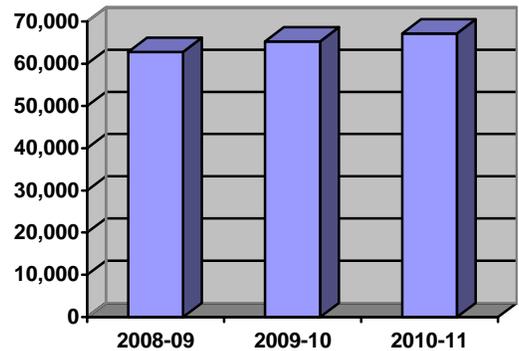
Mission

The Parks Department is responsible for creating and maintaining a system of parks dedicated to providing quality services to improve the quality of life for the citizens of Odessa. The Recreation Division is responsible for offering various training classes and activities for the citizens of Odessa.

Departmental Goals/(City's Value Statement Goals)

1. Continue to develop a system of parks, recreation facilities, open space to meet the needs of an expanding community as adopted in the 2005 Parks & Recreation Open Space & Urban Landscapes Master Plan./(Direction)
2. Provide a recreation system that includes a sufficient diversity of areas & facilities to effectively serve a population with varied characteristics, needs, & interests./(Direction)
3. Increase special event programming through increased use of parks and facilities and successful collaborations and sponsorships with non-profit, government, & private businesses./(Organization)
4. Ensure that new and innovative programming is constantly being developed and implemented./(Direction)
5. Maintain the City's recognition from the National Arbor Day Foundation as a Tree City USA recipient./(Organization)
6. Evaluate operational efficiency versus service levels to determine cost effectiveness./(Excellence)

Pool Attendance Level



Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Re-development of Sherwood Park	20%	75%	100%
3. Skate Park Development	20%	98%	100%
4. Average Expenditure per Developed Acre	\$6,838	\$6,563	\$6,838
5. Average Cost per Community Center Rental	\$95	\$95	\$98
7. Recreation Program Events	20	22	25
9. Number of Acres Maintained (Developed)	553	553	553
10. Number of Acres per FTE (Maintenance)	15.8	16.75	15.8
11. Attendance Level at Floyd Gwin Pool	8,454	8,800	9,200
13. Attendance Level at Sherwood Pool	39,552	40,000	41,000
14. Attendance Level at Woodson Pool	14,805	16,500	17,000
15. Update the 2005 Master Plan Project Priority List	N/A	10%	100%

PARKS AND RECREATION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,938,531	\$1,882,268	\$1,882,268	\$1,825,340
Supplies	153,124	255,078	210,349	190,349
Services	1,766,599	1,844,922	1,841,032	1,831,279
Maintenance	245,358	208,015	201,295	201,295
Capital Outlay	<u>154,066</u>	<u>2,899</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$4,257,678	\$4,193,182	\$4,134,944	\$4,048,263

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Parks & Recreation	1	1	1
Assistant Director of Parks & Recreation	1	1	1
Irrigation Supervisor	1	1	1
Horticulturist	2	2	2
Recreation/Special Events Coordinator	1	1	1
Senior Administrative Assistant	1	1	1
Administrative Assistant	1	1	1
Small Engine Mechanic	1	1	1
Irrigation Technician	4	3	3
Parks Operations Supervisor	1	1	1
Parks Maintenance Supervisor	2	2	2
Athletic Field Supervisor	1	1	1
Parks Equipment Operator	10	9	9
Grounds Maintenance Worker	11	11	11
Parks Repairer	<u>2</u>	<u>2</u>	<u>2</u>
Total Personnel	40	38	38

FIRE

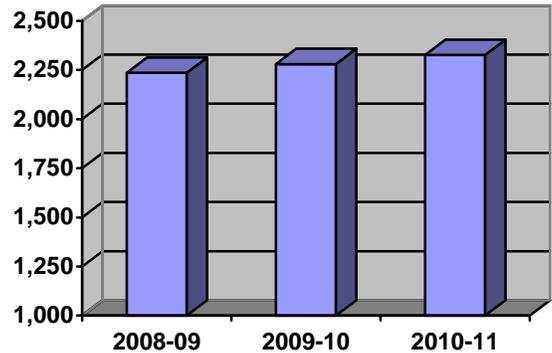
Mission

The mission of the Odessa Fire Department is to save lives and property by providing services that include Fire Prevention, Fire Suppression, Emergency Medical Services, Disaster Preparedness and Fire Investigations.

Departmental Goals/ (City’s Value Statement Goals)

1. Continue to provide a health & wellness program for our personnel, improve recruitment & retention processes, & improve the family support system./(Organization)
2. Continue to provide the most advanced tools & equipment through an increase in Lifeline enrollment (5%), grant opportunities, and alternative funding sources./(Direction)
3. Continue to provide personnel with professional & career development tools to improve service delivery & decrease injuries & accidents./(Organization)
4. Continue to investigate ways to enhance infrastructure of fire stations & training facilities./(Direction)
5. Increase educational programs provided to the community in emergency preparedness & fire safety./(Organization)
6. Develop a capital improvement plan through a community needs analysis./(Direction)

Number of Fire Inspections



Objectives / Performance Measures

Effectiveness

1. Fire response time of 4 minutes or less 90% of the time within the City for the arrival of the first due engine company to an emergency fire suppression incident, as per NFPA 1710.
2. Advanced life support response time of 4 minutes or less 90% of the time within the City to an emergency medical incident, as per NFPA 1710.
3. To achieve an increase of 2% each year of the total number of fire inspections by the Inspection Division until we are at or above the median for the “Pick Six Comparables”.
4. To achieve an increase of 2% each year of the total number of inspections per Fire Inspector until we are at/above the median for the “Pick Six Comparables”.
5. To achieve an increase of 2% in the percentage of total Public Education Programs conducted each year by the Inspection Division until we are at or above the “Pick Six Comparables”.

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1.	89.7%	90%	91%
2.	91.54%	92%	92%
3.	2,236	2,280	2,326
4.	497	507	517
5.	73	88	106

FIRE

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$12,189,466	\$11,937,485	\$11,937,485	\$12,173,928
Supplies	230,313	268,187	268,111	269,211
Services	1,182,377	1,285,132	1,284,861	1,272,394
Maintenance	74,035	105,800	105,800	105,800
Capital Outlay	278,241	36,267	18,128	18,128
Lease Payments	<u>534,751</u>	<u>534,751</u>	<u>534,751</u>	<u>534,751</u>
Total Expenditures	\$14,489,183	\$14,167,622	\$14,149,136	\$14,374,212

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Fire Chief	1	1	1
Assistant Fire Chief	3	3	3
Fire Battalion Chief - Training Officer	1	1	1
GIS Coordinator *	1	1	1
Fire Battalion Chief	3	3	3
Senior Fire Captain	3	3	3
Fire Training Captain	1	1	1
Paramedic Training Captain	1	1	1
Fire Captain	21	21	21
Paramedic	0	1	1
Firefighter/Engineer/Driver	124	126	126
Fire Cadet	3	0	0
Fire Inspector	5	5	5
Assistant Fire Marshal	1	1	1
Fire Marshal	1	1	1
Senior Administrative Assistant	1	1	1
Administrative Assistant	1	1	1
Support Clerk	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	172	172	172
Funding Sources:			
General Fund	171	172	172
GIS Grant *	<u>1</u>	<u>0</u>	<u>0</u>
Total Personnel	172	172	172

POLICE

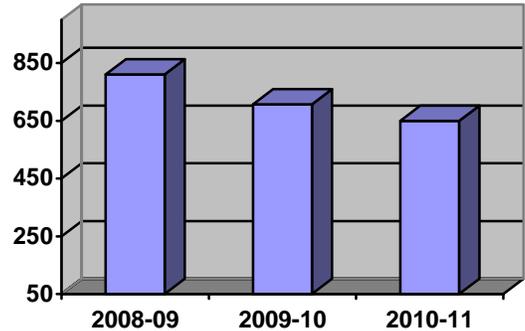
Mission

To protect life and property in the most professional and ethical manner by providing the highest levels of contemporary law enforcement service while efficiently utilizing given resources to the maximum allowable extent.

Departmental Goals/(City's Value Statement Goals)

1. Work with citizens, businesses and other law enforcement agencies to reduce crime./(Organization)
2. Establish a more proactive approach to prevent crime./(Direction)
3. Improve road safety./(Excellence)
4. Obtain grants for various purposes./(Direction)
5. Reach authorized resource strength./(Direction)
6. Improve effectiveness & efficiency of law enforcement goals by integration of technology./(Direction)

Number of Injury-Related Traffic Accidents



Objectives / Performance Measures

Effectiveness

1. Develop Community-based crime enforcement and prevention program.
2. Increase self-initiated activity.
3. Decrease the number of injury-related traffic crashes.
4. Maintain grant funding.
5. Recruit and hire qualified applicants.
(Number of applicants/number of new hires.)
6. Implement technology projects to enhance efficiency.

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Develop Community-based crime enforcement and prevention program.	0	3	12
2. Increase self-initiated activity.	33,463	22,181	30,000
3. Decrease the number of injury-related traffic crashes.	810	707	650
4. Maintain grant funding.	\$950,949 *	\$922,960 *	\$2,339,159
5. Recruit and hire qualified applicants. (Number of applicants/number of new hires.)	1,237/52	1,129/42	1,200/ fill all open positions
6. Implement technology projects to enhance efficiency.	2	8	12

* Approved

POLICE

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$15,611,902	\$15,228,054	\$15,228,054	\$15,849,531
Supplies	288,857	359,482	337,263	375,508
Services	3,195,220	3,372,602	3,372,602	3,389,379
Maintenance	48,399	77,795	77,595	78,595
Capital Outlay	<u>45,018</u>	<u>309,745</u>	<u>169,745</u>	<u>169,745</u>
Total Expenditures	\$19,189,396	\$19,347,678	\$19,185,259	\$19,862,758

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Chief of Police	1	1	1
Deputy Chief	2	2	2
Police Captain	3	3	3
Police Lieutenant	8	8	8
Police Sergeant	24	28	28
Police Corporal	88	72	72
Warrant Officer	0	0	2
Police Officer	31	51	51
Administrative Assistant / Sr. Administrative Asst.	5	5	5
Crime Analyst	2	2	2
Police Recruit/Police Cadet	12	4	4
Clerk	15	14	14
Supervisor	3	3	3
Parking Vehicle Control Officer	2	2	2
Animal Control Manager	1	1	1
Animal Control Officer	6	6	6
Kennel Attendant	4	4	4
Fiscal Affairs	1	1	1
Background Investigator	1	1	1
Criminalist	5	0	0
Crime Scene Unit Technician	0	5	5
Property Evidence Technician	0	2	2
Public Safety Telephone Response Specialist	6	5	5
Research & Grants Specialist	1	1	1
Administrative Specialist	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	222	222	224

NEIGHBORHOOD DEVELOPMENT SERVICES

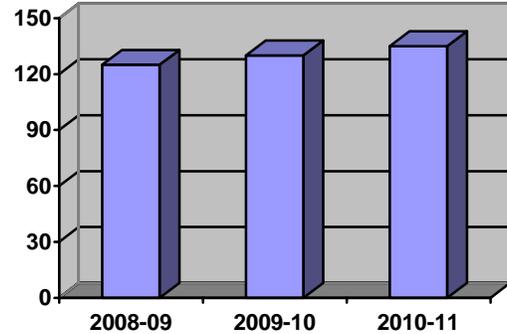
Mission

To develop a working partnership involving the neighborhood residents, public officials, and service organizations to identify effective solutions to concerns or needs in city neighborhoods.

Departmental Goals/(City's Value Statement Goals)

1. Encourage citizens to keep neighborhoods free of litter, junked vehicles, junk, debris, illegal dumping, etc. (Organization)
2. Build on existing community resources to become more effective & efficient in resolving code violation within the City of Odessa. Encourage continued partnership with Keep Odessa Beautiful & community partners in promoting & maintaining neighborhood clean-up revitalization sweeps. (Organization)
3. Increase educational opportunities, improve access to information & resources, and address other code issues, including customer satisfaction and Code Enforcement's efforts to decrease code violations. (Direction)

Tonnage Collected In Clean-Up Campaigns



Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
<u>Effectiveness</u>			
1. Tonnage Collected From Neighborhood Sweeps Clean-Up Campaigns Annually	125	130	135
<u>Efficiency</u>			
1. Average Number of Code Violations per Code Enforcement Officer/Inspector	2,656	2,800	3,000
<u>Workload</u>			
1. Citizen Requests for Assistance with Neighborhood Concerns and/or Code Violations	4,994	5,200	5,400
2. Neighborhood Meetings to Provide an Open Forum to Voice Neighborhood Concerns	39	42	42
3. Citizen Education/Information Literature Provided	248,028	366,000	367,000
4. Contacts Made with Internal and External Resources to Assist in Addressing Concerns	420	643	800
5. Number of External Agencies Coordinated by NDS and Partnerships to Provide Assistance During a Clean Up Campaign.	33	35	35

NEIGHBORHOOD DEVELOPMENT SERVICES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$181,777	\$347,370	\$347,370	\$341,004
Supplies	20,041	33,508	23,429	21,429
Services	40,649	46,652	46,002	46,088
Maintenance	7,500	7,500	7,500	7,725
Capital Outlay	<u>2,598</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$252,565	\$435,030	\$424,301	\$416,246

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Neighborhood Services Supervisor ** ***	1	1	1
Code Enforcement Coordinator *	1	1	1
Code Enforcement Officer * **	7	7	7
Administrative Assistant ***	1	1	1
Director of Community Development *	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	11	11	11
Funding Sources:			
General Fund *	6	6	6
Community Development **	3.5	3.5	3.5
Solid Waste ***	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Total Personnel	11	11	11
The Supervisor position is funded ½ by CDBG and ½ by Solid Waste.			

CITY OF ODESSA

FY 2010-11

ADOPTED BUDGET

Water and Sewer Fund
Overview

WATER AND SEWER FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$16,455,523	\$9,611,842	\$6,189,168	\$7,003,816
Less Stabilization Reserve	1,000,000	1,000,000	1,000,000	1,000,000
AVAILABLE FUND BALANCE	\$15,455,523	\$8,611,842	\$5,189,168	\$6,003,816
CURRENT REVENUES				
Water Revenue	\$23,577,767	\$24,566,200	\$25,340,873	\$25,409,200
Sewer Revenue	12,634,365	13,066,000	12,706,975	13,066,000
Interest Income	726,256	233,000	1,050,000	233,000
Sales and Charges	848,018	910,000	810,000	910,000
Other Revenue	241,384	20,000	20,000	16,000
Bond Funding	0	0	1,155,750	0
TOTAL CURRENT REVENUES	\$38,027,790	\$38,795,200	\$41,083,598	\$39,634,200
TOTAL FINANCING SOURCES	\$53,483,313	\$47,407,042	\$46,272,766	\$45,638,016
EXPENDITURES				
Personal Services	\$6,418,655	\$6,925,559	\$6,925,559	\$7,037,007
Supplies	13,400,107	14,078,300	14,071,053	14,728,756
Services	3,866,260	4,196,941	4,115,146	4,080,709
Maintenance	1,029,392	1,556,181	1,173,671	1,086,981
Capital Outlay	171,415	319,946	314,884	311,884
Other Requirements				
GF Administrative Fee	2,441,940	2,349,177	2,349,177	2,358,920
Gross Receipt Payment	1,722,510	2,139,029	2,139,029	2,086,459
In Lieu of Tax	1,088,421	1,027,762	1,027,762	1,012,396
Lease Payment	5,382	0	0	0
Debt Service	7,914,233	7,668,831	7,668,831	7,815,244
Housing Incentive Program	360,500	1,141,500	500,000	0
Total Operating Expenditures	\$38,418,815	\$41,403,226	\$40,285,112	\$40,518,356
Capital Improvement Program	6,452,656	0	0	0
TOTAL EXPENDITURES	\$44,871,471	\$41,403,226	\$40,285,112	\$40,518,356
ENDING AVAILABLE BALANCE	\$8,611,842	\$6,003,816	\$5,987,654	\$5,119,660
Plus Stabilization Reserve	1,000,000	1,000,000	1,000,000	1,000,000
ENDING FUND BALANCE	\$9,611,842	\$7,003,816	\$6,987,654	\$6,119,660

WATER AND SEWER FUND

SYSTEM OVERVIEW AND TREND ANALYSIS

The City of Odessa Water and Sewer Fund is a utility enterprise fund which provides for the treatment of water entering the system, the distribution of water to customers, wastewater collection and reclamation processes, laboratory services to ensure customer safety and compliance with federal and state mandates, and the billing and collection of the costs of service to both water and sewer customers.

The current number of customer accounts for water services equals 36,501. This is a 6.35% increase in customer accounts over the last five years. The majority of the same customers have sewer accounts as well. The billing and collection office currently handles an average of 280 customer account resolutions per day, whether by phone or walk-in. Approximately 480 customers per day pay their bills in person.

Raw water transportation is administered by the Colorado River Municipal Water District and delivered to the City's water treatment plant. A total of 6.787 billion gallons of water was processed and distributed throughout the system in fiscal year 2009-10. This delivery is 3.69% lower than the 5-year annual average of 7.047 billion gallons. The maximum demand is approximately 32.56 million gallons per day (mgd).

The infrastructure needed to meet this demand each day consists of roughly 641.69 miles of water mains. Three booster pump stations aid in keeping the water distributed through the system and 2,228 fire hydrants provide emergency access to water for fire services. Water storage in the system consists of 3 elevated tanks holding a total of 6 million gallons of treated water, and 4 ground storage tanks with a capacity of 14.0 million gallons of treated water.

Demand for treated water reciprocally creates the demand in most cases for wastewater collection as well. In fiscal year 2009-10, wastewater customer accounts numbered 30,743, showing a 4.23% increase since the 2005-06 fiscal year. Approximately 2.409 billion gallons of wastewater was treated in 2009-10, an increase of 2.25% compared to the previous year. The amount of effluent treated is 7.07% higher than the 5-year annual average of 2.25 billion gallons. The maximum daily flow of wastewater to the Bob Derrington Water Reclamation Plant is 17.56 million gallons per day (mgd) through 504.13 miles of sewer mains. Three lift stations aid in delivering wastewater to the plant and 6,622 manholes allow for continued maintenance of the system. Residential billing of wastewater services is calculated based on water consumption during the winter months of December, January and February of each year.

While the average customer base and water delivery have not varied dramatically over the past five years, incremental increases in water and sewer rates have been necessary to cover rising overhead costs and the higher prices of raw water, chemicals, equipment maintenance and electricity.

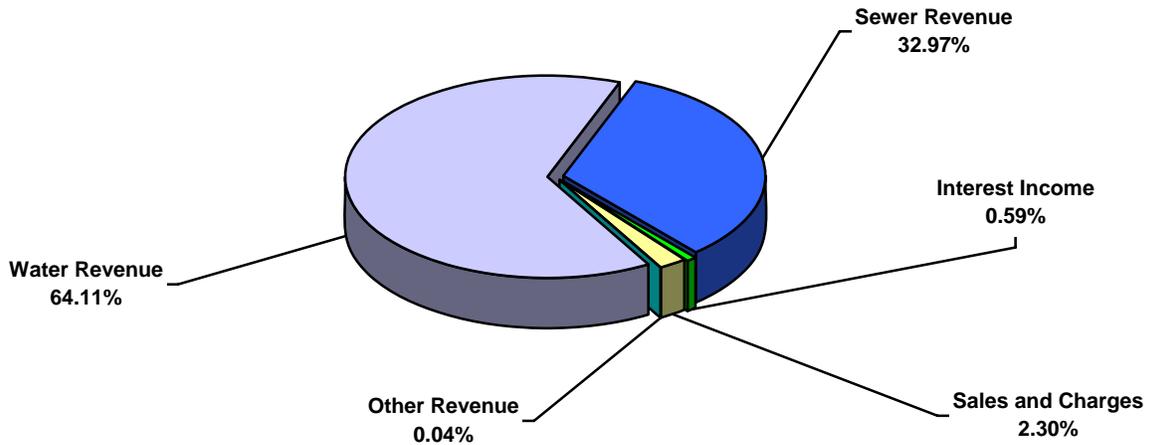
Water and Sewer revenue accounts for 97.08% of the total revenue supporting the fund. The following discussion illustrates the resulting revenue requirements based on the above trends, while also driven by the requisite expansion in operating expenditures.

WATER AND SEWER FUND OVERVIEW

Revenues

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Water Revenue	\$23,577,767	\$24,566,200	\$25,340,873	\$25,409,200
Sewer Revenue	12,634,365	13,066,000	12,706,975	13,066,000
Interest Income	726,256	233,000	1,050,000	233,000
Sales and Charges	848,018	910,000	810,000	910,000
Other Revenue	241,384	20,000	20,000	16,000
Bond Funding	0	0	1,155,750	0
Total Revenue	<u>\$38,027,790</u>	<u>\$38,795,200</u>	<u>\$41,083,598</u>	<u>\$39,634,200</u>

**WATER AND SEWER FUND
2010-11 REVENUES BY SOURCES**



WATER AND SEWER FUND

OVERVIEW

Revenues

The Water and Sewer Fund is an “Enterprise Fund” which is self-supported by user fees. The water and sewer rates are structured as uniform volume rates designed to promote water conservation. Revenue generated is used for the operation and maintenance of the water and sewer system, infrastructure improvements, plant security and for annual debt service requirements of revenue bonds issued for the construction of system facilities. The following is a comparative summary of Water and Sewer Fund revenues.

<u>Source</u>	2010-11 Budget		Increase / (Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Water Revenue	\$25,409,200	64.11%	\$68,327	0.27%
Sewer Revenue	13,066,000	32.97%	359,025	2.82%
Interest Income	233,000	0.59%	(817,000)	(77.81%)
Sales and Charges	910,000	2.30%	100,000	12.35%
Other Revenue	16,000	0.04%	(4,000)	(20.00%)
Bond Funding	0	0.00%	(1,155,750)	100.00%
TOTAL	\$39,634,200	\$100.00%	(\$1,449,398)	(3.53%)

No water or wastewater rate increases will be implemented in 2010-11, even though budgeted expenditures will exceed projected revenues by \$884,156. The majority of the increase in expenditures is due to a 5% increase in the cost of water and to the implementation of the new employee compensation package. Rather than pass these expenses on to City customers in this difficult local economy, a portion of the Water and Sewer Fund reserves will be used to defray the additional cost.

The total 2010-11 budgeted revenues for the Water and Sewer Fund equal \$39,634,200 and represent a decrease of \$1,449,398, or 3.53%, compared to 2009-10 numbers. It is anticipated that water revenue will increase by \$68,327, or 0.27%, and sewer revenue will increase by \$359,025, or 2.82%, compared to the previous year.

The projection for Interest income is \$817,000 lower than last year’s number. Adjustments have been made to bring the budgeted number into line with actual interest revenues.

It is anticipated that Sales and Charges will generate \$910,000 in revenue, a \$100,000 increase compared to last year’s projection.

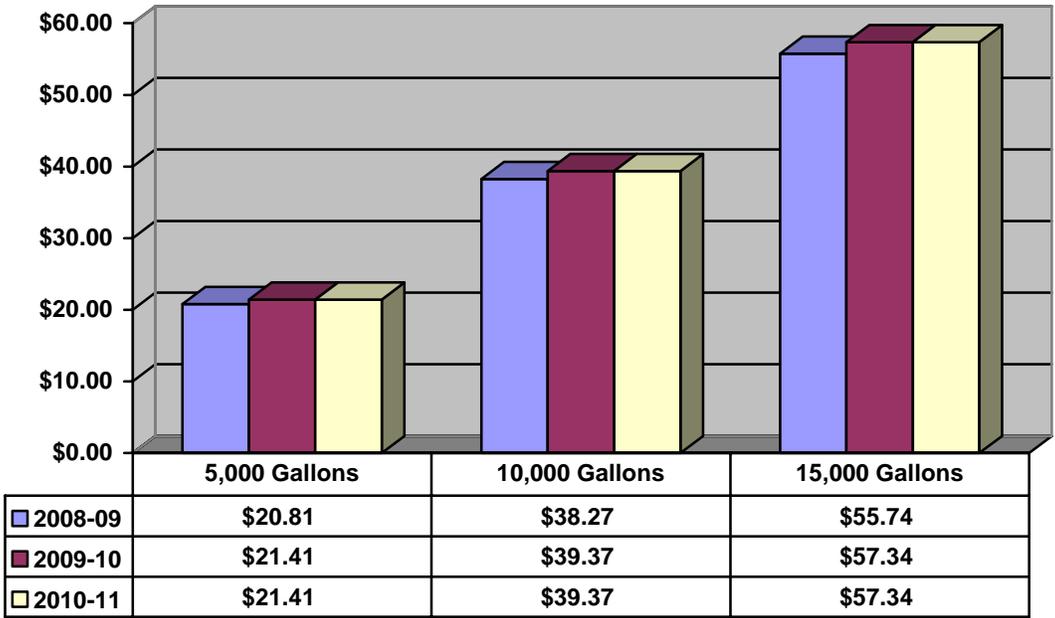
Other Revenue is expected to fall by \$4,000 or 20.00%, as projections indicate that the City will generate less income from the sale of scrap/junk in the upcoming year.

Bond Funding reflects a decrease of \$1,155,750 compared to last year’s budget. This is due to the fact that bond monies were allocated in 2009-10 to fund certain CIP projects.

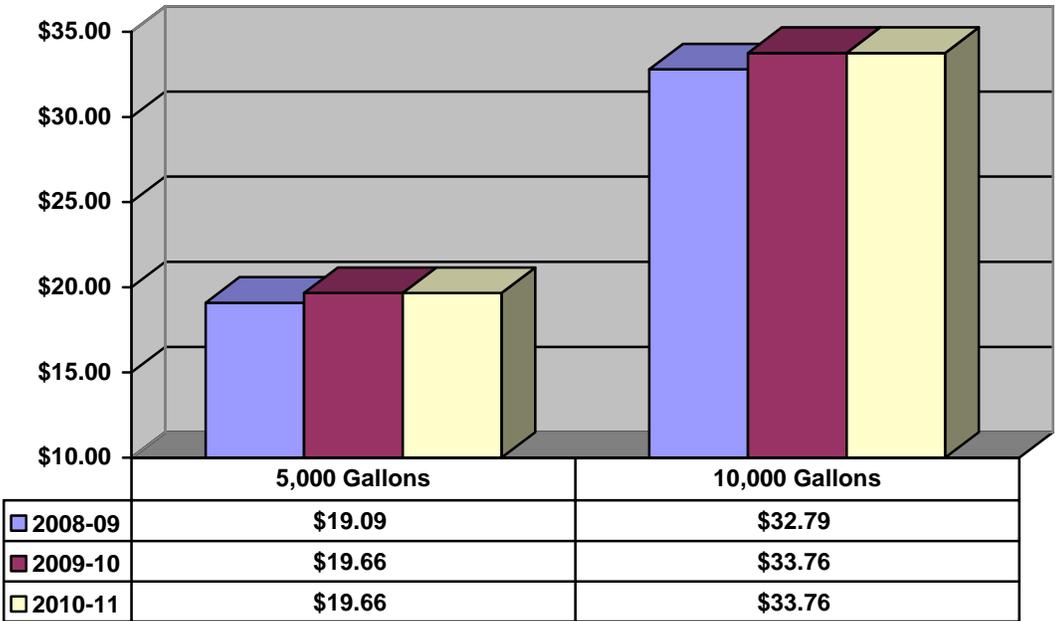
The following graphs illustrate the impact that the 2010-11 water and sewer rates will have on consumers.

WATER AND SEWER FUND OVERVIEW

WATER RATES
COMPARED BY GALLON USAGE

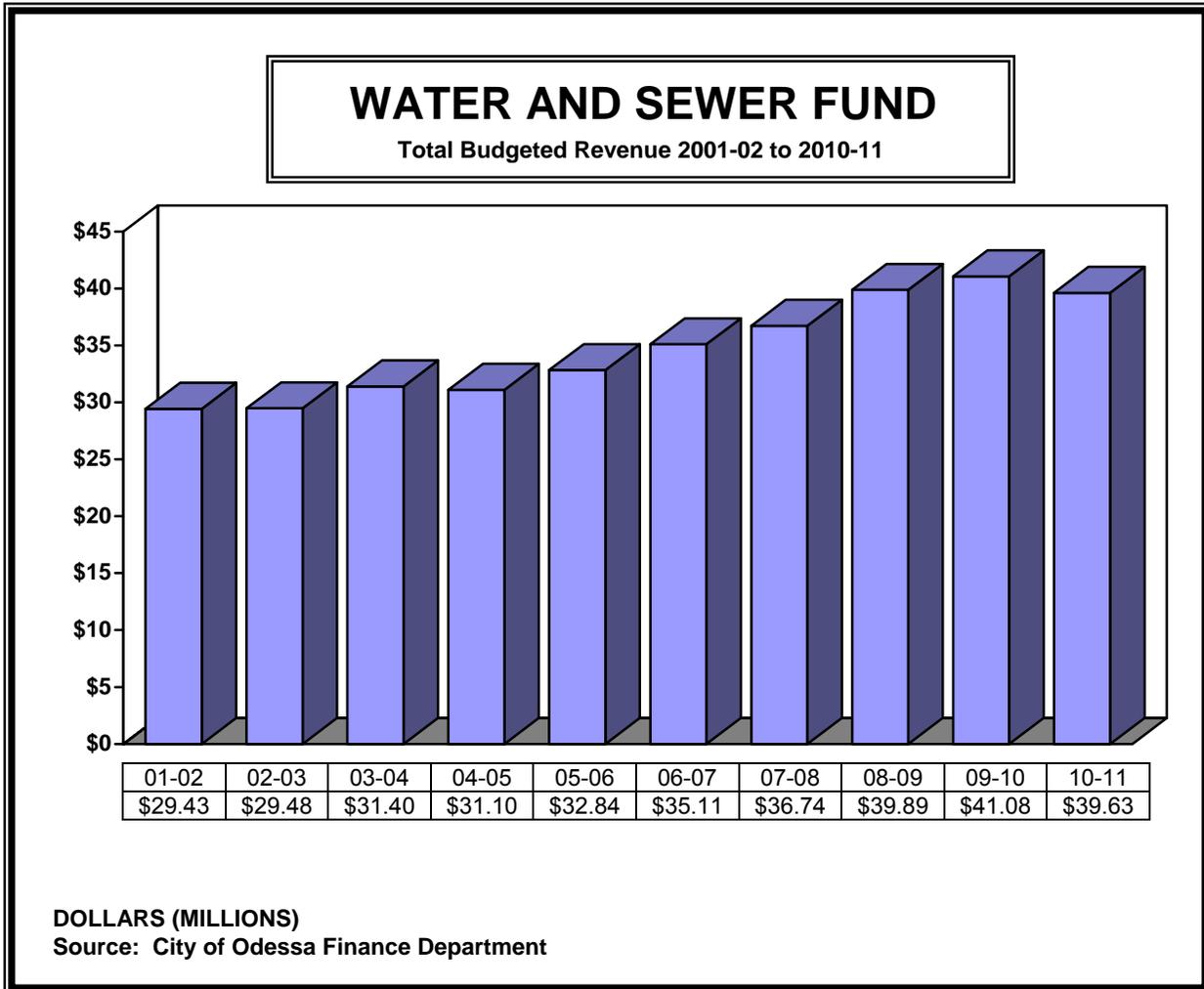


WASTEWATER RATES
COMPARED BY GALLON USAGE



WATER AND SEWER FUND

OVERVIEW



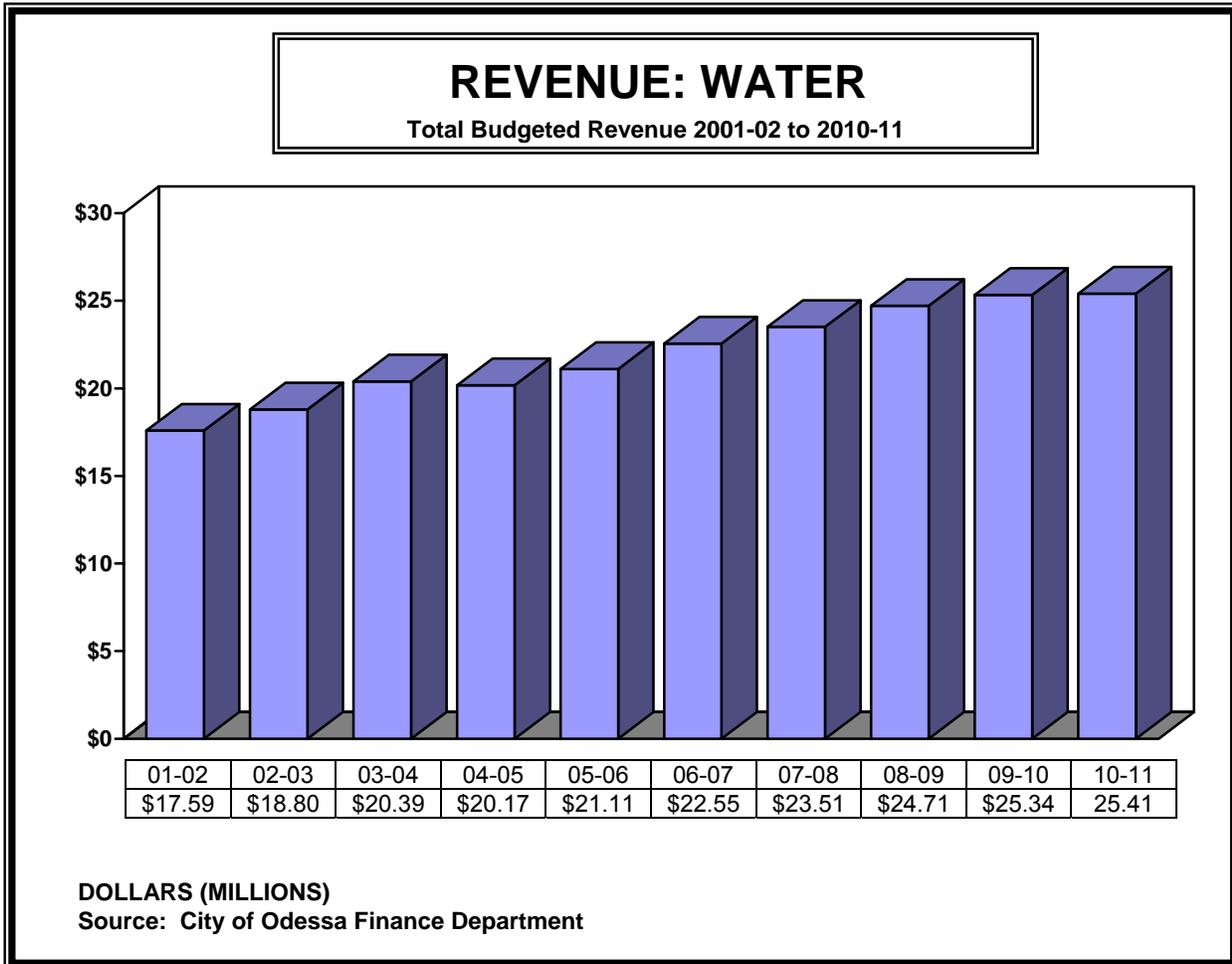
Over the past ten years, water and sewer revenue has risen by 34.66%. It is anticipated that approximately \$39.63 million in revenue will be generated in 2010-11.

As the Water and Sewer Fund is an enterprise fund, its revenues must be adequate to offset its expenditures. Consequently, it has been necessary to increase water and sewer rates in 7 of the past 10 years to fund improvements, maintain regulatory compliance, and increase plant capacities. Last year, a 3% rate increase was implemented for both water and sewer services. The additional revenue funded certain capital projects, ensured the continuation of the assessment of safety/security needs of the plants, funded position step increases, and defrayed increases in the costs of raw water, fleet maintenance, and employee benefits.

No rate increases were approved for 2010-11, due to a difficult economy for citizens, even though revenues were not sufficient to cover operating costs. The majority of the increase in expenditures is due to a 5% hike in water costs and the implementation of a new employee compensation plan. Funding for costs in excess of projected revenues will come from the Water and Sewer Fund reserves.

WATER AND SEWER FUND

OVERVIEW



Water revenue has increased by 44.46% in the past ten years. It is anticipated that \$25.41 million in revenue will be generated in 2010-11, a 0.28% increase over last year's budgeted revenues. Over the years, the City of Odessa has invested significantly in the areas of water infrastructure, water analysis, treatment and distribution efficiencies and maintenance of regulatory compliance. During this same time period, the City's cost in purchasing water from the Colorado Municipal Water District has risen significantly due to escalating electrical costs and overhead. Water rates have been adjusted seven times in the past ten years to generate sufficient revenue to offset these delivery costs.

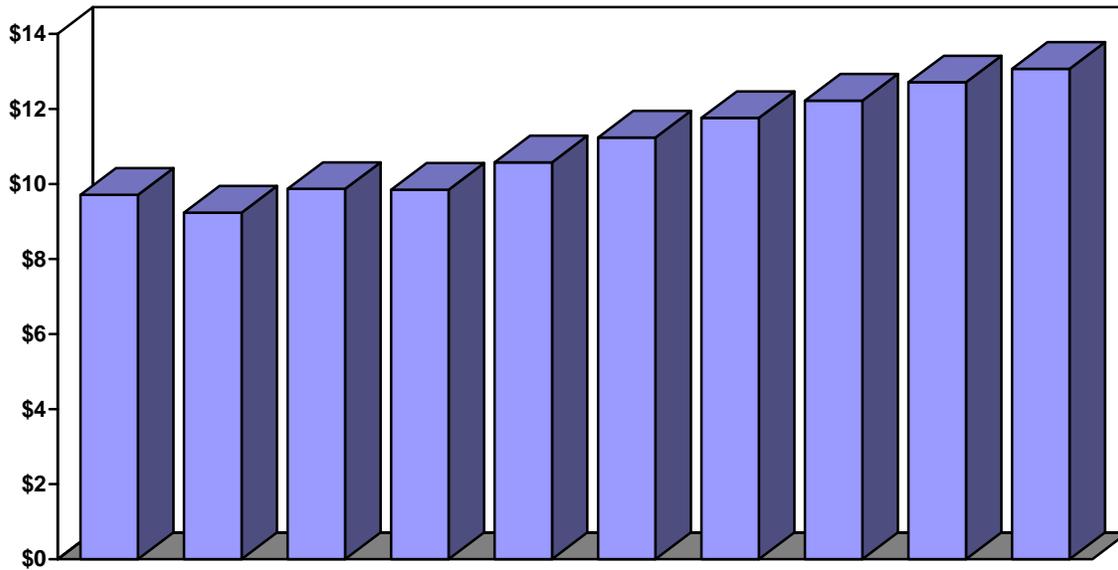
In 2010-11, water rates will remain at the same level as the previous year. Water revenues will fund a 5% increase in water costs, the new employee compensation plan and several projects. These projects include the rehabilitation of two process pumps, the change-out of large customer billing meters, the replacement of all remaining below-grade water distribution sampling stations with above-ground units, and the initiation of construction for Phase IV of the water line replacement program.

WATER AND SEWER FUND

OVERVIEW

REVENUE: WASTEWATER

Total Budgeted Revenue 2001-02 to 2010-11



01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11
\$9.71	\$9.24	\$9.87	\$9.85	\$10.58	\$11.24	\$11.76	\$12.22	\$12.71	\$13.07

DOLLARS (MILLIONS)

Source: City of Odessa Finance Department

Over the past ten years, wastewater revenue has increased by 34.60%. It is anticipated that approximately \$13.07 million in revenue will be generated in 2010-11. This reflects an increase of 2.83% compared to budgeted revenue for 2009-10. The City of Odessa has allocated substantial monies toward the funding of numerous wastewater capital improvements, collection/reclamation efficiencies, and mandated state and federal regulatory compliance issues during the last decade, like the installation of two major process pump bodies at the Bob Derrington Water Reclamation Plant. Operating as an enterprise fund, the revenues collected must compensate for the inherent expenditures. As a result, wastewater rates have been increased seven times during this time period to pay for enhancements such as the first five phases of sewer Line "H" and the Manhole Replacement program.

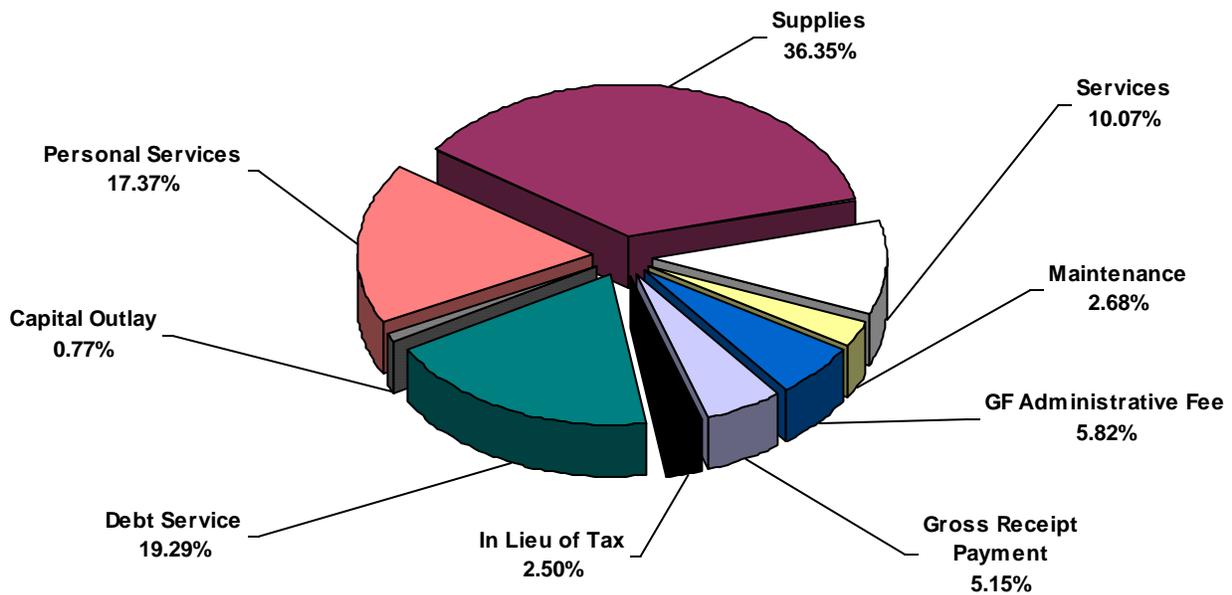
In 2010-11, no wastewater rate increase will be implemented. Wastewater revenues will fund the new employee compensation plan and several projects, including the ongoing rehabilitation of process aeration equipment, the construction of a building to house the sewer vacuum trucks, and the completion of Phases II and III Sewer Replacement Projects.

WATER AND SEWER FUND OVERVIEW

Expenditures by Classification

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Personal Services	\$6,418,655	\$6,925,559	\$6,925,559	\$7,037,007
Supplies	13,400,107	14,078,300	14,071,053	14,728,756
Services	3,866,260	4,196,941	4,115,146	4,080,709
Maintenance	1,029,392	1,556,181	1,173,671	1,086,981
Capital Outlay	171,415	319,946	314,884	311,884
GF Administrative Fee	2,441,940	2,349,177	2,349,177	2,358,920
Gross Receipt Payment	1,722,510	2,139,029	2,139,029	2,086,459
In Lieu of Tax	1,088,421	1,027,762	1,027,762	1,012,396
Lease Payment	5,382	0	0	0
Debt Service	7,914,233	7,668,831	7,668,831	7,815,244
Housing Incentive Program	360,500	1,141,500	500,000	0
Total Expenditures	<u>\$38,418,815</u>	<u>\$41,403,226</u>	<u>\$40,285,112</u>	<u>\$40,518,356</u>

WATER AND SEWER FUND 2010-11 EXPENDITURES BY CLASSIFICATION



WATER AND SEWER FUND

OVERVIEW

Expenditures

Increases in the cost of raw water, the implementation of the new employee compensation plan, and the rising cost of chemicals highlight the Water and Sewer Fund budget for the 2010-11 fiscal year. Total operating expenditures for 2010-11 increased by 0.58% compared to 2009-10 numbers. The largest increase in operating expenditures occurred in the Supplies category, with an increase of \$657,703. This increase is primarily due to the higher cost of water purchases from the Colorado River Municipal Water District.

<u>Source</u>	2010-11 Budget		Increase / (Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Personal Services	\$7,037,007	17.37%	\$111,448	1.61%
Supplies	14,728,756	36.35%	657,703	4.67%
Services	4,080,709	10.07%	(34,437)	(0.84%)
Maintenance	1,086,981	2.68%	(86,690)	(7.39%)
Capital Outlay	311,884	0.77%	(3,000)	(0.95%)
Other Requirements	5,457,775	13.47%	(58,193)	(1.05%)
Debt Service	7,815,244	19.29%	146,413	1.91%
Housing Incentive Program	<u>0</u>	<u>0.00%</u>	<u>(500,000)</u>	<u>100.00%</u>
TOTAL OPERATING	\$40,518,356	100.00%	\$233,244	0.58%
CIP Program	<u>0</u>	<u>0.00%</u>	<u>0</u>	<u>N/A</u>
TOTAL	\$40,518,356	100.00%	\$233,244	0.58%

In 2010-11, the staffing level of the Water and Sewer Fund is at 137 positions, an increase of one-half position over last year's number. Most of the 1.61% increase in Personal Services will be used to fund the new employee compensation plan and one-half the cost of a new Accountant position.

The budget for Supplies has increased by \$657,703, or 4.67%. Most of this increase is due to the rising costs of water purchases, chemicals, and miscellaneous supplies.

The Services category has experienced a \$34,437, or 0.84% decrease compared to last year's budget. The majority of this decrease is due to an additional \$29,100 that was included in the 2009-10 budget to cover a projected fee increase. The 2010-11 budget for this particular line item has been reduced by \$29,100 to bring it more into line with actual needs.

The budget for Maintenance has decreased by 7.39% compared to last year. The \$86,690 decrease is due to the completion of miscellaneous repair and replacement projects.

The Capital Outlay category has decreased by \$3,000, or 0.95%. The budget for this category varies from year to year, depending upon the need to purchase big-ticket items.

WATER AND SEWER FUND

OVERVIEW

Expenditures (cont.)

Other Requirements are reimbursement payments to the General Fund for administrative fees, gross receipt payments, and Water and Sewer assessment charges. An indirect cost allocation plan to determine administrative cost reimbursements due to the General Fund is performed each year by an outside consultant. In keeping with the percentage assessed to other utilities operating in Odessa, 5% is charged on actual gross receipts.

Refunding Revenue Bonds, Series 2001 were issued in 2001-02 in order to refund the outstanding Waterworks and Sewer System Revenue Bonds, Series 1992, 1992A, and 1992B. The bonds were issued to lower the overall debt service requirement by taking advantage of a lower interest rate, reducing the cash reserve fund and purchasing a \$5,000,000 surety bond. The issuance of the refunding bonds reduced the annual debt service payment to \$4.6 million, a savings of approximately \$500,000 per year.

In 2006-07, the Housing Incentive Program category was created in order to facilitate the development of housing. Funds in the amount of \$500,000 were set aside in 2009-10 to cover the cost of extending water and sewer mains into previously undeveloped areas. This program has been discontinued in 2010-11.

General Obligation Refunding Bonds, Series 2006, were issued in 2006-07 in the amount of \$18,735,000 at a 4% interest rate. Of this amount, \$12,830,000 was issued to advance refund a portion of the outstanding Waterworks and Sewer System Revenue Bonds, Series 2001, in the amount of \$12,225,000 in order to lower the overall debt service requirements of the City. The issuance of the advance refunding bonds reduced the total debt service requirements by \$651,551 over the life of the issue.

Combination Tax and Revenue Certificates of Obligation, Series 2007, were issued in 2007-08 in the amount of \$62,855,000 at a 5% interest rate. These funds have been designated for various water and sewer improvements as a master plan is developed.

In 2008-09, General Obligation Refunding Bonds, Series 2009 were issued in the amount of \$4,065,000. These funds have been used to refund a portion of the Refunding Revenue Bonds, Series 2001.

Fund Balance

In 2009-10, fund balance decreased by \$2.61 million compared to the 2008-09 ending fund balance of \$9,611,842. In the upcoming fiscal year, revenues are expected to reach \$39,634,200 and expenditures are estimated to be \$40,518,356, resulting in a projected fund balance of \$6,119,660.

WATER AND SEWER FUND

OVERVIEW

Expenditures by Function

	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Estimated</u>	<u>2009-10</u> <u>Budget</u>	<u>2010-11</u> <u>Budget</u>
Billing and Collection	\$2,038,423	\$2,149,271	\$2,147,978	\$2,176,346
Non-Departmental	5,799,212	6,006,129	6,006,129	5,979,767
Debt Service	7,914,233	7,668,831	7,668,831	7,815,244
TOTAL FINANCE	<u>\$15,751,868</u>	<u>\$15,824,231</u>	<u>\$15,822,938</u>	<u>\$15,971,357</u>
Utilities Administration	\$587,234	\$638,792	\$632,022	\$630,667
Water Distribution	1,829,861	2,095,858	2,091,142	2,110,208
Water Treatment	2,397,988	2,559,536	2,548,704	2,565,623
Bob Derrington W/R Plant	2,894,037	2,913,103	2,911,300	2,917,162
Wastewater Collection	969,241	1,125,389	1,125,287	1,128,969
Laboratory	812,795	851,563	849,201	864,217
Utilities GIS	156,698	153,932	153,932	154,304
Repair and Replacement	526,406	1,053,790	685,329	587,829
Water Purchase	11,882,770	12,455,257	12,455,257	13,078,020
Gulf Coast	211,690	390,275	310,000	310,000
Housing Incentive Program	360,500	1,141,500	500,000	0
Participation In Line Extensions	37,727	200,000	200,000	200,000
TOTAL UTILITIES	<u>\$22,666,947</u>	<u>\$25,578,995</u>	<u>\$24,462,174</u>	<u>\$24,546,999</u>
Capital Improvement Program	<u>\$6,452,656</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL CIP PROGRAM	<u>\$6,452,656</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenditures	<u>\$44,871,471</u>	<u>\$41,403,226</u>	<u>\$40,285,112</u>	<u>\$40,518,356</u>

WATER AND SEWER FUND

CAPITAL OUTLAY

Fund and Department/Division	Item	Item Total	Total
WATER & SEWER FUND			
Utilities			
Billing & Collection	Furniture and Office Equipment	\$4,000	
	Data Processing Equipment	<u>9,816</u>	
	Subtotal Billing & Collection		\$13,816
Non-Departmental	Data Processing Equipment	<u>35,000</u>	
	Subtotal Water Treatment		35,000
Utility Administration	Data Processing Equipment	<u>1,041</u>	
	Subtotal Administration		1,041
Water Treatment	Machinery & Equipment	31,000	
	Data Processing Equipment	<u>3,000</u>	
	Subtotal Water Treatment		34,000
Bob Derrington Plant	Machinery & Equipment	<u>26,873</u>	
	Subtotal Derrington Plant		26,873
Utilities GIS	Furniture & Office Equipment	<u>1,154</u>	
	Subtotal Derrington Plant		1,154
Utility Infrastructure	Line Extensions	<u>200,000</u>	
	Subtotal Utilities Infrastructure		200,000
TOTAL CAPITAL OUTLAY – WATER / SEWER FUND			<u><u>\$311,884</u></u>

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Water and Sewer Fund
Detail by Department/Division

WATER AND SEWER FUND

DEPARTMENTS/DIVISIONS

Billing and Collection

Utilities Administration

Water Distribution

Water Treatment Plant

Bob Derrington Water Reclamation Plant

Wastewater Collection

Laboratory Services

Utilities GIS

Repair and Replacement

Non-Departmental

Housing Incentive Program

Water Purchases

Gulf Coast

Debt Service Payment

Participation in Line Extensions

BILLING AND COLLECTION

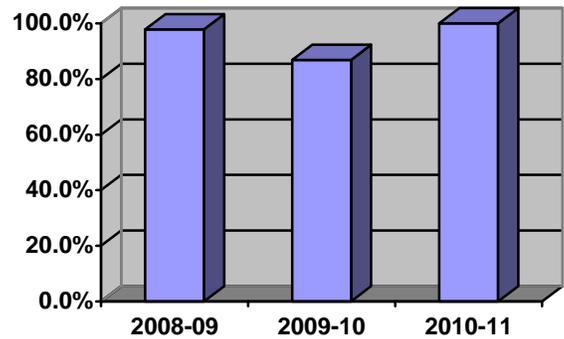
Mission

To provide outstanding service to the citizens and City of Odessa through timely and accurate billing and collection for utility, ambulance, license and permit and miscellaneous accounts receivable transactions. To partner with the citizens of Odessa in meeting their information and service needs in relation to the variety of services provided.

Departmental Goals/(City's Value Statement Goals)

1. Allow customers to make payments online and to access the interactive voice response telephone system, 24 hours per day, 7 days a week./(Service)
2. Improve the quality of customer service using the voice recording management equipment as a principal training tool in the Quality Assurance Monitoring Program./(Excellence)
3. Improve the efficiency of operations through utilization of our software vendor./(Excellence)
4. Process mail-in payments more efficiently using electronic remittance technology./(Excellence)

Perform All Customer-Requested Meter Reads in 7 Days



Objectives / Performance Measures

Effectiveness

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Maintain meter reading accuracy at an annual average of 99.8% or greater.	99.38%	99.24%	99.80%
2. Perform all customer requested re-reads in 7 days or less.	97.79%	86.88%	100%
3. Collect 60% of billed ambulance charges annually.	67.47%	64.53%	60%
4. Percentage of payments processed through automated means.	22.18%	24.60%	25.00%
5. Notify all license and permit customers 30 days prior to expiration of their licenses.	100%	100%	100%
6. Quality assurance monitoring of customer service - Maintain an average rating of 90%.	82.54%	81.22%	90%

BILLING AND COLLECTION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,584,849	\$1,587,040	\$1,587,040	\$1,605,749
Supplies	182,971	200,762	199,469	199,469
Services	152,970	198,359	198,359	198,328
Maintenance	114,000	149,294	149,294	158,984
Capital Outlay	<u>3,632</u>	<u>13,816</u>	<u>13,816</u>	<u>13,816</u>
Total Expenditures	\$2,038,423	\$2,149,271	\$2,147,978	\$2,176,346

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Billing and Collection	1	1	1
Systems Manager *	1	1	1
Legal Assistant/Paralegal **	1	1	1
Supervisor of Customer Service	1	1	1
Billing & Collection Manager	1	1	1
Utility Field Supervisor	1	1	1
Cashier Supervisor	1	1	1
Senior Billing Clerk	1	1	1
Senior Administrative Assistant	1	1	1
Secretary	1	1	1
Cashier	4	4	4
Field Collector	2	2	2
Billing Clerk	2	2	2
Customer Service Representative ****	7	7	7
Field Representative	2	2	2
Water Meter Reader	5	5	5
EMS Billing Coordinator	2	2	2
EMS Billing Clerk	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	35	35	35
Funding Sources:			
Water & Sewer	33.5	33.5	33.5
General Fund ***	0.5	.5	.5
Solid Waste Fund ****	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	35	35	35
* Reports to Information Services			
** Reports to City Attorney			

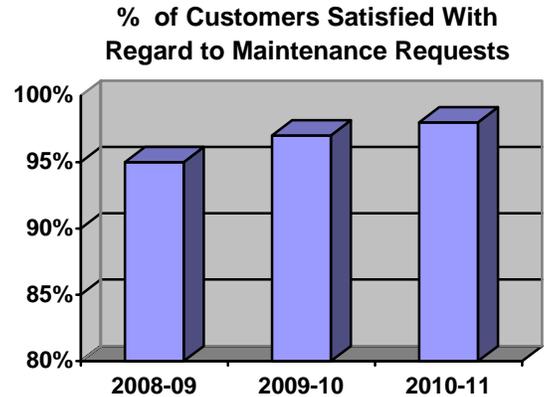
UTILITIES ADMINISTRATION

Mission

The Utilities Administration Division assumes overall responsibility for providing water and wastewater treatment as well as distribution and collection services, ensuring regulatory compliance, monitoring customer satisfaction, providing managerial and clerical support to all Utilities divisions, and overseeing the Utilities Capital Improvement Program.

Departmental Goals/(City's Value Statement Goals)

1. Comply with the TCEQ Sanitary Sewer Overflow Initiative./(Organization)
2. Develop Utilities Capital Improvements and Rehabilitation Program Projects./(Service)
3. Continue infrastructure rehabilitation program./(Direction)
4. Develop water conservation strategy consistent with availability of CRMWD water supply./(Direction)
5. Stay abreast of upcoming regulatory issues and implement projects required to consistently meet all state and federal requirements./(Direction)



Objectives / Performance Measures

Effectiveness

1. Percentage of Customers Requesting Water and Sewer Maintenance Services Surveyed as to Their Level of Satisfaction (Goal: 100%)
2. Percentage of Customers Satisfied with Utilities Administration's Handling of Maintenance Requests (Goal: 100% Satisfaction)
3. Percentage of State, Treatment Plants, and Contract Customer Reports Which are Reported Within Established Time Frames (Goal: 100% of the Time)
4. Percentage of Capital Improvement Program Projects Initiated in Fiscal Year Proposed (Goal: 100% of the Time)

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
--	-------------------------------------	---------------------------------------	-------------------------------------

	100%	100%	100%
	95%	97%	98%
	100%	100%	100%
	100%	100%	100%

UTILITIES ADMINISTRATION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$486,494	\$511,302	\$511,302	\$510,523
Supplies	35,030	50,947	50,947	50,947
Services	65,622	67,734	67,734	67,158
Maintenance	88	7,768	998	998
Capital Outlay	<u>0</u>	<u>1,041</u>	<u>1,041</u>	<u>1,041</u>
Total Expenditures	\$587,234	\$638,792	\$632,022	\$630,667

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Utilities	1	1	1
Assistant Director Utilities/Treatment	1	1	1
Utilities Office Manager	1	1	1
Utilities Radio Dispatcher	1	1	1
Utilities Payroll/Purchasing Clerk	1	1	1
Utilities Receptionist	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	6	6	6

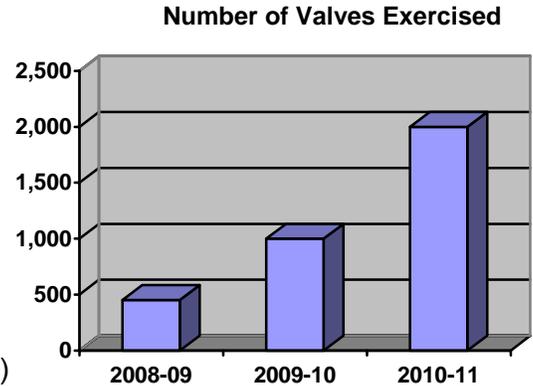
WATER DISTRIBUTION

Mission

The Water Distribution Division maintains the water distribution system through a proactive operations and maintenance program so that a safe potable water supply is delivered to customers continuously and in compliance with state regulations.

Departmental Goals/(City's Value Statement Goals)

1. With the assistance of Engineering and/or outside agencies, identify, design, and contract CIP and infrastructure rehabilitation program projects for the distribution system. (Organization)
2. Continue developing standard operating procedures for the remaining tasks and functions. (Direction)
3. Develop task-oriented training program for new and existing employees. (Excellence)
4. Implement large meter change out program. (Direction)
5. Increase number of TCEQ-licensed personnel. (Excellence)



Objectives / Performance Measures

Effectiveness

1. Percentage of Compliance With TCEQ Regulations (Goal: 100%)

Workload

1. Number of ¾" Meters Changed Out (Goal: Change out all ¾" water meters ten years or older.)
2. Number of 1" Meters Changed Out (Goal: Change out all 1" meters that are ten years or older.)
3. Number of Valves Exercised (Goal: 2,000/year)

FY 2008-09

Actual

100%

563 *

58

452 *

FY 2009-10

Estimate

100%

750 *

50 *

1,000 **

FY 2010-11

Target

100%

5,000 ***

100 ***

2,000

* Change outs pending determination of status of proposed AMR project.

** Reduction in workload performance measure numbers is due to limited workforce to perform the work.

*** Plan to replace large meters during next fiscal year, as well as small meters that are 10 years or older.

WATER DISTRIBUTION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,138,282	\$1,433,810	\$1,433,810	\$1,453,174
Supplies	35,386	39,273	37,984	37,984
Services	472,424	483,456	483,456	483,158
Maintenance	157,601	135,892	135,892	135,892
Capital Outlay	<u>26,168</u>	<u>3,427</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$1,829,861	\$2,095,858	\$2,091,142	\$2,110,208

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Assistant Director of Utilities/Field Operations	1	1	1
Civil Engineer Associate*	1	1	1
Utilities Field Operations Clerk	1	1	1
Utilities Field Operations Supervisor	3	3	3
Field Operations Crewleader	6	6	6
Meter Operations Coordinator	1	1	1
Utilities Field Equipment Operator	6	6	6
Field Operations Technician	7	8	8
Utility Field Operations Worker	<u>4</u>	<u>3</u>	<u>3</u>
Total Personnel	30	30	30
* Reports to the Engineering division of Public Works.			

WATER TREATMENT PLANT

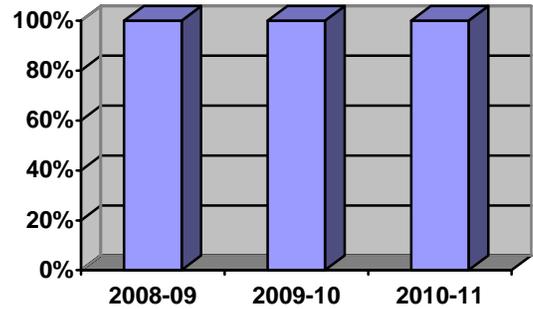
Mission

The Water Treatment Plant treats raw water to produce potable water meeting all federal and state primary drinking water standards and delivers treated water of sufficient volume and pressure to meet state requirements.

Departmental Goals/(City's Value Statement Goals)

1. Implement updates/upgrades/changes to SCADA hardware and software as recommended by Information Services./(Direction)
2. Upgrade maintenance of electrical and instrumentation equipment through staff and/or outside contractors./(Direction)
3. Resubmit EPA Risk Management Plan./(Direction)
4. Maintain a minimum of 6 out of 8 operator positions with individuals possessing a TCEQ C license, or higher./(Excellence)

% of Time That Customer Demand for Water is Met



Objectives / Performance Measures

Effectiveness

1. Comply with state and federal Primary Drinking Water Standards 100% of the time.
2. Meet customer water quantity demands 100% of the time.
3. Maintain TCEQ requirements for water system pressures 100% of the time.
4. Ensure that, during days of peak usage, less than 90% of plant capacity is used 100% of the time.

FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
-----------------------------	-------------------------------	-----------------------------

100%	100%	100%
100%	100%	100%
100%	100%	100%
100%	100%	100%

WATER TREATMENT PLANT

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$606,278	\$646,693	\$646,693	\$663,701
Supplies	959,674	991,753	987,684	988,894
Services	694,220	823,827	823,827	822,528
Maintenance	75,135	61,628	56,500	56,500
Capital Outlay	<u>62,681</u>	<u>35,635</u>	<u>34,000</u>	<u>34,000</u>
Total Expenditures	\$2,397,988	\$2,559,536	\$2,548,704	\$2,565,623

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Water Plant Chief Operator	1	1	1
Water Treatment Supervisor	1	1	1
Plant Operator D	4	2	2
Plant Operator C	2	3	3
Plant Operator B	2	3	3
Utilities Maintenance Technician	<u>2</u>	<u>2</u>	<u>2</u>
Total Personnel	12	12	12

BOB DERRINGTON WATER RECLAMATION PLANT

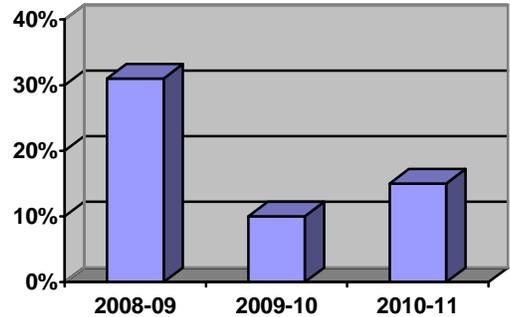
Mission

The operation personnel of the Bob Derrington Water Reclamation Plant provide outstanding treatment of wastewater so that the requirements of the state permits are consistently met and the effluent is suitable for industrial and irrigation reuse. The inspection personnel work with commercial and industrial customers through inspection and monitoring activities to ensure that their discharges will not adversely affect plant operations and will consistently meet local, state, and federal requirements.

Departmental Goals/(City's Value Statement Goals)

1. Implement updates/upgrades/changes to SCADA hardware and software as recommended by Information Services. (Direction)
2. Upgrade maintenance of electrical and instrumentation equipment through staff and/or outside contractors. (Direction)
3. Maintain minimum of 6 of 11 operators with a TCEQ B license, or higher. (Excellence)
4. Determine additional customers for reuse water. (Direction)

Percentage of Effluent Provided to Reuse Customers



Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
<u>Effectiveness</u>			
1. Percentage of Compliance with TCEQ Permit Requirements (Goal: 100%)	100%	100%	100%
2. Percentage of Compliance with TCEQ Reuse Requirements (Goal: 100%)	100%	100%	100%
3. Percentage of Effluent Provided to Reuse Customers (Goal: 50%)	31%	10% *	15% *
4. Percentage of Significant Industrial Users Inspected (Goal: 100%)	100%	100%	100%
5. Update all required Commercial/Industrial Discharge applications (Goal: 100% of those required for the year)	100%	100%	100%
6. Percentage of New Commercial/Industrial Customers That Complete a Wastewater Discharge Application (Goal: 100%)	100%	100%	100%
* Percent of supplied effluent reduced due to the closing of Flint Hills Resources Plant.			

BOB DERRINGTON WATER RECLAMATION PLANT

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,372,794	\$1,398,634	\$1,398,634	\$1,404,779
Supplies	168,265	160,860	160,860	188,960
Services	1,266,716	1,268,383	1,268,383	1,239,000
Maintenance	58,041	55,353	53,550	57,550
Capital Outlay	<u>28,221</u>	<u>29,873</u>	<u>29,873</u>	<u>26,873</u>
Total Expenditures	\$2,894,037	\$2,913,103	\$2,911,300	\$2,917,162

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Reclamation Plant Chief Operator	1	1	1
Utilities Inspector	2	2	2
Plant Clerk	1	1	1
Manager Wastewater Operations	1	1	1
Utilities Technology Supervisor	1	1	1
Plant Operator D	4	2	2
Plant Operator B	6	6	6
Utilities Maintenance Supervisor	1	1	1
Plant Operator C	1	3	3
Utilities Maintenance Technician	2	2	2
Utilities Electr/Instr Technician	2	2	2
Liquid Waste Inspector *	1	1	1
Utilities Maintenance Worker	3	3	3
Utilities Maintenance Assistant	<u>2</u>	<u>2</u>	<u>2</u>
Total Personnel	28	28	28
Funding Sources:			
Water & Sewer Fund	27	27	27
Liquid Waste Fund *	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	28	28	28

WASTEWATER COLLECTION

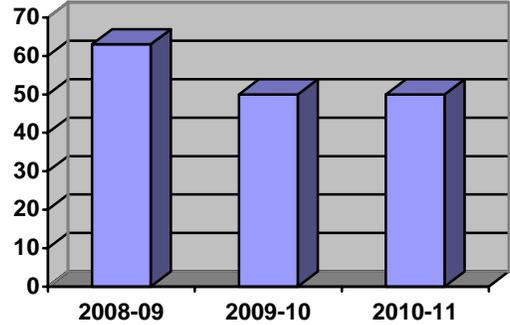
Mission

The Wastewater Collection Division maintains the wastewater collection system through a proactive operations and maintenance program so that wastewater services are delivered to customers continuously and in compliance with state regulations.

Departmental Goals/(City's Value Statement Goals)

1. Continue developing standard operating procedures for remaining tasks & functions./(Direction)
2. With the assistance of Engineering and/or outside agencies, identify, design, and contract CIP and infrastructure rehabilitation program projects./ (Organization)
3. Comply with SSO initiative plan./(Direction)
4. Implement more aggressive tv inspection and line cleaning programs./(Excellence)
5. Increase the number of TCEQ licensed personnel. /(Excellence)

No. of Manholes Rehabbed or Repaired



Objectives / Performance Measures

Effectiveness

1. Percentage of Compliance with TCEQ Regulations (Goal: 100%)
2. Reduce SSOs (sanitary sewer overflows). (Goal: reduce by 5%/mile using 2006-07 value of 0.17 SSO/mile as the baseline.)

Workload

1. Number of Manholes Rehabbed or Repaired (Goal: 50 Annually)
2. Number of Feet of Sewer Lines Televised (Goal: 30,000 Annually)
3. Number of Feet of Sewer Main Cleaned (Goal: 1,000,000 Annually)

	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Target
--	------------------------------	--------------------------------	------------------------------

	100%	100%	100%
--	------	------	------

	29%	8%	5%
--	-----	----	----

	63	50	50
--	----	----	----

	34,956	30,000	30,000
--	--------	--------	--------

	1,271,648	1,000,000	1,000,000
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WASTEWATER COLLECTION

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$538,351	\$622,529	\$622,529	\$626,211
Supplies	24,784	67,554	67,452	67,452
Services	346,138	380,078	380,078	380,078
Maintenance	59,968	55,228	55,228	55,228
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$969,241	\$1,125,389	\$1,125,287	\$1,128,969

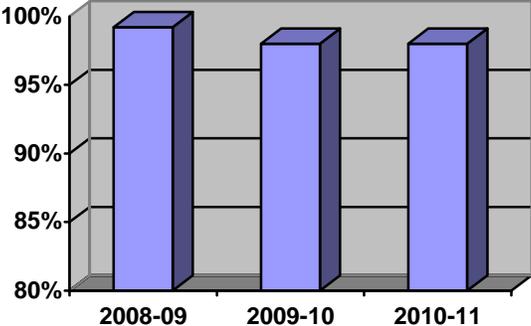
Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Utilities Field Operations Manager	1	1	1
Utilities Field Operations Supervisor	1	1	1
Field Operations Crewleader	3	3	3
Utilities Field Equipment Operator	4	4	4
Field Operations Technician	3	3	3
Utility Field Operations Worker	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	13	13	13

LABORATORY SERVICES

Mission

The Laboratory Services Division generates, interprets, and reports analytical data in a timely and reliable manner to: assist in the current and future operation of the water, wastewater and industrial treatment facilities, provide water quality information, provide quality service to internal and external customers and ensure compliance with federal and state regulations governing the operation of the Utilities Department.

Department Goals/(City's Value Statement Goals)	% of Analytical Results Meeting Standard Established by Lab										
<ol style="list-style-type: none"> 1. Provide ongoing audits and updates for all procedures and quality control criteria./(Direction) 2. Maintain NELAC accreditation./(Excellence) 3. Provide analytical reporting and customer service which meet internal and external customer needs./ (Direction) 4. Implement use of inductively coupled plasma (ICP) technology./(Excellence) 	 <table border="1" style="margin: 0 auto; border-collapse: collapse;"> <caption>Data for Bar Chart: % of Analytical Results Meeting Standard</caption> <thead> <tr> <th>Fiscal Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2008-09</td> <td>97.2%</td> </tr> <tr> <td>2009-10</td> <td>98%</td> </tr> <tr> <td>2010-11</td> <td>95%</td> </tr> </tbody> </table>			Fiscal Year	Percentage	2008-09	97.2%	2009-10	98%	2010-11	95%
Fiscal Year	Percentage										
2008-09	97.2%										
2009-10	98%										
2010-11	95%										
Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>								
<u>Effectiveness</u>											
1. Percentage of Results Submitted in NELAC Proficiency Test (PT) That Are Evaluated as Acceptable	97.2%	97%	100%								
2. Percentage of Analytical Results That Meet the Quality Control Acceptance Criteria Established by the Laboratory	99.2%	98%	98%								
3. Survey Internal and External Customers to Determine Level of Satisfaction With Laboratory Services (Goal: 95%)	94%	95%	95%								

LABORATORY SERVICES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$572,439	\$600,152	\$600,152	\$615,268
Supplies	109,679	107,794	107,300	112,930
Services	85,826	106,389	104,869	102,019
Maintenance	37,727	37,228	36,880	34,000
Capital Outlay	<u>7,124</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$812,795	\$851,563	\$849,201	\$864,217

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Laboratory Manager	1	1	1
Laboratory Chemist	5	5	5
Laboratory Senior Chemist	1	1	1
Laboratory Supervisor	1	1	1
Laboratory Field Specialist	1	1	1
Custodian	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	10	10	10

UTILITIES GIS

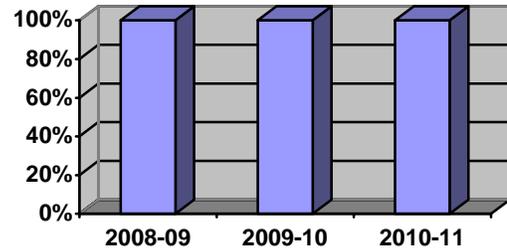
Mission

The Utilities GIS maintains the accuracy of the distribution and collection digital mapping system, through constant updates via field observations and research so that it may assist in timely service to customers and management.

Departmental Goals/(City's Value Statement Goals)

1. Provide the Utilities Department with mapping information which will facilitate the efficient maintenance and operation of the distribution and collection systems./ (Service)
2. Collect GPS coordinates for CIP and new water/sewer line construction projects for the Geographical Information System (GIS)./(Organization)
3. Provide locates of underground facilities for DigTess./ (Direction)
4. Assist in complying with the Sanitary Sewer Overflow Initiative Plan./ (Direction)

% of Time That Responses Are Made to Emergency Locate Line Requests Within 2 Hours



Objectives / Performance Measures

Effectiveness

1. Percentage of the time the GIS mapping system is available to Utilities personnel (Goal: 100%)
2. Percentage of GPS collections completed for CIP and new construction projects in Fiscal Year (Goal: 100%)
3. Percentage of responses to non-emergency line locate requests within the allotted 48-hour time period (Goal: 100% of the Time)
4. Percentage of responses to emergency line locate requests within the allotted 2 hours time period (Goal: 100% of the Time)

**FY 2008-09
Actual**

**FY 2009-10
Estimate**

**FY 2010-11
Target**

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

UTILITIES GIS

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$119,168	\$125,399	\$125,399	\$125,771
Supplies	1,547	4,100	4,100	4,100
Services	35,555	23,279	23,279	23,279
Maintenance	428	0	0	0
Capital Outlay	<u>0</u>	<u>1,154</u>	<u>1,154</u>	<u>1,154</u>
Total Expenditures	\$156,698	\$153,932	\$153,932	\$154,304

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Utilities GIS Supervisor *	1	1	1
Utilities GIS Analyst	1	1	1
Utilities GIS Technician	1	1	1
Utilities GIS Worker	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	4	4	4
* The Utilities GIS Supervisor position is funded by Utilities Administration.			

WATER AND SEWER FUND

Repair and Replacement

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	526,406	1,053,790	685,329	587,829
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$526,406	\$1,053,790	\$685,329	\$587,829

Non-Departmental Expenditures

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services *	\$0	\$0	\$0	\$31,831
Supplies	0	0	0	0
Services	535,097	455,161	455,161	455,161
Maintenance	0	0	0	0
Capital Outlay	5,862	35,000	35,000	35,000
Other	<u>5,258,253</u>	<u>5,515,968</u>	<u>5,515,968</u>	<u>5,457,775</u>
Total Expenditures	\$5,799,212	\$6,006,129	\$6,006,129	\$5,979,767
<p>* Funds ½ of Financial Reporting Accountant position. Construction Inspector position funded through Bond Funds.</p>				

Housing Incentive Program

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Housing Incentive Program	<u>\$360,500</u>	<u>\$1,141,500</u>	<u>\$500,000</u>	<u>\$0</u>
Total Expenditures	\$360,500	\$1,141,500	\$500,000	\$0

WATER AND SEWER FUND

Water Purchases Expenditures

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Purchase of Water CRMWD	\$4,616,941	\$4,464,672	\$4,464,672	\$4,687,933
Service Charges CRMWD	<u>7,265,829</u>	<u>7,990,585</u>	<u>7,990,585</u>	<u>8,390,087</u>
Total Expenditures	\$11,882,770	\$12,455,257	\$12,455,257	\$13,078,020

Gulf Coast Expenditures

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Other Service Payments	<u>\$211,690</u>	<u>\$390,275</u>	<u>\$310,000</u>	<u>\$310,000</u>
Total Expenditures	\$211,690	\$390,275	\$310,000	\$310,000

Debt Service Payment

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Debt Service Payments	<u>\$7,914,233</u>	<u>\$7,668,831</u>	<u>\$7,668,831</u>	<u>\$7,815,244</u>
Total Expenditures	\$7,914,233	\$7,668,831	\$7,668,831	\$7,815,244

WATER AND SEWER FUND

Participation in Line Extensions

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Capital Outlay	<u>37,727</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Total Expenditures	\$37,727	\$200,000	\$200,000	\$200,000

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Solid Waste Fund
Overview

SOLID WASTE FUND

OVERVIEW

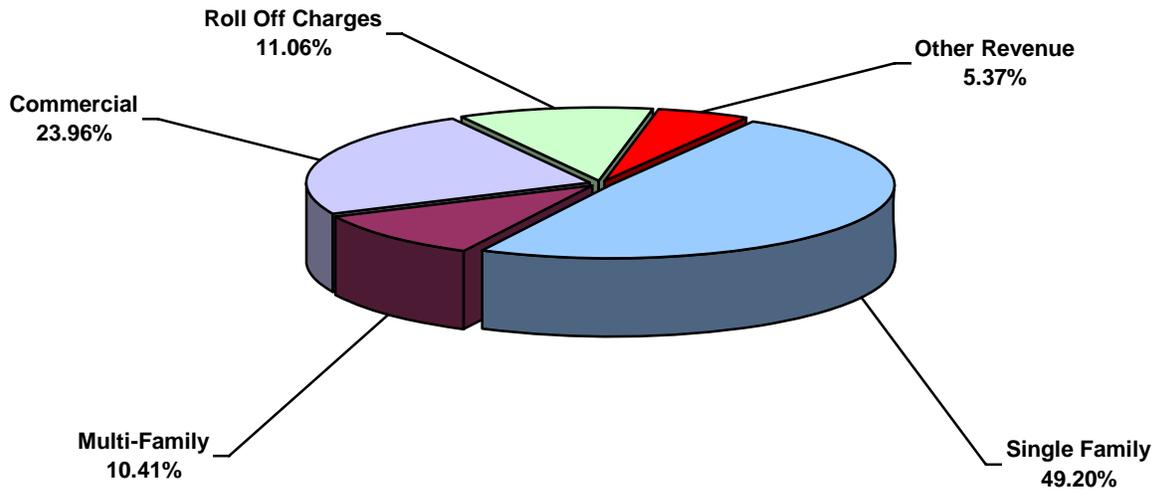
	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$561,037	\$386,179	\$146,048	\$183,392
CURRENT REVENUES				
Single Family	\$4,582,403	\$4,893,200	\$4,823,000	\$4,893,200
Multi-Family	969,370	1,035,700	1,007,000	1,035,700
Commercial	2,223,073	2,381,900	2,333,145	2,383,100
Roll-Off Charges	1,068,236	1,100,000	1,273,060	1,100,000
Interest Income	4,414	0	6,500	0
Other Revenue	516,273	542,049	561,000	534,200
TOTAL CURRENT REVENUES	\$9,363,769	\$9,952,849	\$10,003,705	\$9,946,200
TOTAL FINANCING SOURCES	\$9,924,806	\$10,339,028	\$10,149,753	\$10,129,592
EXPENDITURES				
Personal Services	\$2,431,793	\$2,335,324	\$2,335,324	\$2,358,885
Supplies	43,584	52,628	52,528	71,928
Services	5,474,631	5,799,589	5,799,589	5,814,518
Maintenance	411,898	654,697	488,325	453,925
Capital Outlay	0	7,500	7,500	7,500
Capital Outlay Supplemental	29,544	0	0	0
Other Requirements				
GF Administrative Fee	497,837	556,568	556,568	542,810
Gross Receipt Payment	506,449	584,424	584,424	461,379
In Lieu of Tax	35,492	35,463	35,463	34,992
Lease Payment	1,155	0	0	0
Outside Agencies	106,244	129,443	129,443	134,229
TOTAL EXPENDITURES	\$9,538,627	\$10,155,636	\$9,989,164	\$9,880,166
ENDING FUND BALANCE	\$386,179	\$183,392	\$160,589	\$249,426

SOLID WASTE FUND OVERVIEW

Revenues

	<u>2008-09 Actual</u>	<u>2009-10 Estimated</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>
Single Family	\$4,582,403	\$4,893,200	\$4,823,000	\$4,893,200
Multi-Family	969,370	1,035,700	1,007,000	1,035,700
Commercial	2,223,073	2,381,900	2,333,145	2,383,100
Roll Off Charges	1,068,236	1,100,000	1,273,060	1,100,000
Interest Income	4,414	0	6,500	0
Other Revenue	516,273	542,049	561,000	534,200
Total Revenue	<u>\$9,363,769</u>	<u>\$9,952,849</u>	<u>\$10,003,705</u>	<u>\$9,946,200</u>

SOLID WASTE FUND 2010-11 REVENUES BY SOURCES



SOLID WASTE FUND

OVERVIEW

Revenues

Solid Waste has operated as an Enterprise Fund in the City of Odessa since 1995-96. The functions of this cost center were formerly within the General Fund, Department of Public Works. As with all enterprise funds, this separate fund has been established to account for operations that are financed and operated in a manner similar to private business. The rate schedules for these services were established to ensure that revenues would be adequate to meet all necessary expenditures. The following is a comparative summary of revenues by source of the Solid Waste Fund.

<u>Source</u>	2010-11 Budget		Increase/(Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Single Family	\$4,893,200	49.20%	\$70,200	1.46%
Multi-Family	1,035,700	10.41%	28,700	2.85%
Commercial	2,383,100	23.96%	49,955	2.14%
Roll Off Charges	1,100,000	11.06%	(173,060)	(13.59%)
Interest Income	0	0.00%	(6,500)	(100.00%)
Other Revenue	<u>534,200</u>	<u>5.37%</u>	<u>(26,800)</u>	<u>(4.78%)</u>
TOTAL	\$9,946,200	100.00%	(\$57,505)	(0.57%)

The major revenues for Solid Waste; Single-Family Residential (49.20%), Commercial (23.96%), and Roll-Off Charges (11.06%), account for over 84% of this fund's total revenue. Total customer accounts and anticipated growth within city limits, demand for roll-off usage in commercial and construction areas, and an expanding outside-city-limit customer base drive these revenue items.

The total revenue for 2010-11 is expected to decrease by 0.57% compared to the previous year's budget. Single Family, Multi-Family, and Commercial accounts will realize increases of 1.46%, 2.85%, and 2.14%, respectively. Meanwhile, Roll-Off revenues are expected to decrease by 13.59%. It is anticipated that Other Revenue and Interest revenues will also realize decreases in the upcoming fiscal year. Other Revenue will fall by 4.78%, while Interest income is projected to decrease by 100.00%.

Solid Waste rates will remain at the same level as last year. Inside the city limits, single-family accounts will be charged \$15.11 per month, while the rate for multi-family customers has been set at \$7.90 per month. The commercial rate for regular twice-a-week pickup is \$51.94 per month. However, customers who are willing to share a trash receptacle with another business can reduce their rate to \$26.50 for a 3-cubic-yard container, or \$34.62 for a 4-cubic-yard container.

Outside the city limits, customers pay a higher rate for solid waste service than do those located within the city limits. In 2010-11, Residential customers will pay \$40.28 per month for once-a-week service, and Commercial customers will pay \$64.66 per month for twice-a-week service. The higher rates are charged in order to defray the additional costs involved in providing service to customers living beyond the city limits.

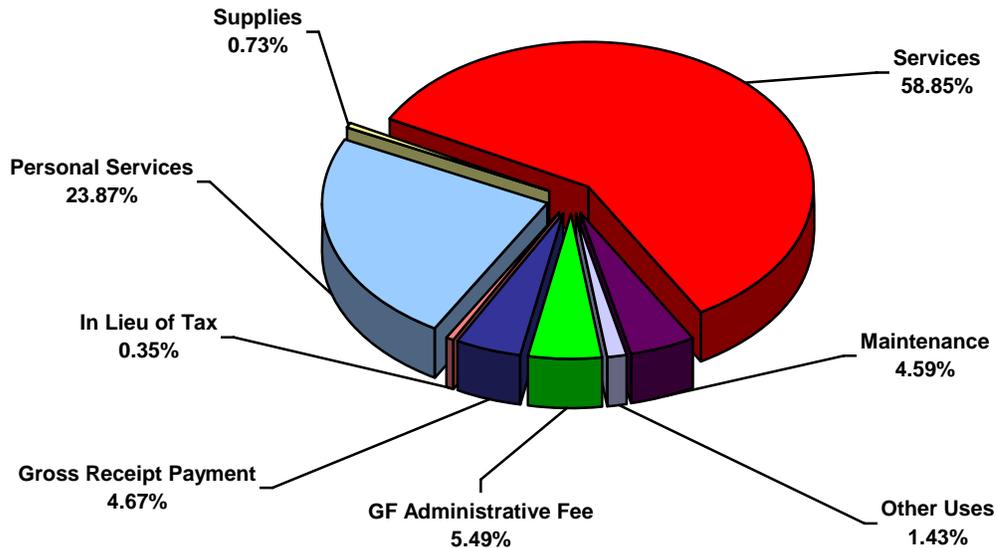
SOLID WASTE FUND

OVERVIEW

Expenditures By Classification

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Personal Services	\$2,431,793	\$2,335,324	\$2,335,324	\$2,358,885
Supplies	43,584	52,628	52,528	71,928
Services	5,474,631	5,799,589	5,799,589	5,814,518
Maintenance	411,898	654,697	488,325	453,925
Capital Outlay	29,544	7,500	7,500	7,500
GF Administrative Fee	497,837	556,568	556,568	542,810
Gross Receipt Payment	506,449	584,424	584,424	461,379
In Lieu of Tax	35,492	35,463	35,463	34,992
Lease Payment	1,155	0	0	0
Outside Agencies	106,244	129,443	129,443	134,229
Total Expenditures	<u>\$9,538,627</u>	<u>\$10,155,636</u>	<u>\$9,989,164</u>	<u>\$9,880,166</u>

SOLID WASTE FUND 2010-11 EXPENDITURES BY CLASSIFICATION



SOLID WASTE FUND

OVERVIEW

Expenditures

Approved expenditures for 2010-11 total \$9,880,166. This represents a decrease of 1.09% compared to the previous year. Below is a comparative summary of expenditures by classification.

<u>Classification</u>	2010-11 Budget		Increase / (Decrease) From 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Personal Services	\$2,358,885	23.87%	\$23,561	1.01%
Supplies	71,928	0.73%	19,400	36.93%
Services	5,814,518	58.85%	14,929	0.26%
Maintenance	453,925	4.59%	(34,400)	(7.04%)
Capital Outlay	7,500	0.08%	0	0.00%
Other Requirements	1,039,181	10.52%	(137,274)	(11.67%)
Outside Agencies	<u>134,229</u>	<u>1.36%</u>	<u>4,786</u>	<u>3.70%</u>
TOTAL	\$9,880,166	100.00%	(\$108,998)	(1.09%)

The 1.01%, or \$23,561, increase in Personal Services funding is due to the implementation of the new employee compensation plan. The staffing level for this fund is 49.5, the same number of positions as was funded last year. Each year, overtime expenses are budgeted to ensure full staffing on all routes, and temporary labor funds are set aside to provide backup personnel in the event of vacant positions.

The budget for Supplies will increase by \$19,400, or 36.93%, in 2010-11. The increase is entirely due to the purchase of automated vehicle location equipment for the Solid Waste fleet.

The Services budget will increase by 0.26%, due to the transfer of \$15,000 from the Maintenance budget. The additional funds will help cover the annual cost of monitoring the landfill, as required by State regulations.

The budget for Maintenance is \$453,925, a 7.04% decrease compared to last year's number. The majority of the \$34,400 decrease was proposed in an effort to reduce the overall Solid Waste budget. However, \$15,000 of the total amount was transferred to the Services budget in order to defray costs associated with State-regulated landfill monitoring.

The 2010-11 budget for Capital Outlay will remain at \$7,500, the same level as last year.

Other Requirements includes payments made to the General Fund for administrative fees, gross receipt payments, payments in lieu of tax, and lease payments. The administrative fees are based on the cost of services provided by General Fund to the Solid Waste Fund. Gross receipt payments are calculated by taking 5% of the gross receipts collected from users for solid waste services. The gross receipt fee is paid to the General Fund as compensation for the use of streets, alleys, and other rights-of-way. In 2010-11, the Other Requirements budget will realize a \$137,274 decrease compared to 2009-10 numbers.

SOLID WASTE FUND

OVERVIEW

Expenditures (cont.)

The Outside Agencies category provides funding for the Keep Odessa Beautiful Organization. Keep Odessa Beautiful coordinates neighborhood clean-up campaigns and educates the public on such topics as recycling, composting, and the disposal of household hazardous waste. The 2010-11 approved budget for Outside Agencies is \$134,229, an increase of \$4,786 over last year's budget.

The Solid Waste Fund is an "Enterprise Fund" which is self-supported by user fees. Efforts are made to provide quality service at the lowest possible rate. However, at times rate increases are unavoidable. In 2001-02, for the first time since 1993-94, a solid waste rate increase was implemented in order to keep pace with increases in operating costs. Rates were not adjusted from 2002-03 to 2004-05, because revenues generated from the 2001-02 rate structure were sufficient to cover all expenditures during that time period. In the years leading up to 2005-06, the customer base had been steadily expanding. As a result, new positions had been created and additional vehicles had been purchased to keep pace with the demand for service. By 2005-06, rates were increased slightly to help defray the increasing cost of providing quality service. The rate increase also helped fund the new employee compensation plan and rising fleet costs. Solid Waste rates were again raised in 2006-07 in order to fund a 5% pay increase and cover the rising costs of fleet maintenance, landfill tipping fees, and trash container replacement. In 2007-08, an 8% rate increase went into effect to accommodate the rising fuel and maintenance costs of the Solid Waste truck fleet. No rate increases were implemented in fiscal year 2008-09; however, in 2009-10, a 6% increase was approved to cover increases in employee retirement benefits and fleet maintenance costs, as well as to rebuild the fund balance. No rate increases will be implemented in 2010-11, as it is anticipated that revenues will be sufficient to cover all operating expenses.

Fund Balance

In 2009-10, the fund balance decreased by \$202,787 compared to the 2008-09 ending fund balance of \$386,179. The decrease, or use of fund balance, was approved in the 2009-10 budget process to help fund increases in tipping fees and fleet costs.

The 2010-11 budget is appropriated with projected revenue of \$9,946,200, sufficient revenue to cover the \$9,880,166 in estimated expenditures. The projected 2010-11 ending fund balance for the Solid Waste Fund is \$249,426. This represents a \$66,034 increase in fund balance compared to last year's estimated ending fund balance of \$183,392.

SOLID WASTE FUND

CAPITAL OUTLAY

Fund and Department/Division	Item	Item Total	Total
SOLID WASTE FUND			
Solid Waste	Machinery & Equipment	\$2,500	
	Data Processing Equipment	<u>5,000</u>	
	Subtotal Solid Waste		\$7,500
TOTAL CAPITAL OUTLAY – SOLID WASTE FUND			<u>\$7,500</u>

CITY OF ODESSA

FY 2010-11

ADOPTED BUDGET

Solid Waste Fund
Detail by Department/Division

SOLID WASTE FUND
DEPARTMENTS/DIVISIONS

Solid Waste Division
Neighborhood Development Services
Non-Departmental
Outside Agencies

SOLID WASTE

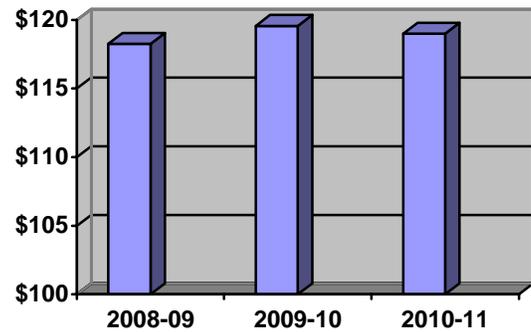
Mission

The Solid Waste Division provides a reliable and efficient system of collection and transportation of municipal solid waste from residential and commercial customers in a professional, cost effective and environmentally safe method, resulting in the enhancement of public welfare.

Departmental Goals/(City's Value Statement Goals)

1. Improve all operations of the division, including solid waste collection, recycling, backyard composting, tree limb recycling, household hazardous waste facility, and education./(Excellence)

**Operating & Maint. Expenditures
per Refuse Collection Account**



Objectives / Performance Measures

Effectiveness

1. Median Number of Containers Collected per Refuse Vehicle per Hour

Efficiency

1. Operating and Maintenance Expenditures per Refuse Collection Account
2. Operating and Maintenance Expenditures for Disposal per Account

Workload

1. Solid Waste Customer Accounts
2. FTE's per 1,000 Refuse Collection Accounts
3. Landfill Tonnage
4. Number of Containers Refurbished
5. Bulk Items Picked Up (Tons)

**FY 2008-09
Actual**

**FY 2009-10
Estimate**

**FY 2010-11
Target**

35

35

35

\$118.25

\$119.56

\$119

\$67.78

\$65.36

\$66

41,200

41,111

41,300

1.10

1.10

1.10

107,375

108,000

113,000

1,139

1,752

1,700

1,286

1,448

1,450

SOLID WASTE

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$2,359,065	\$2,258,627	\$2,258,627	\$2,281,302
Supplies	43,584	52,100	52,000	71,400
Services	5,436,586	5,791,188	5,791,188	5,806,135
Maintenance	410,098	652,447	486,075	451,675
Capital Outlay	<u>29,544</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
Total Expenditures	\$8,278,877	\$8,761,862	\$8,595,390	\$8,618,012

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Solid Waste Superintendent	1	1	1
Administrative Assistant	1	1	1
Compactor Mechanic	1	1	1
Container Maintenance Technician	1	1	1
Route Support Supervisor	1	1	1
Collection Supervisor	3	3	3
Roll Off Supervisor	1	1	1
Solid Waste Driver	34	34	34
Solid Waste Worker	2	2	2
Welder	1	1	1
Solid Waste Operations Supervisor	1	1	1
Customer Service Representative *	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	48	48	48
* Reports to Billing & Collection			

SOLID WASTE – NEIGHBORHOOD DEVELOPMENT SERVICES

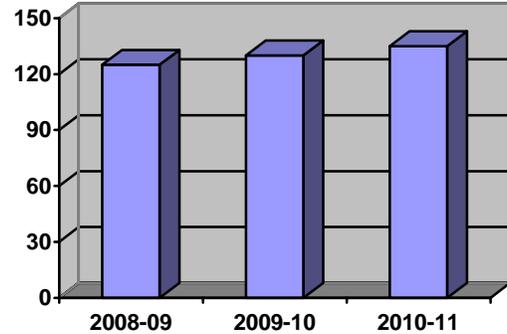
Mission

To develop a working partnership involving the neighborhood residents, public officials, and service organizations to identify effective solutions to concerns or needs in city neighborhoods.

Departmental Goals/(City’s Value Statement Goals)

1. Encourage citizens to keep neighborhoods free of litter, junked vehicles, junk, debris, illegal dumping, etc. (Organization)
2. Build on existing community resources to become more effective & efficient in resolving code violation within the City of Odessa. Encourage continued partnership with Keep Odessa Beautiful & community partners in promoting & maintaining neighborhood clean-up revitalization sweeps. (Organization)
3. Increase educational opportunities, improve access to information & resources, and address other code issues, including customer satisfaction and Code Enforcement’s efforts to decrease code violations. (Direction)

Tonnage Collected In Clean-Up Campaigns



Objectives / Performance Measures	FY 2008-09 Actual	FY 2009-10 Estimate	FY 2010-11 Target
<u>Effectiveness</u>			
1. Tonnage Collected From Neighborhood Sweeps Clean-Up Campaigns Annually	125	130	135
<u>Efficiency</u>			
1. Average Number of Code Violations per Code Enforcement Officer/Inspector	2,656	2,800	3,000
<u>Workload</u>			
1. Citizen Requests for Assistance with Neighborhood Concerns and/or Code Violations	4,994	5,200	5,400
2. Neighborhood Meetings to Provide an Open Forum to Voice Neighborhood Concerns	39	42	42
3. Citizen Education/Information Literature Provided	248,028	366,000	367,000
4. Contacts Made with Internal and External Resources to Assist in Addressing Concerns	420	643	800
5. Number of External Agencies Coordinated by NDS and Partnerships to Provide Assistance During a Clean Up Campaign.	33	35	35

SOLID WASTE – NEIGHBORHOOD DEVELOPMENT SERVICES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$72,728	\$76,697	\$76,697	\$77,583
Supplies	0	528	528	528
Services	7,077	8,401	8,401	8,383
Maintenance	1,800	2,250	2,250	2,250
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$81,605	\$87,876	\$87,876	\$88,744

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Neighborhood Services Supervisor ** ***	1	1	1
Administrative Assistant ***	1	1	1
Code Enforcement Coordinator *	1	1	1
Code Enforcement Officer * **	7	7	7
Director of Community Development *	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	11	11	11
Funding Sources:			
General Fund *	6	6	6
Community Development **	3.5	3.5	3.5
Solid Waste ***	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Total Personnel	11	11	11
The Supervisor position is funded ½ by CDBG and ½ by Solid Waste			

SOLID WASTE FUND

Non-Departmental Expenditures

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Services	30,968	0	0	0
Maintenance	0	0	0	0
Capital Outlay	0	0	0	0
Other	<u>1,040,933</u>	<u>1,176,455</u>	<u>1,176,455</u>	<u>1,039,181</u>
Total Expenditures	\$1,071,901	\$1,176,455	\$1,176,455	\$1,039,181

Outside Agencies

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Keep Odessa Beautiful	<u>\$106,244</u>	<u>\$129,443</u>	<u>\$129,443</u>	<u>\$134,229</u>
Total Expenditures	\$106,244	\$129,443	\$129,443	\$134,229

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Storm Water Fund
Overview

STORM WATER FUND

OVERVIEW

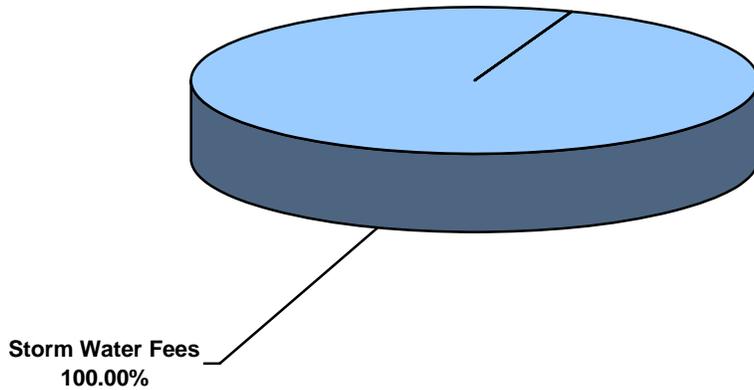
	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$0	\$6	\$0	\$12,457
CURRENT REVENUES				
Storm Water Fees	\$6	\$662,256	\$650,000	\$650,000
Interest Income	0	195	0	0
TOTAL CURRENT REVENUES	\$6	\$662,451	\$650,000	\$650,000
TOTAL FINANCING SOURCES	\$6	\$662,457	\$650,000	\$662,457
EXPENDITURES				
Personal Services	\$0	\$331,024	\$331,024	\$329,871
Supplies	0	0	0	6,000
Services	0	228,090	228,090	229,410
Maintenance	0	90,886	90,886	83,886
Capital Outlay	0	0	0	0
TOTAL EXPENDITURES	\$0	\$650,000	\$650,000	\$649,167
ENDING FUND BALANCE	\$6	\$12,457	\$0	\$13,290

STORM WATER FUND OVERVIEW

Revenues

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Storm Water Fees	\$6	\$662,256	\$650,000	\$650,000
Interest Income	0	195	0	0
Total Revenue	\$6	\$662,451	\$650,000	\$650,000

STORM WATER FUND 2010-11 REVENUES BY SOURCES



STORM WATER FUND

OVERVIEW

Revenues

On December 8, 1999, the final Phase II Storm Water Rules were published in the Federal Register. These rules address the implementation of Urban Run-Off Management Programs in cities across the country. More specifically, they regulate the discharge of storm water to surface water in the state from municipal separate storm sewer systems. ("Surface water in the state" includes lakes, bays, ponds, springs, rivers, creeks, wetlands, marshes, canals, the Gulf of Mexico, impounding reservoirs, etc.)

In Texas, cities will look to the Texas Commission on Environmental Quality (TCEQ) for instruction and guidance in the establishment of storm water programs. Odessa's Storm Water Program has been approved, and will be fully implemented over the next five years. During this time, the program will be evaluated and its effectiveness documented as required by the permit.

The following is a summary of budgeted Storm Water Fund revenues.

<u>Source</u>	2010-11 Budget		Increase/(Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Storm Water Fees	<u>\$650,000</u>	<u>100.00%</u>	<u>\$0</u>	<u>0.00%</u>
TOTAL	\$650,000	100.00%	\$0	0.00%

One of several possible revenue sources could have been considered for the funding of the new Storm Water Program. Options included General Fund monies, long-term borrowing, pro-rata fees based on lot size, dedicated revenue from storm water fees, and environmental fees. In the end, the City elected to include a \$1.85 storm water fee on each customer's monthly water bill, as this seemed to be the most efficient and equitable way to fund the operational costs of the new program.

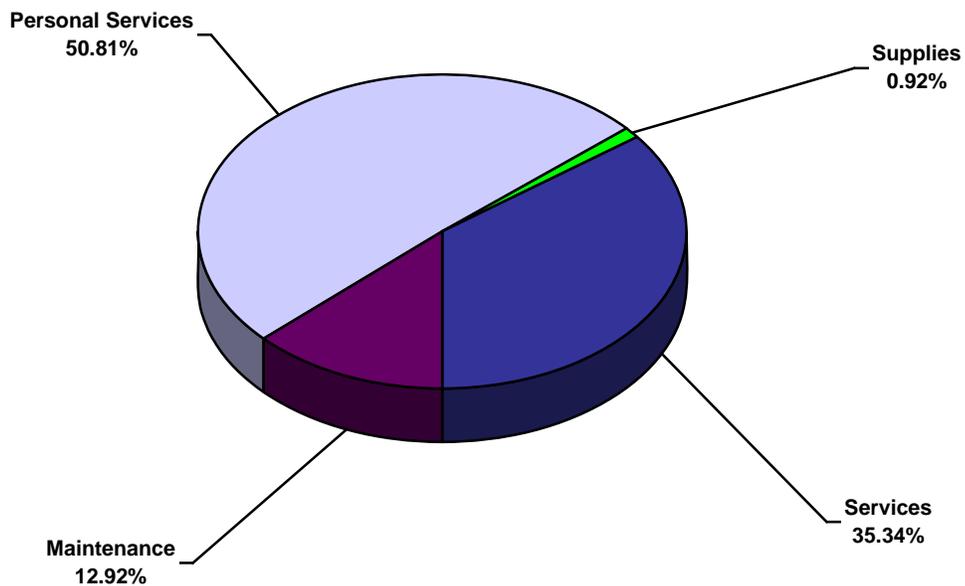
It is anticipated that the Storm Water fee will generate \$650,000 in 2010-11. These monies will be used to cover the cost of fees and program activities, including street sweeping and drainage system maintenance functions.

STORM WATER FUND OVERVIEW

Expenditures By Classification

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Personal Services	\$0	\$331,024	\$331,024	\$329,871
Supplies	0	0	0	6,000
Services	0	228,090	228,090	229,410
Maintenance	0	90,886	90,886	83,886
Capital Outlay	0	0	0	0
Total Expenditures	\$0	\$650,000	\$650,000	\$649,167

STORM WATER FUND 2010-11 EXPENDITURES BY CLASSIFICATION



STORM WATER FUND

OVERVIEW

Expenditures

The Storm Water program is federally mandated. However, in Texas, cities will work closely with a state agency, the Texas Commission on Environmental Quality (TCEQ), to ensure compliance with regulations as set forth in the final Phase II Storm Water Rules that were published in the Federal Register on December 8, 1999.

The Storm Water Fund will operate as an Enterprise Fund, meaning that its operation is financed in a manner similar to that of a private business. To that end, a \$1.85 storm water fee will be included on each customer's monthly water bill to cover the cost of the program. Below is a summary of budgeted expenditures for the Storm Water Fund.

Classification	2010-11 Budget		Increase / (Decrease) From 2009-10 Budget	
	Amount	%	Amount	%
Personal Services	\$329,871	50.81%	(\$1,153)	(0.35%)
Supplies	6,000	0.92%	6,000	N/A
Services	229,410	35.34%	1,320	0.58%
Maintenance	83,886	12.92%	(7,000)	(7.70%)
Capital Outlay	0	0.00%	0.00	N/A
TOTAL	\$649,167	100.00%	(\$833)	(0.13%)

Personal Services comprises 50.81% of the 2010-11 Storm Water budget and provides funding for seven full-time positions. This category will experience a \$1,153 decrease compared to last year's budget in order to help offset budgetary increases in the Supplies and Services categories.

This year's budget for Supplies is \$6,000. No funds were set aside for this category in 2009-10, as staffing, maintenance, and fleet costs were given priority. However, the 2010-11 Personal Services and Maintenance budgets have been reduced in order to provide funding for routine office expenses.

The Services category reflects a budget of \$229,410, up \$1,320 compared to last year's number. These monies will be used to fund fleet maintenance and replacement costs necessitated by street sweeping and storm water functions.

The Maintenance budget has been estimated at \$83,886. The \$7,000 budgetary decrease will help offset budget increases in the Supplies and Services categories.

This year, no funds have been budgeted for the Capital Outlay category. However, the current budget is in line with the priorities that have been established for the Storm Water Program. Funding for capital expenses will be budgeted in future years, as necessary.

Fund Balance

In 2009-10, fund balance increased by \$12,451 compared to the 2008-09 ending fund balance of \$6. In the upcoming fiscal year, revenues are expected to reach \$650,000 and expenditures are estimated to be \$649,167, resulting in a projected fund balance of \$13,290.

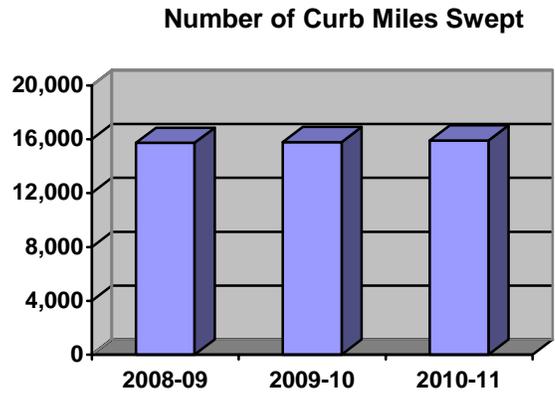
STORM WATER MANAGEMENT

Mission

The Storm Water Management Section provides reporting and services for City compliance with the General Permit (TXR040000) to Discharge Storm Water for small Municipal Separate Storm Sewer Systems (MS4).

Departmental Goals/(City's Value Statement Goals)

1. Maintain compliance as a Phase II MS4./(Excellence)
2. Perform and monitor activities of the six Minimum Control Measures (MCM)./(Direction)



Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
<u>Effectiveness</u>			
1. Prepare required Annual Reporting document.	100%	100%	100%
2. Implement Storm Water Management Ordinance.	20%	40%	100%
<u>Workload</u>			
1. Conduct community-wide clean ups/educational events with Keep Odessa Beautiful.	2	2	2
2. Conduct Household Hazardous Waste Collection events.	2	2	2
3. Conduct good housekeeping/pollution prevention employee training (number of employees trained)	178	100	150
4. Number of curb miles swept.	15,731	15,800	15,900
5. Conduct visual inspection and cleaning of drainage facilities.	2	2	2

STORM WATER MANAGEMENT

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$331,024	\$331,024	\$329,871
Supplies	0	0	0	6,000
Services	0	228,090	228,090	229,410
Maintenance	0	90,886	90,886	83,886
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$0	\$650,000	\$650,000	\$649,167

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Storm Water Program Manager	0	1	1
Storm Water Program Technician	0	1	1
Sweeper Operator	<u>0</u>	<u>5</u>	<u>5</u>
Total Personnel	0	7	7

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Equipment Service Fund
Overview

EQUIPMENT SERVICE FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$3,570,870	\$5,384,861	\$1,685,984	\$4,303,367
CURRENT REVENUES				
Rental Revenue	\$9,874,460	\$10,732,305	\$10,677,730	\$10,758,268
Interest Income	47,573	0	60,000	0
Other Revenue	238,349	246,493	169,680	169,680
TOTAL CURRENT REVENUES	\$10,160,382	\$10,978,798	\$10,907,410	\$10,927,948
TOTAL FINANCING SOURCES	\$13,731,252	\$16,363,659	\$12,593,394	\$15,231,315
EXPENDITURES				
Personal Services	\$1,270,582	\$1,374,514	\$1,374,514	\$1,326,297
Supplies	1,728,279	2,459,111	2,429,100	2,429,100
Services	460,598	571,512	571,212	584,586
Maintenance	1,598,088	2,279,716	2,118,662	2,121,216
Capital Outlay	16,924	18,421	18,421	18,421
Lease Payment	714	0	0	0
GF Administrative Fee	394,579	376,896	376,896	446,188
Total Operating Expenditures	\$5,469,764	\$7,080,170	\$6,888,805	\$6,925,808
Equipment Replacement	2,876,627	4,980,122	4,829,000	1,939,000
TOTAL EXPENDITURES	\$8,346,391	\$12,060,292	\$11,717,805	\$8,864,808
ENDING FUND BALANCE	\$5,384,861	\$4,303,367	\$875,589	\$6,366,507

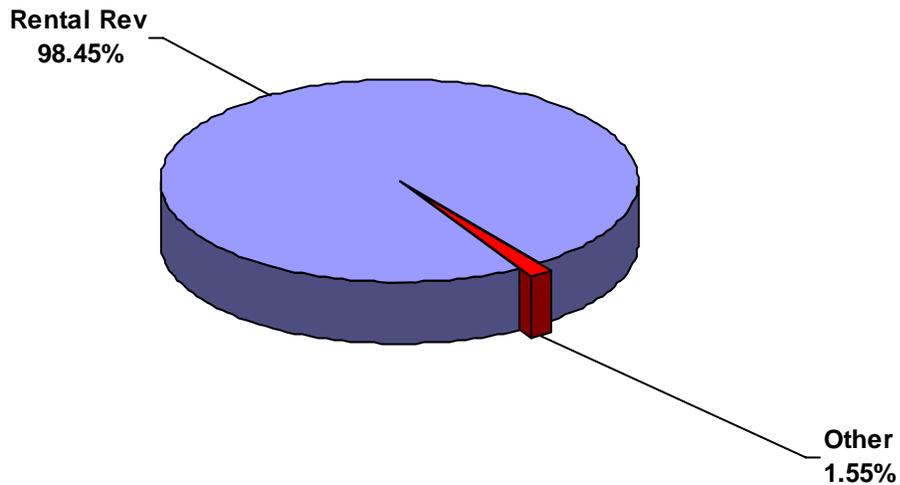
EQUIPMENT SERVICE FUND

OVERVIEW

Revenues

	<u>2008-09 Actual</u>	<u>2009-10 Estimated</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>
Rental Revenue	\$9,874,460	\$10,732,305	\$10,677,730	\$10,758,268
Interest Income	47,573	0	60,000	0
Other Revenue	<u>238,349</u>	<u>246,493</u>	<u>169,680</u>	<u>169,680</u>
Total Revenue	<u>\$10,160,382</u>	<u>\$10,978,798</u>	<u>\$10,907,410</u>	<u>\$10,927,948</u>

EQUIPMENT SERVICE FUND 2010-11 REVENUES BY SOURCES



EQUIPMENT SERVICE FUND

OVERVIEW

Revenues

The City provides for the maintenance and replacement of its fleet and heavy equipment through an internal fund that receives rental revenue from the operating funds. The cost to replace the equipment is calculated as part of the rental rate. The replacement cost of a piece of equipment or vehicle is calculated based on the projected useful life of the equipment combined with the original purchase price. Also included in the rental rate is the estimated cost of maintaining the equipment based on historical maintenance costs. Each department contributes funds toward the cost of maintaining the communications system. The amount of the contribution is based upon the number of users in the department. The scope of this fund is also being broadened to include acquisitions of other major assets to be used by the operating funds.

For fiscal year 2010-11, the Equipment Service Fund total revenue will increase by \$20,538 over the previous year. The following is a comparative summary of revenues by source of the Equipment Service Fund.

<u>Source</u>	2010-11 Budget		Increase / (Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Rental Revenue	\$10,758,268	98.45%	\$80,538	0.75%
Interest Income	0	0.00%	(60,000)	(100%)
Other Revenue	<u>169,680</u>	<u>1.55%</u>	<u>0</u>	<u>0.00%</u>
TOTAL	\$10,927,948	100.00%	\$20,538	0.19%

Rental Revenue continues to increase as the replacement prices of vehicles and heavy machinery increase each year. Fluctuating fuel prices and rising overhead costs also have a direct effect on the cost of maintaining the fleet. Fuel and overhead costs are included in Rental Revenue since all operating costs incurred by user departments must be reimbursed to this fund. In 2010-11, Rental Revenue will increase by 0.75% compared to the previous year, and will account for over 98% of the total revenue for this fund.

Over the past few years, the decline in interest rates has had a negative impact on interest income. As a result of this trend, Interest Income has not been identified as a source of revenue in the 2010-11 budget.

Other Revenue includes the sale of City Property and Auto Claim Recovery, and makes up only 1.55% of the fund's total revenue.

One critical aspect of the Equipment Service fund is to maintain an adequate fund balance to replace the City's fleet. Rental rates are based on the actual costs of the assets. However, the cost to replace an old asset with a new similar asset usually exceeds the funds collected due to inflation. As a result, each year, rental rates are reviewed and adjusted to ensure the stability of this fund.

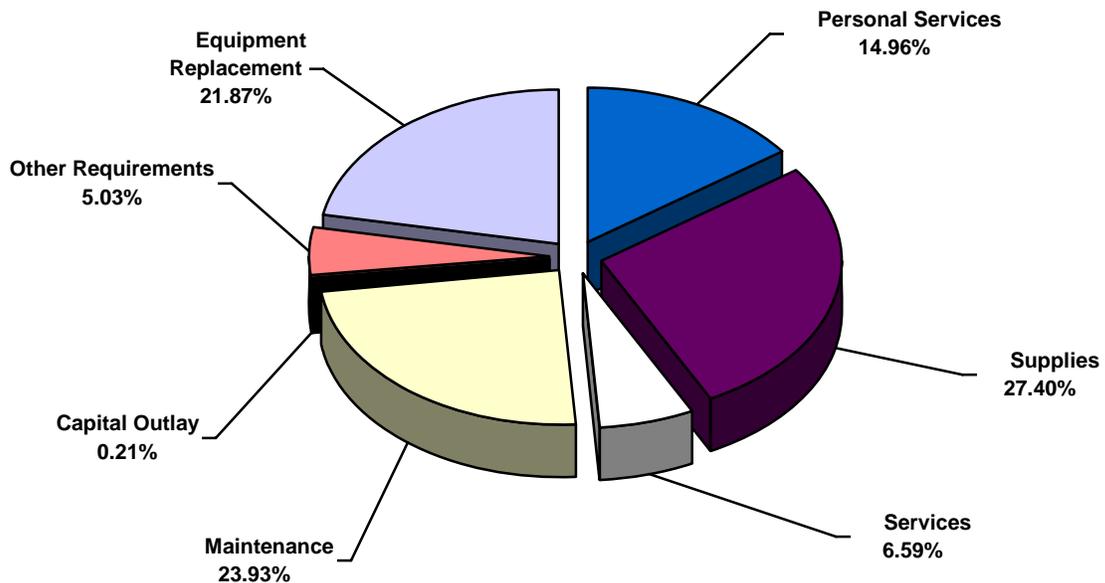
EQUIPMENT SERVICE FUND

OVERVIEW

Expenditures By Classification

	<u>2008-09 Actual</u>	<u>2009-10 Estimated</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>
Personal Services	\$1,270,582	\$1,374,514	\$1,374,514	\$1,326,297
Supplies	1,728,279	2,459,111	2,429,100	2,429,100
Services	460,598	571,512	571,212	584,586
Maintenance	1,598,088	2,279,716	2,118,662	2,121,216
Capital Outlay	16,924	18,421	18,421	18,421
Lease Payment	714	0	0	0
GF Administrative Fee	394,579	376,896	376,896	446,188
Equipment Replacement	2,876,627	4,980,122	4,829,000	1,939,000
Total Expenditures	<u>\$8,346,391</u>	<u>\$12,060,292</u>	<u>\$11,717,805</u>	<u>\$8,864,808</u>

EQUIPMENT SERVICE FUND 2010-11 EXPENDITURES BY CLASSIFICATION



EQUIPMENT SERVICE FUND

OVERVIEW

Expenditures

The operating expenditures for the 2010-11 fiscal year are expected to increase by \$37,003 over 2009-10 budgeted operating expenditures. The overall budget for this fund, including Equipment Replacement, will decrease by a total of \$2,852,997, or 24.35%. The following is a comparative summary of expenditures by classification.

Classification	2010-11 Budget		Increase/(Decrease) From 2009-10 Budget	
	Amount	%	Amount	%
Personal Services	\$1,326,297	14.96%	(\$48,217)	(3.51%)
Supplies	2,429,100	27.40%	0	0.00%
Services	584,586	6.59%	13,374	2.34%
Maintenance	2,121,216	23.93%	2,554	0.12%
Capital Outlay	18,421	0.21%	0	0.00%
Other Requirements	<u>446,188</u>	<u>5.03%</u>	<u>69,292</u>	<u>18.38%</u>
Total Operating	\$6,925,808	78.13%	\$37,003	0.54%
Equipment Replacement	<u>1,939,000</u>	<u>21.87%</u>	<u>(2,890,000)</u>	<u>(59.85%)</u>
TOTAL	\$8,864,808	100.00%	(\$2,852,997)	(24.35%)

Last year, several seasoned employees of the Equipment Services Department, who had been earning salaries in excess of the base pay for their respective pay grades, either retired or tendered their resignation. Significant savings in personnel costs were generated when new employees, hired to fill the vacant positions, were hired at entry-level salaries. For this reason, the 2010-11 Personal Services budget will experience a \$48,217 decrease over last year's budget, in spite of the implementation of the new employee compensation package. The staffing level for the Equipment Service Fund is at 25.5, the same number as last year.

The Supplies budget will not increase this year. It is anticipated that the current funding level is adequate to cover the costs associated with the purchase of oil, gas, office supplies, minor tools and equipment, and various other operating supplies.

The Services budget will increase by \$13,374, or 2.34%. This increase is entirely due to the rising cost of Internet usage. All Internet expenditures are charged to the Communications Division, which is funded by the Equipment Service Fund.

While the Maintenance budget for the Equipment Services Division has remained at the same level as last year, the Maintenance budget for the Communications Division has increased by \$2,554, or 0.12%. This increase was necessary in order to keep pace with rising cost of software maintenance.

The budget for Capital Outlay remains at the same level as last year. Adjustments are made to the budget for this category from year to year, depending upon which big-ticket items, if any, will be purchased.

EQUIPMENT SERVICE FUND

OVERVIEW

Expenditures (cont'd.)

The Other Requirements category consists of two line items: Lease Payments and the General Fund Administrative Fee. The administrative fee is paid as compensation for services the General Fund provides to the Equipment Service Fund. In 2010-11, the budget for Other Requirements will increase by \$69,292, due to a reassessment of the General Fund Administrative Fee.

Equipment Replacement has decreased by \$2,890,000, or 59.85%, compared to the 2009-10 budget. Scheduling of replacement is based on the life of the equipment or vehicle at the time of original purchase and is subject to review during the budget process.

Fund Balance

In 2009-10, the fund balance decreased by \$1,081,494 compared to the 2008-09 ending fund balance of \$5,384,861. The use of fund balance was approved in the 2009-10 budget process to help pay for needed equipment replacement, with repayment being extended over the next few years.

The 2010-11 ending fund balance for the Equipment Services Fund is projected to be \$6,366,507, an increase of \$2,063,140 over the 2009-10 estimated fund balance. This increase is the result of a \$2,890,000 decrease in equipment replacement costs. Equipment replacement costs are down because several General Fund departments opted not to replace vehicles and equipment that had been scheduled for replacement in 2010-11. Retaining the vehicles and equipment for an additional year will hold this year's vehicle rental rates to 2009-10 levels. The savings generated will help offset deficits in Sales Tax Revenue, a major source of revenue for the General Fund.

EQUIPMENT SERVICE FUND

CAPITAL OUTLAY

Fund & Department/Division	Item	Item Total	Total
Equipment Service Fund			
Equipment Replacement	Police Sedan, Marked (12)	\$336,000	
	Police Sedan, Unmarked (8)	224,000	
	Police Prisoner Transport (2)	100,000	
	Roll-Off Refuse Truck (1)	150,000	
	Refuse Truck (5)	925,000	
	Crack Shooter (1)	75,000	
	¾ Ton Regular Cab Pickup (1)	23,000	
	½ Ton Regular Cab Pickup (2)	46,000	
	Bunker Gear	<u>60,000</u>	
	Subtotal Equipment Replacement		\$1,939,000
Communications	Machinery & Equipment	\$18,421	
	Subtotal Communications		<u>18,421</u>
	TOTAL CAPITAL OUTLAY – EQUIPMENT SERVICE FUND		<u><u>\$1,957,421</u></u>

CITY OF ODESSA

FY 2010-11

ADOPTED BUDGET

Equipment Service Fund
Detail by Department/Division

EQUIPMENT SERVICE FUND

DEPARTMENTS/DIVISIONS

**Equipment Services
Communications
Equipment Replacement**

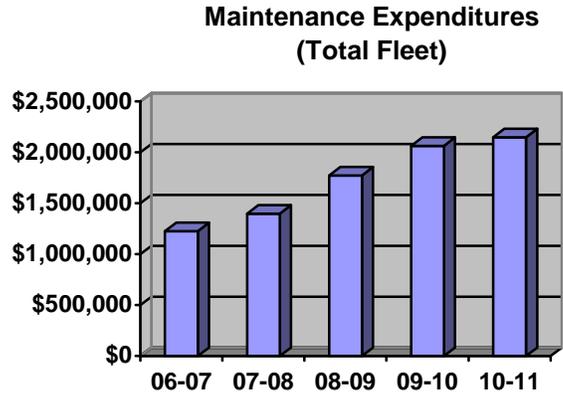
EQUIPMENT SERVICES

Mission

The Equipment Services Division provides the service and maintenance needed to ensure the automotive and machinery fleet is in a safe and high degree of operational readiness for all internal departments. The service is to be provided in a professional, timely, cost effective, and customer friendly manner.

Departmental Goals/(City's Value Statement Goals)

1. Administer the Equipment Services budget to achieve a sound basis for analysis, planning, and management of the city fleet./(Service)
2. Maintain and invest the capital and labor to sustain a growing fleet./(Service)



Objectives / Performance Measures

Effectiveness

1. Percentage of Fleet Available for Use
2. Maintenance Costs – Total Fleet

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Percentage of Fleet Available for Use	99%	99%	99%
2. Maintenance Costs – Total Fleet	\$1,773,314	\$2,065,023	\$2,147,350

EQUIPMENT SERVICES

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$1,189,706	\$1,291,954	\$1,291,954	\$1,242,505
Supplies	1,711,675	2,442,111	2,412,100	2,412,100
Services	369,922	442,433	442,133	441,947
Maintenance	1,557,500	2,226,077	2,065,023	2,065,023
Capital Outlay	30	0	0	0
Lease Payments	714	0	0	0
Other Requirements	<u>394,579</u>	<u>376,896</u>	<u>376,896</u>	<u>446,188</u>
Total Expenditures	\$5,224,126	\$6,779,471	\$6,588,106	\$6,607,763

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Director of Equipment Services	1	1	1
Garage Supervisor	1	1	1
Delivery Clerk	1	1	1
Golf Course Mechanic *	1	1	1
Equipment Mechanic Assistant	1	1	1
Tire Repairer	1	1	1
Senior Administrative Assistant	1	1	1
Auto Parts Supervisor	1	1	1
Service Advisor	0	1	1
Auto Parts Clerk	1	1	1
Paint & Body Technician	1	1	1
Auto/Truck Technician	11	11	11
Fleet Worker	2	2	2
Service Clerk	<u>1</u>	<u>0</u>	<u>0</u>
Total Personnel	24	24	24
* Reports to Golf Course.			

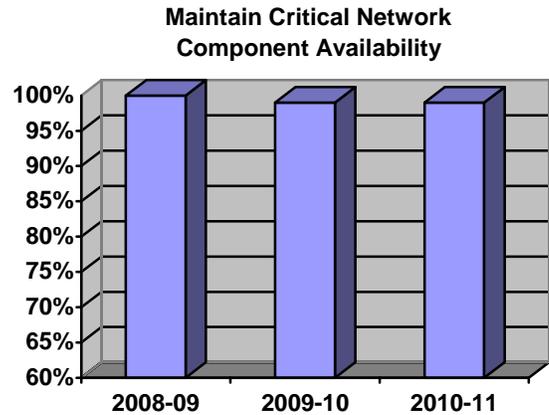
COMMUNICATIONS

Mission

In order for City of Odessa employees to meet the business needs of the City, Information Services offers City departments telecommunications and data processing services that provide comprehensive electronic communications, responsive system access, data integrity and data security in a way that reflects service excellence qualities of technical ability, timeliness, reliability and personalized attention.

Departmental Goals/(City's Value Statement Goals)

1. Continue efforts to eliminate paper forms by creating & managing electronic documents. (Organization)
2. Continue to provide state-of-the-art computer and communications tools for City staff. (Excellence)



Objectives / Performance Measures

Effectiveness

1. Provide AS/400 system availability to meet all critical application scheduling requirements.
2. Maintain critical network component availability at 95% or better of scheduled availability.
3. Maintain central radio system availability 100% of the time.
4. Respond to all critical computer and radio system emergencies within two hours.
5. Maintain a customer work order satisfaction level of good/excellent 95% of the time.

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Provide AS/400 system availability to meet all critical application scheduling requirements.	99%	99%	99%
2. Maintain critical network component availability at 95% or better of scheduled availability.	100%	99%	99%
3. Maintain central radio system availability 100% of the time.	99%	99%	99%
4. Respond to all critical computer and radio system emergencies within two hours.	100%	100%	100%
5. Maintain a customer work order satisfaction level of good/excellent 95% of the time.	100%	100%	100%

COMMUNICATIONS

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$80,876	\$82,560	\$82,560	\$83,792
Supplies	16,604	17,000	17,000	17,000
Services	90,676	129,079	129,079	142,639
Maintenance	40,588	53,639	53,639	56,193
Capital Outlay	<u>16,894</u>	<u>18,421</u>	<u>18,421</u>	<u>18,421</u>
Total Expenditures	\$245,638	\$300,699	\$300,699	\$318,045

Personnel by Job Title

	2008-09 <u>Fiscal Year</u>	2009-10 <u>Fiscal Year</u>	2010-11 <u>Fiscal Year</u>
Senior Administrative Assistant *	1	1	1
Communications Coordinator	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	2	2	2
Funding Sources:			
General Fund *	.5	.5	.5
Equipment Service Fund	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Total Personnel	2	2	2
* ½ Funded by Communications, ½ Funded by Public Safety Communications.			

EQUIPMENT REPLACEMENT

Mission

Equipment Replacement is for the replacement of vehicles, machinery, and communication equipment. Replacement is scheduled when equipment has reached the end of its economic useful life. Replacement was established as a means of providing a funding mechanism that would help alleviate wide fluctuations in expenditures that occur on a year-to-year basis with regard to equipment replacement needs of the City. Annual transfers are made to the Equipment Service Fund from user departments/divisions as rental charges on vehicles, machinery, and communication equipment utilized during the fiscal year. After the useful life is exhausted, the equipment is replaced with rental funds paid by user departments/divisions.

Expenditures by Classification

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Capital Outlay	2,876,627	4,980,122	4,829,000	1,939,000
Other Requirements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$2,876,627	\$4,980,122	\$4,829,000	\$1,939,000

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Risk Management Fund
Overview

RISK MANAGEMENT FUND

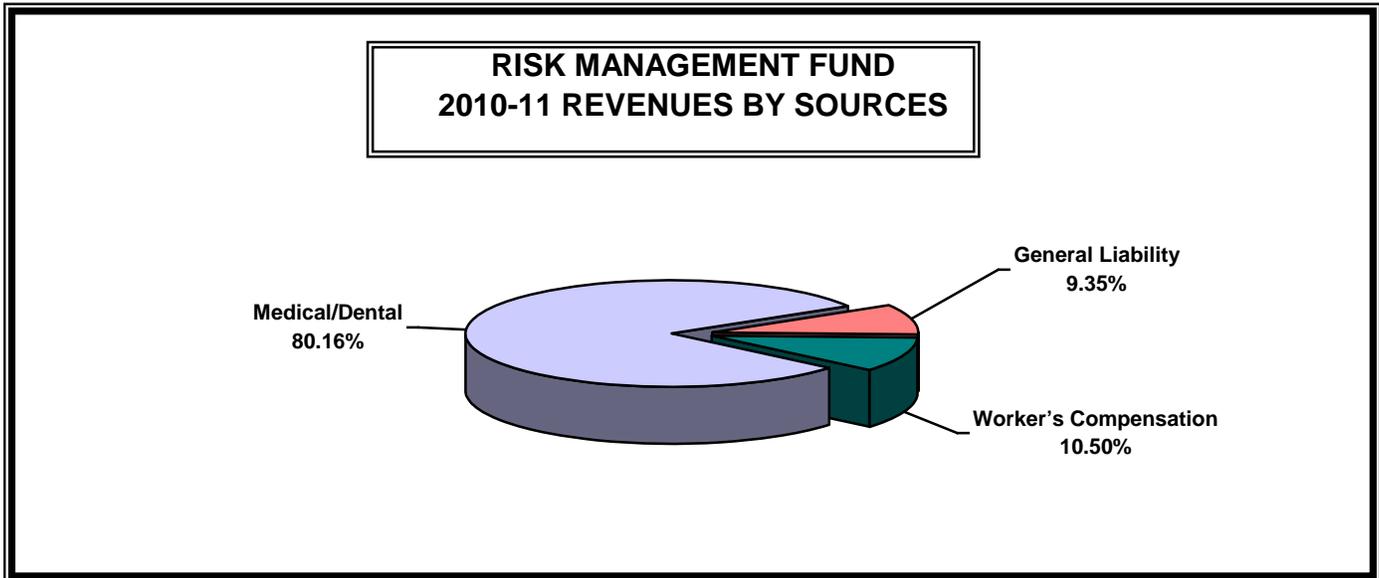
OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	(\$1,149,424)	\$596,966	(\$1,288,047)	\$662,779
CURRENT REVENUES				
Medical/Dental	\$7,596,707	\$7,688,000	\$7,678,027	\$7,688,000
General Liability	898,156	890,000	890,000	890,000
Workers' Compensation	1,075,305	1,000,000	885,542	1,000,000
Insurance Claim Recovery	168,764	44,300	44,300	44,300
Interest Income	3,851	0	0	0
Miscellaneous Income	1,552	0	0	0
TOTAL CURRENT REVENUES	\$9,744,335	\$9,622,300	\$9,497,869	\$9,622,300
TOTAL FINANCING SOURCES	\$8,594,911	\$10,219,266	\$8,209,822	\$10,285,079
EXPENDITURES				
Administration	\$390,951	\$356,544	\$356,544	\$360,692
Benefits	1,091,040	1,643,390	1,633,498	1,637,792
Medical/Dental Claims	4,250,815	4,989,859	4,989,859	4,989,859
General Liability	794,749	920,716	849,680	849,680
Workers' Compensation	515,286	657,220	657,220	657,220
Health and Wellness	172,507	210,474	210,182	212,652
Clinical Services	410,530	402,154	401,308	405,674
GF Administrative Fee	372,067	376,130	376,130	368,115
TOTAL EXPENDITURES	\$7,997,945	\$9,556,487	\$9,474,421	\$9,481,684
ENDING FUND BALANCE	\$596,966	\$662,779	(\$1,264,599)	\$803,395

RISK MANAGEMENT FUND

OVERVIEW

Revenues	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Medical/Dental				
Insurance Claim Recovery	\$25,046	\$25,000	\$25,000	\$25,000
Self Funding Insurance	7,512,116	7,592,000	7,582,222	7,592,000
Life Insurance	84,591	96,000	95,805	96,000
Miscellaneous	1,552	0	0	0
Interest	3,050	0	0	0
Subtotal Revenue	<u>\$7,626,355</u>	<u>\$7,713,000</u>	<u>\$7,703,027</u>	<u>\$7,713,000</u>
General Liability				
Self Funding Insurance	\$898,156	\$890,000	\$890,000	\$890,000
Auto Claim Recovery	3,139	4,000	4,000	4,000
G/L Claim Recovery	112,883	5,300	5,300	5,300
Property Insurance Recovery	0	0	0	0
Interest	365	0	0	0
Subtotal Revenue	<u>\$1,014,543</u>	<u>\$899,300</u>	<u>\$899,300</u>	<u>\$899,300</u>
Worker's Compensation				
Self Funding Insurance	\$1,075,305	\$1,000,000	\$885,542	\$1,000,000
WC Claim Recovery	27,696	10,000	10,000	10,000
Interest	436	0	0	0
Subtotal Revenue	<u>\$1,103,437</u>	<u>\$1,010,000</u>	<u>\$895,542</u>	<u>\$1,010,000</u>
Total Revenue	<u><u>\$9,744,335</u></u>	<u><u>\$9,622,300</u></u>	<u><u>\$9,497,869</u></u>	<u><u>\$9,622,300</u></u>



RISK MANAGEMENT FUND

OVERVIEW

Revenues

It is the policy of the City not to purchase commercial insurance for the risks of losses to which it is exposed, except for certain stop-loss provisions. Instead, the City believes it is more economical to manage its risks internally and set aside assets for claim settlements in the Risk Management Fund. The fund is responsible for all claims for risk of loss to which the City is exposed, including general liability, property and casualty, employee health and accident, environmental, and antitrust. Medical claims exceeding \$250,000 per covered individual and workers' compensation claims in excess of \$350,000 (civilian) and \$500,000 (public safety) are covered through private insurance carriers. The City also carries catastrophic stop-loss reinsurance for general liability claims exceeding \$250,000. All other City funds participate in this fund.

The cost of providing claim servicing and claim payments are allocated by charging a "premium" to each fund. Medical/Dental is the largest revenue source for this fund at \$7,713,000, or 80.16% of total revenue for the entire fund. This revenue is obtained through internal service deductions to all applicable funds employing full-time personnel (84.00%), dependent coverage premiums collected through payroll deduction (5.02%), where applicable, and retiree premium collections (10.98%). Workers' Compensation premiums are charged by a percentage of salary per type of position and General Liability premiums are charged to each fund based on its percentage of the total budget.

Medical/dental rates will not increase in fiscal year 2010-11. It is anticipated that the revenues generated in the upcoming year will be sufficient to cover increases in employee benefits and fleet maintenance costs.

<u>Source</u>	2010-11 Budget		Increase/(Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Medical/Dental	\$7,713,000	80.16%	\$9,973	0.13%
General Liability	899,300	9.35%	0	0.00%
Workers' Compensation	<u>1,010,000</u>	<u>10.50%</u>	<u>114,458</u>	<u>12.78%</u>
TOTAL	\$9,622,300	100.00%	\$124,431	1.31%

The 2010-11 budgeted revenues total \$9,622,300, an increase of 1.31% over the 2009-10 budget. The City has taken a pro-active approach to containing the cost of health care by creating the Family Health Program, which focuses on health rather than medicine. The benefit plan includes well-care for men, women, and children under the age of twelve. Currently, there is a \$50 co-payment for well-man and well-woman care, and a \$25 co-payment for well-child visits. However, as of January 1, 2011, well-care visits will be offered free of charge. Depending upon which insurance plan the employee chooses, the co-pay for emergency room visits ranges from \$80 to \$160, and a co-pay of between \$240 and \$480 applies to hospital stays. Through contract providers, preferred providers, co-pays, and the employee health clinic and fitness center, employees enjoy a wide array of benefits while the City maintains cost.

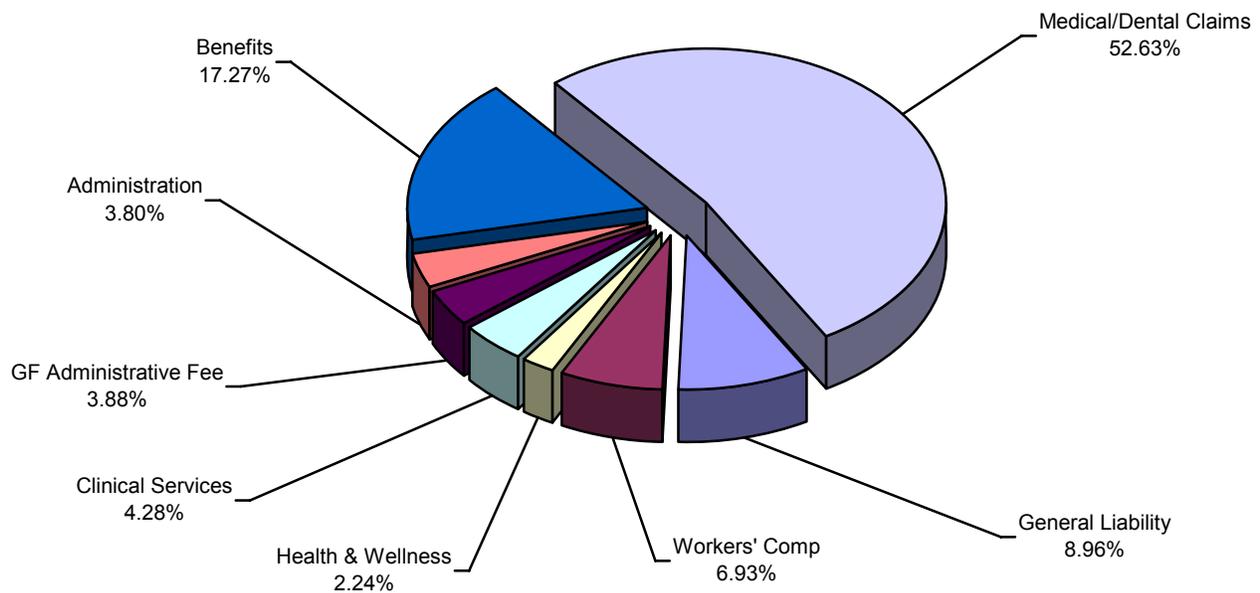
RISK MANAGEMENT FUND

OVERVIEW

Expenditures By Classification

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Administration	\$390,951	\$356,544	\$356,544	\$360,692
Benefits	1,091,040	1,643,390	1,633,498	1,637,792
Medical/Dental Claims	4,250,815	4,989,859	4,989,859	4,989,859
General Liability	794,749	920,716	849,680	849,680
Worker's Compensation	515,286	657,220	657,220	657,220
Health and Wellness	172,507	210,474	210,182	212,652
Clinical Services	410,530	402,154	401,308	405,674
GF Administrative Fee	372,067	376,130	376,130	368,115
Total Expenditures	\$7,997,945	\$9,556,487	\$9,474,421	\$9,481,684

RISK MANAGEMENT FUND 2010-11 EXPENDITURES BY CLASSIFICATION



RISK MANAGEMENT FUND

OVERVIEW

Expenditures

The total projected expenditures for the 2010-11 fiscal year are anticipated to increase by \$7,263, or 0.08%, over the 2009-10 operating expenditures budgeted. The following is a comparative summary of expenditures by classification.

<u>Classification</u>	2010-11 Budget		Increase/(Decrease) From 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Administration	\$360,692	3.80%	\$4,148	1.16%
Benefits	1,637,792	17.27%	4,294	0.26%
Medical/Dental Claims	4,989,859	52.63%	0	0.00%
General Liability	849,680	8.96%	0	0.00%
Workers' Compensation	657,220	6.93%	0	0.00%
Health & Wellness	212,652	2.24%	2,470	1.18%
Clinical Services	405,674	4.28%	4,366	1.09%
Other Requirements	<u>368,115</u>	<u>3.88%</u>	<u>(8,015)</u>	<u>(2.13%)</u>
TOTAL	\$9,481,684	100.00%	\$7,263	0.08%

This year, Risk Management expenditures are expected to realize a net increase of \$7,263, or 0.08%, compared to the 2009-10 budget. Four divisions will experience slight budgetary increases, and one will realize a modest decrease. The budgets of the other three divisions will remain at the same level as last year as efforts to control costs continue.

The 2010-11 budget for Administration is \$360,692. The \$4,148, or 1.16%, increase is entirely due to the implementation of the new employee compensation plan, which calls for a 2% pay increase for all full-time, non-uniformed employees.

The Benefits Division will realize a net increase of \$4,294, or 0.26%, over the previous year's budget. Last year, following the adoption of the 2009-10 Budget Book, a new Utilization Review Coordinator position was created so that pre-certification could be handled in-house. Pre-certification had previously been outsourced to other entities under contract with the City. However, it was determined that it would be easier to control costs if this function were taken over by the department. The net cost of the Utilization Review Coordinator position is \$0. Funds that had previously been designated for payment to outside entities have been reallocated in order to defray the personnel costs associated with the new position. The division's 0.26% budgetary increase is due to the 2% employee pay raise that went into effect on October 1, 2010.

The Medical/Dental Claims, General Liability, and Workers' Compensation divisions will not realize any budgetary changes in 2009-10, as efforts continue to be made to control these types of costs.

The Health and Wellness and Clinical Services divisions will experience budgetary increases of \$2,470 and \$4,366, respectively. These increases are primarily due to the implementation of the new employee compensation plan. However, rising janitorial costs have also had an impact on these two budgets.

RISK MANAGEMENT FUND

OVERVIEW

Expenditures (cont'd.)

The Other category consists of the General Fund Administrative Fee. This fee is paid as compensation for services the General Fund provides to the Risk Management Fund. In 2010-11, the General Fund Administrative Fee decreased by \$8,015, or 2.13%, compared to the previous year.

Fund Balance

Over the past several years, the Risk Management Fund has been operating with a negative fund balance, due to escalating costs in the area of Medical/Dental claims. However, efforts have been made to reverse the deficit situation by increasing insurance premiums and deductibles for retirees, employees and their dependents, implementing a Health and Wellness Program, and opening the Family Health Clinic. In 2010-11, for the first time since 2003-04, the budget reflects a positive beginning fund balance for the Risk Management Fund.

In 2008-09, the actual fund balance for the Risk Management Fund was \$596,966. This marks the first time since 2002-03 that the actual ending fund balance has been positive, a clear indication that the strategies that have been implemented over the past few years are working. In 2009-10, the estimated fund balance was \$662,779, a \$65,813 increase compared to the previous year's actual balance. The upward trend continues into 2010-11, with a projected ending fund balance of \$803,395.

RISK MANAGEMENT FUND

CAPITAL OUTLAY

Fund and Department/Division	Item	Item Total	Total
RISK MANAGEMENT FUND			
Health and Wellness	Data Processing Equipment	<u>\$3,500</u>	
	Subtotal Health and Wellness		\$3,500
Clinical Services	Data Processing Equipment		
	Subtotal Clinical Services	<u>10,000</u>	10,000
	TOTAL CAPITAL OUTLAY – RISK MANAGEMENT FUND		<u><u>\$13,500</u></u>

CITY OF ODESSA

FY 2010-11

ADOPTED BUDGET

Risk Management Fund
Detail by Department/Division

RISK MANAGEMENT FUND

DEPARTMENTS/DIVISIONS

Risk Management Administration
Benefits / Medical & Dental Claims
Health and Wellness
General Liability
Workers' Compensation
Clinical Services

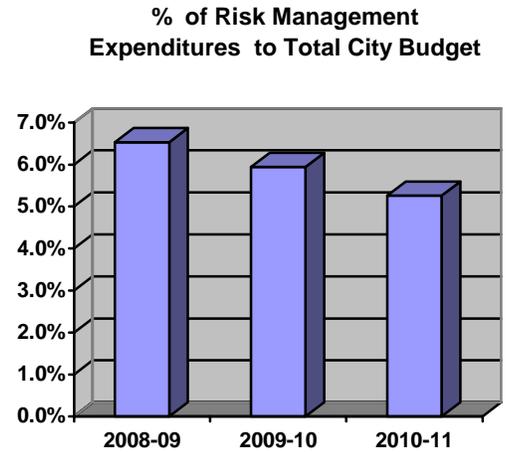
RISK MANAGEMENT

Mission

Risk Management provides services in the following areas: Employee Health Services, Personnel Safety and Property Loss Prevention, Property and Liability Insurance/Self-Insurance, Medical and Dental Insurance, and Workers' Compensation. Risk Management endeavors to control the cost of risk through activities that relate to risk finance, risk control, risk avoidance, and risk transfer. The department works to improve employees' safety and health, and thereby reduce the costs associated with injury and illness. The department also works to reduce claims for injury and damage from the public, and attempts to control their costs through investigation, negotiation and defense. Communication with employees, the public, City Management and key vendors and providers of services is key to the success of the Risk Management service mission.

Departmental Goals/(City's Value Statement Goals)

1. Continue developing Direct Provider Network./(Service)
2. Complete in-sourcing Utilization Management./(Service)
3. Create state association of onsite clinics./(Direction)
4. Expand direct contracts with providers./(Excellence)
5. Renew/renegeotiate all insurances without increases./ (Excellence)
6. Develop Joint Venture Child Care Center./(Excellence)
7. Continue maintaining control over costs./(Direction)



Objectives / Performance Measures	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
<u>Effectiveness</u>			
1. Percentage of Risk Management Expenditures to Total City Budget	6.53%	5.94%	5.26%
2. At Fault Motor Vehicle Accidents	40	40	40
3. Number of Vehicle Accidents per 100,000 Miles Driven	.77	.77	.77
4. Workers' Compensation Lost Work Days	343	288	250
5. Workers' Compensation Expenditures per Lost Work Day	\$1,000	\$1,000	\$1,000
6. Average Cost Per Medical/Dental/Rx Claims per Member per Year	\$2,703	\$1,768	\$1,593

RISK MANAGEMENT

Expenditures by Classification (Administration)

	<u>2008-09 Actual</u>	<u>2009-10 Estimated</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>
Personal Services	\$290,066	\$288,202	\$288,202	\$292,459
Supplies	27,047	26,800	26,800	26,800
Services	35,293	41,042	41,042	40,933
Maintenance	38,545	500	500	500
Capital Outlay	0	0	0	0
Lease Payment	0	0	0	0
GF Administrative Fee Transfer	<u>372,067</u>	<u>376,130</u>	<u>376,130</u>	<u>368,115</u>
Total Expenditures	\$763,018	\$732,674	\$732,674	\$728,807

Personnel by Job Title

	<u>2008-09 Fiscal Year</u>	<u>2009-10 Fiscal Year</u>	<u>2010-11 Fiscal Year</u>
Director of Risk Management	1	1	1
Claims Processor	2	2	2
Health & Wellness Coordinator	1	1	1
Director of Employee Health Services	1	1	1
Medical Assistant	3	3	3
Benefits Supervisor	1	1	1
Utilization Review Coordinator	0	1	1
Benefits Coordinator	1	1	1
Benefits Customer Service Representative	1	1	1
Safety Coordinator	1	1	1
Claims Coordinator	1	1	1
Fitness Coordinator	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	14	15	15

RISK MANAGEMENT FUND

Benefits/Medical & Dental Claims

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$229,764	\$252,702	\$252,702	\$304,559
Supplies	5,875	24,308	20,882	20,882
Services	19,933	15,302	15,302	15,609
Maintenance	11,830	4,000	4,000	4,000
Capital Outlay	0	0	0	0
Insurance Requirements	<u>5,074,453</u>	<u>6,336,937</u>	<u>6,330,471</u>	<u>6,282,601</u>
Total Expenditures	\$5,341,855	\$6,633,249	\$6,623,357	\$6,627,651

Health and Wellness

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$108,370	\$111,286	\$111,286	\$112,943
Supplies	26,437	39,622	39,330	39,330
Services	36,390	30,866	30,866	31,679
Maintenance	0	25,200	25,200	25,200
Capital Outlay	<u>1,310</u>	<u>3,500</u>	<u>3,500</u>	<u>3,500</u>
Total Expenditures	\$172,507	\$210,474	\$210,182	\$212,652

RISK MANAGEMENT FUND

General Liability Expenditures

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$11,468	\$10,612	\$10,612	\$10,612
Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Capital Outlay	0	0	0	0
Insurance Requirements	783,281	839,068	839,068	839,068
Operating Transfers Out	<u>0</u>	<u>71,036</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$794,749	\$920,716	\$849,680	\$849,680

Workers' Compensation Expenditures

	2008-09 <u>Actual</u>	2009-10 <u>Estimated</u>	2009-10 <u>Budget</u>	2010-11 <u>Budget</u>
Personal Services	\$0	\$0	\$0	\$0
Supplies	0	0	0	0
Services	0	0	0	0
Maintenance	0	0	0	0
Capital Outlay	0	2,845	0	0
Insurance Requirements	<u>515,286</u>	<u>654,375</u>	<u>657,220</u>	<u>657,220</u>
Total Expenditures	\$515,286	\$657,220	\$657,220	\$657,220

RISK MANAGEMENT FUND

Clinical Services

	<u>2008-09 Actual</u>	<u>2009-10 Estimated</u>	<u>2009-10 Budget</u>	<u>2010-11 Budget</u>
Personal Services	\$249,357	\$250,199	\$250,199	\$254,002
Supplies	101,622	98,690	98,690	98,690
Services	54,943	39,919	39,919	40,482
Maintenance	240	2,500	2,500	2,500
Capital Outlay	<u>4,368</u>	<u>10,846</u>	<u>10,000</u>	<u>10,000</u>
Total Expenditures	\$410,530	\$402,154	\$401,308	\$405,674

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Debt Service Fund
Overview

DEBT SERVICE FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$406,645	\$517,217	\$308,390	\$517,217
CURRENT REVENUES				
Ad Valorem Tax Revenue	\$3,026,112	\$2,925,686	\$2,925,686	\$2,931,982
Interest Income	7,795	0	0	0
Miscellaneous	983	0	0	0
TOTAL CURRENT REVENUES	\$3,034,890	\$2,925,686	\$2,925,686	\$2,931,982
TOTAL FINANCING SOURCES	\$3,441,535	\$3,442,903	\$3,234,076	\$3,449,199
EXPENDITURES				
1998 Certificates of Obligation	\$393,614	\$0	\$0	\$0
2000 Certificates of Obligation	412,055	415,328	415,328	0
2001 Certificates of Obligation	221,220	219,718	219,718	218,485
2004 Certificates of Obligation	346,073	292,135	292,135	294,379
2005 Certificates of Obligation	325,338	325,694	325,694	330,594
2006 Certificates of Obligation	778,536	779,011	779,011	773,524
2006 Refunding Issue	278,700	276,900	276,900	696,500
2007 Certificates of Obligation	165,543	232,400	232,400	231,600
2009 Certificates of Obligation	0	379,500	379,500	382,525
Bank Services Charges	3,239	5,000	5,000	4,375
TOTAL EXPENDITURES	\$2,924,318	\$2,925,686	\$2,925,686	\$2,931,982
ENDING FUND BALANCE	\$517,217	\$517,217	\$308,390	\$517,217

SCHEDULE OF OUTSTANDING DEBT

OVERVIEW

General Debt Service Fund

General Debt Service is used to account for the monies set aside for the payment of principal and interest to holders of the City's general obligation bonds, the sale of which finance long-term capital improvements such as facilities, streets, drainage, and parks.

A general obligation (GO) bond is a legal debt instrument used to finance permanent public projects within city limits. The GO bond is backed by the tax base and the City's ability to tax for repayment of indebtedness. The state requires incorporated cities to submit proposed bond issues to a public referendum and receive voter authorization prior to bond issuance (Article 701). City Council must issue a "Public Notice" on the same day for two successive weeks, fourteen days prior to the bond election (Article 704). City Council is authorized to enact a tax rate sufficient to pay annual principal and interest requirements (Article 707). State law allows an incorporated city to refund a bond issue in order to reduce bonded indebtedness (Article 802b-2).

Early in 2001, an ordinance authorizing the issuance of \$2,550,000 in Certificates of Obligations, Series 2001 was approved, with the proceeds being used to construct the aquatic facility.

In 2004, City Council approved an ordinance authorizing the issuance of \$5,795,000 in Certificates of Obligation, Series 2004. Proceeds were used to fund certain Capital Improvement projects, including the construction of two major street interchanges, improvements to the City's computer system, and various park and street improvements.

In 2005, Certificates of Obligation, Series 2005 were issued in the amount of \$5,400,000. Monies generated from this issue were used to renovate certain parks and to fund the Drainage Improvement Program, the Paving/Curb & Gutter Program, and the JBS/BI-20 Interchange.

After the 2006-07 Proposed Budget was filed, the City Council authorized the issuance of \$10,150,000 in Certificates of Obligation, Series 2006. Proceeds were used to replace three fire stations, upgrade the radio system, and make certain improvements to Ratliff Ranch Golf Course.

General Obligation Refunding Bonds, Series 2006 were issued in 2006-07 in the amount of \$18,735,000 at a 4% interest rate. Of this amount, \$5,905,000 was issued to advance refund a portion of the outstanding Certificates of Obligation, Series 2000 in the amount of \$5,580,000. The issuance of the advance refunding bonds reduced the City's total debt service requirements by \$299,897 over the life of the issue.

After the 2007-08 Proposed Budget was filed, City Council authorized the issuance of \$4,345,000 in Certificates of Obligation, Series 2007. Proceeds were used to fund a new skate park, improvements to existing parks, and certain street and traffic improvements.

In 2008-09, the 2009 Refunding Bonds were issued to refund the Series 1998 Certificates of Obligation in the amount of \$3,195,000. The issuance of these bonds resulted in a net present-value savings of 4.674% of this refunded principal.

No debt was issued in 2009-10 or 2010-11. Expenditures decreased by \$100,426 in 2009-10, and increased by \$6,296 in 2010-11, due to annual payment fluctuations.

SCHEDULE OF OUTSTANDING DEBT

OVERVIEW

Water and Sewer Debt Service

Water and Sewer Debt Service is used to finance long-term capital improvements. A revenue bond is a legal debt instrument used to finance permanent public projects. The bond is backed by the full faith and credit of the issuing government, and is paid for by revenue from user rates. Unlike GO bonds, revenue bonds do not require voter approval. The City Council is authorized to approve the bond and set the user rates to make the annual payments. State law allows an incorporated city to refund a bond as a method to reduce bonded indebtedness (Article 802b-2).

In 2001, the City refunded and restructured all outstanding revenue bonds to take advantage of lower interest rates (Series 1992A, 1992B, and Series 1992). The bonds were reissued to lower the overall debt service requirement, reducing the cash reserve fund by purchasing a \$5,000,000 surety bond.

General Obligation Refunding Bonds, Series 2006 were issued in 2006-07 in the amount of \$18,735,000 at a 4% interest rate. Of this amount, \$12,830,000 was issued to advance refund a portion of the outstanding Waterworks and Sewer System Revenue Bonds, Series 2001 in the amount of \$12,225,000. The issuance of the refunding bonds reduced the total debt service requirements by \$651,551 over the life of the issue.

After the 2007-08 Proposed Budget was filed, Certificates of Obligation, Series 2007 were issued in the amount of \$62,855,000. Proceeds were used to fund major water and sewer improvements.

In 2008-09, the 2009 Refunding Bonds were issued to refund a portion of the 2001 Series Refunding Revenue Bonds in the amount of \$3,965,000. The issuance of these bonds resulted in a net present-value savings of 8.073% of this refunded principal.

The debt service requirement for 2009-10 was \$7,664,269, a \$437,421 increase over the previous year's number. The 2008-09 debt service requirement represents 19.40% of the operating budget of the Water and Sewer Enterprise Fund.

In 2010-11, the debt service requirement is \$7,602,125. This represents a decrease of \$218,331 compared to last year's budget and comprises 18.76% of the Water and Sewer Fund operating budget.

GENERAL DEBT SERVICE FUND
GENERAL DEBT SERVICE FUND 2010-11

CITY OF ODESSA
COMBINED SCHEDULE OF GENERAL DEBT SERVICE
SEPTEMBER 30, 2010

	SERIES 2001			SERIES 2004		
	CERTIFICATES OF OBLIGATION			CERTIFICATES OF OBLIGATION		
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	115,000	103,485	218,485	55,000	239,379	294,379
2012	125,000	97,365	222,365	75,000	235,966	310,966
2013	130,000	90,863	220,863	110,000	231,110	341,110
2014	140,000	83,978	223,978	115,000	225,779	340,779
2015	145,000	76,710	221,710	125,000	220,679	345,679
2016	150,000	69,188	219,188	220,000	213,348	433,348
2017	160,000	61,243	221,243	250,000	203,360	453,360
2018	170,000	52,703	222,703	315,000	191,354	506,354
2019	180,000	43,558	223,558	350,000	177,048	527,048
2020	245,000	32,401	277,401	470,000	158,978	628,978
2021	490,000	12,985	502,985	570,000	135,695	705,695
2022	-	-	-	840,000	103,760	943,760
2023	-	-	-	890,000	64,180	954,180
2024	-	-	-	940,000	21,855	961,855
	<u>\$2,050,000</u>	<u>\$724,479</u>	<u>\$2,774,479</u>	<u>\$5,325,000</u>	<u>\$2,422,491</u>	<u>\$7,747,491</u>

GENERAL DEBT SERVICE FUND
GENERAL DEBT SERVICE FUND 2010-11

CITY OF ODESSA
COMBINED SCHEDULE OF GENERAL DEBT SERVICE
SEPTEMBER 30, 2010

	SERIES 2005			SERIES 2006		
	CERTIFICATES OF OBLIGATION			CERTIFICATES OF OBLIGATION		
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	125,000	205,594	330,594	380,000	393,524	773,524
2012	130,000	200,013	330,013	400,000	372,074	772,074
2013	135,000	194,050	329,050	415,000	349,661	764,661
2014	140,000	187,863	327,863	435,000	329,549	764,549
2015	145,000	181,450	326,450	460,000	311,649	771,649
2016	170,000	174,660	344,660	480,000	292,609	772,609
2017	190,000	167,190	357,190	500,000	272,144	772,144
2018	320,000	156,608	476,608	525,000	250,231	775,231
2019	350,000	142,705	492,705	550,000	226,844	776,844
2020	475,000	125,586	600,586	580,000	201,839	781,839
2021	495,000	105,459	600,459	605,000	175,321	780,321
2022	515,000	84,373	599,373	635,000	147,421	782,421
2023	550,000	61,870	611,870	670,000	117,724	787,724
2024	555,000	38,250	593,250	705,000	86,099	791,099
2025	605,000	13,159	618,159	740,000	52,864	792,864
2026	-	-	-	775,000	17,922	792,922
	<u>\$4,900,000</u>	<u>\$2,038,830</u>	<u>\$6,938,830</u>	<u>\$8,855,000</u>	<u>\$3,597,475</u>	<u>\$12,452,475</u>

GENERAL DEBT SERVICE FUND
GENERAL DEBT SERVICE FUND 2010-11

CITY OF ODESSA
COMBINED SCHEDULE OF GENERAL DEBT SERVICE
SEPTEMBER 30, 2010

	SERIES 2006			SERIES 2007		
	REFUNDING ISSUE			CERTIFICATES OF OBLIGATION		
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	475,000	221,500	696,500	20,000	211,600	231,600
2012	495,000	202,100	697,100	30,000	210,600	240,600
2013	515,000	181,900	696,900	40,000	209,200	249,200
2014	540,000	160,800	700,800	45,000	207,500	252,500
2015	565,000	138,700	703,700	40,000	205,800	245,800
2016	595,000	115,500	710,500	45,000	203,875	248,875
2017	630,000	91,000	721,000	45,000	201,625	246,625
2018	655,000	65,300	720,300	55,000	199,125	254,125
2019	690,000	38,400	728,400	65,000	196,125	261,125
2020	615,000	12,300	627,300	80,000	192,500	272,500
2021	-	-	-	450,000	179,250	629,250
2022	-	-	-	475,000	156,125	631,125
2023	-	-	-	490,000	132,000	622,000
2024	-	-	-	530,000	106,500	636,500
2025	-	-	-	545,000	79,625	624,625
2026	-	-	-	610,000	50,750	660,750
2027	-	-	-	710,000	17,750	727,750
	<u>\$5,775,000</u>	<u>\$1,227,500</u>	<u>\$7,002,500</u>	<u>\$4,275,000</u>	<u>\$2,759,950</u>	<u>\$7,034,950</u>

GENERAL DEBT SERVICE FUND
GENERAL DEBT SERVICE FUND 2010-11

CITY OF ODESSA
COMBINED SCHEDULE OF GENERAL DEBT SERVICE
SEPTEMBER 30, 2010

	SERIES 2009 REFUNDING ISSUE			TOTAL		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2011	285,000	97,525	382,525	1,455,000	1,472,607	2,927,607
2012	290,000	91,050	381,050	1,545,000	1,409,168	2,954,168
2013	300,000	82,925	382,925	1,645,000	1,339,709	2,984,709
2014	315,000	73,700	388,700	1,730,000	1,269,169	2,999,169
2015	325,000	63,288	388,288	1,805,000	1,198,276	3,003,276
2016	335,000	50,900	385,900	1,995,000	1,120,080	3,115,080
2017	350,000	37,200	387,200	2,125,000	1,033,762	3,158,762
2018	370,000	22,800	392,800	2,410,000	938,121	3,348,121
2019	385,000	7,700	392,700	2,570,000	832,380	3,402,380
2020	-	-	-	2,465,000	723,604	3,188,604
2021	-	-	-	2,610,000	608,710	3,218,710
2022	-	-	-	2,465,000	491,679	2,956,679
2023	-	-	-	2,600,000	375,774	2,975,774
2024	-	-	-	2,730,000	252,704	2,982,704
2025	-	-	-	1,890,000	145,648	2,035,648
2026	-	-	-	1,385,000	68,672	1,453,672
2027	-	-	-	710,000	17,750	727,750
	\$2,955,000	\$527,088	\$3,482,088	\$34,135,000	\$13,297,813	\$47,432,813

SCHEDULE OF REVENUE BOND REQUIREMENT

WATER AND SEWER DEBT 2010-11

CITY OF ODESSA COMBINED SCHEDULE OF REVENUE BOND REQUIREMENTS SEPTEMBER 30, 2010

	SERIES 2001			SERIES 2006		
	REFUNDING REVENUE BONDS			REFUNDING REVENUE BONDS		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2011	3,540,000	194,700	3,734,700	70,000	503,800	573,800
2012	-	-	-	2,955,000	443,300	3,398,300
2013	-	-	-	3,070,000	322,800	3,392,800
2014	-	-	-	3,205,000	197,300	3,402,300
2015	-	-	-	3,330,000	66,600	3,396,600
	<u>\$3,540,000</u>	<u>\$194,700</u>	<u>\$3,734,700</u>	<u>\$12,630,000</u>	<u>\$1,533,800</u>	<u>\$14,163,800</u>

SCHEDULE OF REVENUE BOND REQUIREMENT

WATER AND SEWER DEBT 2010-11

CITY OF ODESSA COMBINED SCHEDULE OF REVENUE BOND REQUIREMENTS SEPTEMBER 30, 2010

	SERIES 2007 CERTIFICATES OF OBLIGATION			SERIES 2009 REFUNDING REVENUE BONDS		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2011	-	3,142,750	3,142,750	30,000	120,875	150,875
2012	-	3,142,750	3,142,750	960,000	108,575	1,068,575
2013	-	3,142,750	3,142,750	985,000	81,800	1,066,800
2014	-	3,142,750	3,142,750	1,015,000	51,800	1,066,800
2015	-	3,142,750	3,142,750	1,045,000	18,288	1,063,288
2016	3,920,000	3,044,750	6,964,750	-	-	-
2017	4,120,000	2,843,750	6,963,750	-	-	-
2018	4,330,000	2,632,500	6,962,500	-	-	-
2019	4,555,000	2,410,375	6,965,375	-	-	-
2020	4,785,000	2,176,875	6,961,875	-	-	-
2021	5,035,000	1,931,375	6,966,375	-	-	-
2022	5,290,000	1,673,250	6,963,250	-	-	-
2023	5,560,000	1,402,000	6,962,000	-	-	-
2024	5,850,000	1,116,750	6,966,750	-	-	-
2025	6,150,000	816,750	6,966,750	-	-	-
2026	6,465,000	501,375	6,966,375	-	-	-
2027	6,795,000	169,875	6,964,875	-	-	-
	<u>\$62,855,000</u>	<u>\$36,433,375</u>	<u>\$99,288,375</u>	<u>\$4,035,000</u>	<u>\$381,338</u>	<u>\$4,416,338</u>

SCHEDULE OF REVENUE BOND REQUIREMENT

WATER AND SEWER DEBT 2010-11

CITY OF ODESSA COMBINED SCHEDULE OF REVENUE BOND REQUIREMENTS SEPTEMBER 30, 2010

	<u>PRINCIPAL</u>	<u>TOTAL INTEREST</u>	<u>TOTAL</u>
2011	3,640,000	3,962,125	7,602,125
2012	3,915,000	3,694,625	7,609,625
2013	4,055,000	3,547,350	7,602,350
2014	4,220,000	3,391,850	7,611,850
2015	4,375,000	3,227,638	7,602,638
2016	3,920,000	3,044,750	6,964,750
2017	4,120,000	2,843,750	6,963,750
2018	4,330,000	2,632,500	6,962,500
2019	4,555,000	2,410,375	6,965,375
2020	4,785,000	2,176,875	6,961,875
2021	5,035,000	1,931,375	6,966,375
2022	5,290,000	1,673,250	6,963,250
2023	5,560,000	1,402,000	6,962,000
2024	5,850,000	1,116,750	6,966,750
2025	6,150,000	816,750	6,966,750
2026	6,465,000	501,375	6,966,375
2027	6,795,000	169,875	6,964,875
	<u>\$83,060,000</u>	<u>\$38,543,213</u>	<u>\$121,603,213</u>

2010-11 OUTSTANDING LEASE AGREEMENTS

CITY OF ODESSA, TEXAS SCHEDULE OF CAPITAL LEASE REQUIREMENTS

Fire Truck Lease Contract

Year	Principal	Interest	Total
2010-11	424,666	110,085	534,751
2011-12	442,039	92,712	534,751
2012-13	460,123	74,628	534,751
2013-14	478,947	55,804	534,751
2014-15	498,540	36,211	534,751
2015-16	518,935	15,815	534,750
	<u>\$ 2,823,250</u>	<u>\$ 385,255</u>	<u>\$ 3,208,505</u>

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Community Development Fund
Overview

COMMUNITY DEVELOPMENT FUND

OVERVIEW

	2007-08 Budget	2008-09 Budget	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$0	\$0	\$0	\$0
CURRENT REVENUES				
Block Grant Funds (CDBG)	\$1,157,999	\$1,118,287	\$1,133,482	\$1,228,954
Unprogrammed Funds	70,760	139,953	247,999	157,300
HOME Grant Funds	461,478	447,394	497,182	494,925
TOTAL CURRENT REVENUES	\$1,690,237	\$1,705,634	\$1,878,663	\$1,881,179
TOTAL FINANCING SOURCES	\$1,690,237	\$1,705,634	\$1,878,663	\$1,881,179
EXPENDITURES				
Personal Services	\$436,001	\$486,564	\$503,436	\$493,455
Supplies	41,250	33,289	24,561	26,303
Services	134,382	112,239	135,032	125,962
Maintenance	8,000	8,000	8,000	8,000
Capital Outlay	8,500	4,000	4,000	4,000
Projects/Programs	1,062,104	1,061,542	1,203,634	1,223,459
TOTAL EXPENDITURES	\$1,690,237	\$1,705,634	\$1,878,663	\$1,881,179
ENDING FUND BALANCE	\$0	\$0	\$0	\$0

COMMUNITY DEVELOPMENT FUND

OVERVIEW

	2010-11 Budget
Beginning Fund Balance	\$0
Current Revenues	
Block Grant Funds (CDBG)	\$1,228,954
Unprogrammed Funds	157,300
HOME Grant Funds	494,925
Total Current Revenues	\$1,881,179
Total Financing Sources	
Expenditures:	
Program Administration	\$205,271
Housing Rehabilitation	309,897
Demolition Program	223,000
Neighborhood Development Services	219,447
HOME Program	494,925
Boys/Girls Club	150,000
Family Promise	6,520
Odessa Affordable Housing	80,000
Main Street Facade Improvement	14,000
Vacant Lot Clearance Program	15,000
Meals on Wheels	25,000
Permian Basin Centers (MHMR)	75,000
Odessa Links	6,519
O'Conner Park	56,600
Total Expenditures	\$1,881,179
Ending Fund Balance	\$0

COMMUNITY DEVELOPMENT FUND

CAPITAL OUTLAY

Fund and Department/Division	Item	Item Total	Total
COMMUNITY DEVELOPMENT			
CD Administration	Furniture & Office Equipment	\$1,000	
	Machinery & Equipment	1,000	
	Data Processing Equipment	<u>2,000</u>	
	Subtotal CD Administration		\$4,000
TOTAL CAPITAL OUTLAY – COMMUNITY DEV. FUND			<u>\$4,000</u>

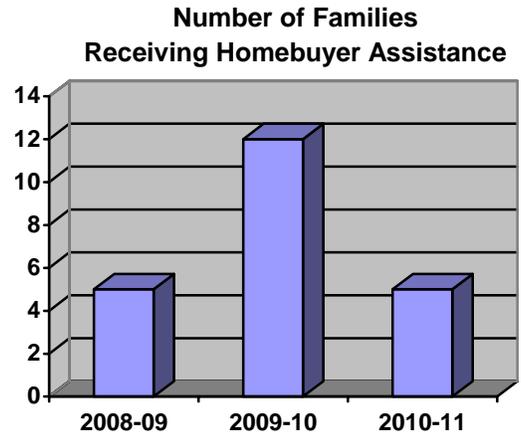
COMMUNITY DEVELOPMENT

Mission

The primary objective of the Community Development Block Grant Program and the HOME Program is to develop and revitalize communities by providing decent housing, a suitable living environment, and expanding economic opportunities and human services for persons of low and moderate income.

Departmental Goals/(City's Value Statement Goals)

1. Offer down payment & closing cost assistance to eligible homebuyers. (Service)
2. Eliminate slum & blight. (Service)
3. Provide rehab & emergency rehab assistance to eligible applicants. (Service)
4. Fund social service agencies that offer services to low-moderate income citizens. (Service)



Objectives / Performance Measures

Effectiveness

1. Provide reconstruction/rehabilitation assistance to 4 households.
2. Assist 2 families through the Community Development Housing Organization.
3. Provide homebuyer assistance to 7 families through a down payment and closing cost assistance program.
4. Continue to provide human services assistance (assist proposed 300 persons).

FY 2008-09
Actual

FY 2009-10
Estimate

FY 2010-11
Target

6

11

5

2

2

2

5

12

5

230%

50%

100%

COMMUNITY DEVELOPMENT

Expenditures by Classification

	<u>2007-08</u> <u>Budget</u>	<u>2008-09</u> <u>Budget</u>	<u>2009-10</u> <u>Budget</u>	<u>2010-11</u> <u>Budget</u>
Personal Services	\$436,001	\$486,564	\$503,436	\$493,455
Supplies	41,250	33,289	24,561	26,303
Services	134,382	112,239	135,032	125,962
Maintenance	8,000	8,000	8,000	8,000
Capital Outlay	8,500	4,000	4,000	4,000
Projects/Programs	<u>1,062,104</u>	<u>1,061,542</u>	<u>1,203,634</u>	<u>1,223,459</u>
Total Expenditures	\$1,690,237	\$1,705,634	\$1,878,663	\$1,881,179

Personnel by Job Title

	<u>2008-09</u> <u>Fiscal Year</u>	<u>2009-10</u> <u>Fiscal Year</u>	<u>2010-11</u> <u>Fiscal Year,</u>
Director of Community Development**	1	1	1
Program Manager	1	1	1
Program Assistant	1	1	1
Neighborhood Svcs Supervisor***	1	1	1
Housing Assistant	1	1	1
Demolition Inspector	1	1	1
Housing Rehab Specialist *	1	1	1
Code Enforcement Officer	3	3	3
Housing Construction Coordinator	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	11	11	11
Funding Sources:			
Community Development	8.5	8.5	8.5
HOME*	1	1	1
General Fund**	1	1	1
Solid Waste***	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Total Personnel	11	11	11

CITY OF ODESSA

FY 2010-11

ADOPTED BUDGET

Ratliff Ranch Golf Course Fund
Overview

RATLIFF RANCH GOLF COURSE FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	(\$1,746,073)	(\$2,078,607)	(\$1,811,201)	(\$2,087,988)
CURRENT REVENUES				
Green Fees	\$524,516	\$594,000	\$555,500	\$594,000
Pro Shop Sales	248,450	210,000	200,000	210,000
Range Tokens	36,036	37,700	36,000	37,700
Grill Rental	20,962	30,100	16,000	30,100
Carts	315,680	330,200	265,000	330,200
GF Transfer In	200,000	200,000	200,000	200,000
Other Revenue	3,525	5,800	2,000	5,800
TOTAL CURRENT REVENUES	\$1,349,169	\$1,407,800	\$1,274,500	\$1,407,800
TOTAL FINANCING SOURCES	(\$396,904)	(\$670,807)	(\$536,701)	(\$680,188)
EXPENDITURES				
Personal Services	\$705,524	\$540,017	\$540,017	\$547,616
Supplies	326,351	244,232	225,883	225,883
Services	547,971	573,062	573,062	573,317
Maintenance	92,325	59,870	57,772	57,772
Capital Outlay	5,030	0	0	0
Other	4,502	0	0	0
TOTAL EXPENDITURES	\$1,681,703	\$1,417,181	\$1,396,734	\$1,404,588
ENDING FUND BALANCE	(\$2,078,607)	(\$2,087,988)	(\$1,933,435)	(\$2,084,776)

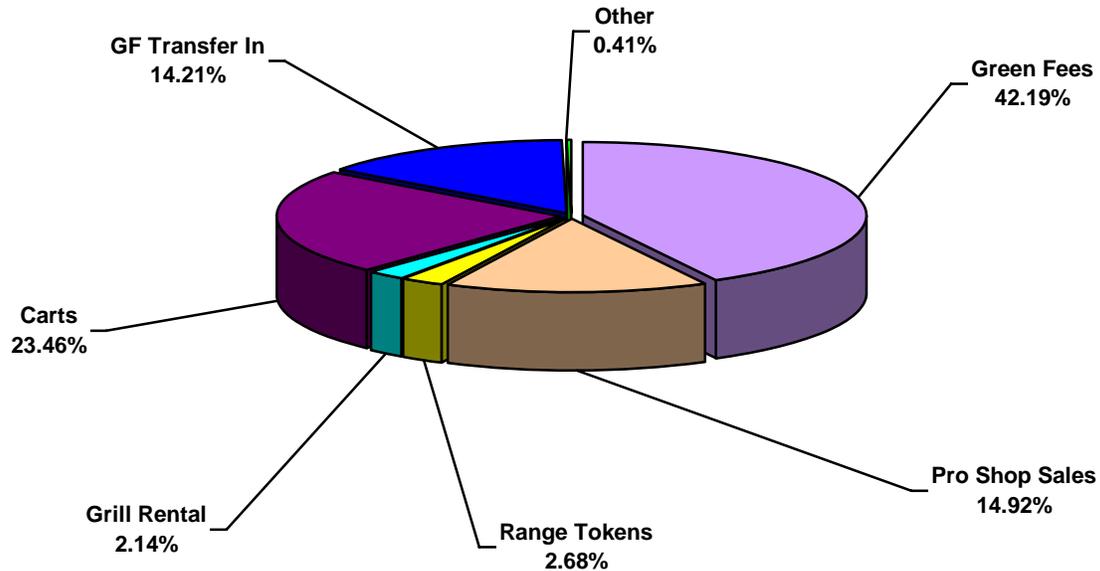
RATLIFF RANCH GOLF COURSE FUND

OVERVIEW

Revenues

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Green Fees	\$524,516	\$594,000	\$555,500	\$594,000
Pro Shop Sales	248,450	210,000	200,000	210,000
Range Tokens	36,036	37,700	36,000	37,700
Grill Rental	20,962	30,100	16,000	30,100
Carts	315,680	330,200	265,000	330,200
GF Transfer In	200,000	200,000	200,000	200,000
Other Revenue	3,525	5,800	2,000	5,800
Total Revenue	\$1,349,169	\$1,407,800	\$1,274,500	\$1,407,800

**RATLIFF RANCH GOLF COURSE FUND
2010-11 REVENUES BY SOURCES**



RATLIFF RANCH GOLF COURSE FUND

OVERVIEW

Revenues

The City of Odessa purchased the Ratliff Ranch Golf Course in December 2005, with the intention of providing the general public with access to its first municipal golf course. Over time, it is anticipated that revenues generated by user fees will be sufficient to cover the maintenance and operating expenses associated with running the facility.

The following is a comparative summary of Ratliff Ranch Golf Course Revenues.

<u>Source</u>	2010-11 Budget		Increase / (Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Green Fees	\$594,000	42.19%	\$38,500	6.93%
Pro Shop Sales	210,000	14.92%	10,000	5.00%
Range Tokens	37,700	2.68%	1,700	4.72%
Grill Rental	30,100	2.14%	14,100	88.13%
Carts	330,200	23.46%	65,200	24.60%
GF Transfer In	200,000	14.21%	0	0.00%
Other Revenue	<u>5,800</u>	<u>0.41%</u>	<u>3,800</u>	<u>190.00%</u>
TOTAL	\$1,407,800	100.00%	\$133,300	10.46%

The Golf Course budget for 2010-11 is \$1,407,800. This represents a \$133,300, or 10.46% increase over the previous year. It is anticipated that six of the seven revenue sources for this fund will realize an increase this year, as the Golf Course becomes more established and attendance increases.

The Green Fees category, representing the largest source of income, is expected to reach \$594,000, a \$38,500 increase compared to the previous year.

The second largest source of revenue consists of golf cart rentals. Last year, the City leased fifteen additional golf carts, expecting to generate an additional \$48,000 per year. However, projected revenues for 2010-11 have surpassed those expectations. Golf Cart Rentals are expected to generate \$330,200 in revenue, a \$65,200 increase over the 2009-10 budget.

Pro Shop Sales are up by \$10,000 this fiscal year. This represents a 5.00% increase compared to the previous year.

The 2010-11 General Fund Transfer-In budget is \$200,000, the same level of funding that was approved in the previous year.

Together, Range Tokens, Grill Rental, and Other Revenue make up \$73,600, or 5.23%, of the 2010-11 Golf Course budget. These categories will realize budgetary increases totaling \$19,600 in the upcoming fiscal year.

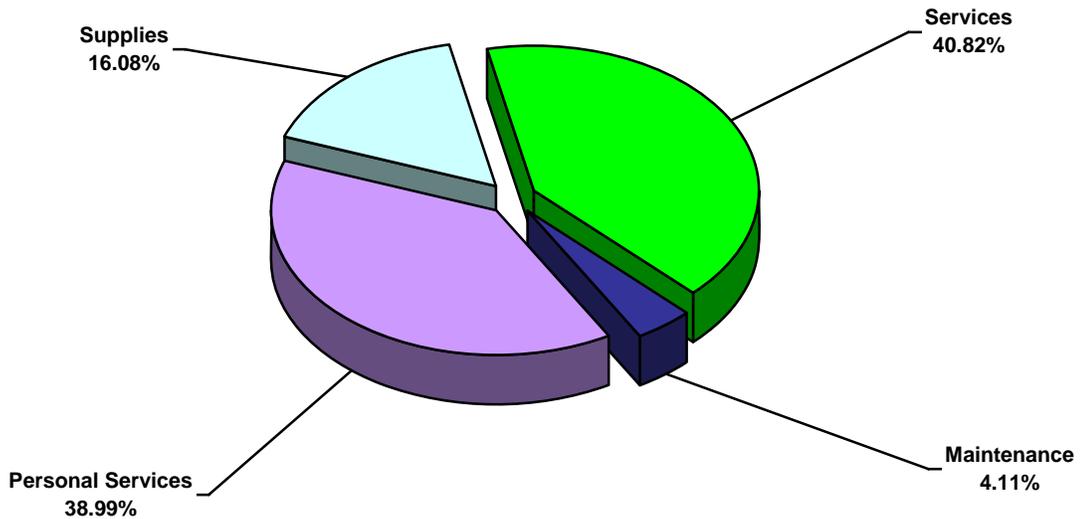
RATLIFF RANCH GOLF COURSE FUND

OVERVIEW

Expenditures By Classification

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
Personal Services	\$705,524	\$540,017	\$540,017	\$547,616
Supplies	326,351	244,232	225,883	225,883
Services	547,971	573,062	573,062	573,317
Maintenance	92,325	59,870	57,772	57,772
Capital Outlay	5,030	0	0	0
Other	4,502	0	0	0
	<u>\$1,681,703</u>	<u>\$1,417,181</u>	<u>\$1,396,734</u>	<u>\$1,404,588</u>

RATLIFF RANCH GOLF COURSE FUND 2010-11 EXPENDITURES BY CLASSIFICATION



RATLIFF RANCH GOLF COURSE FUND

OVERVIEW

Expenditures

Ratliff Ranch Golf Course Fund's budgeted expenditures are \$1,404,588 for 2010-11. This represents an increase of 0.56% compared to last year's budget. The major factors contributing to the increase is the implementation of the new employee compensation plan. Below is a comparative summary of budgeted expenditures by classification.

<u>Source</u>	2010-11 Budget		Increase / (Decrease) from 2009-10 Budget	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Personal Services	\$547,616	38.99%	\$7,599	1.41%
Supplies	225,883	16.08%	0	0.00%
Services	573,317	40.82%	255	0.04%
Maintenance	57,772	4.11%	0	0.00%
Capital Outlay	0	0.00%	0	N/A
Other	<u>0</u>	<u>0.00%</u>	<u>0</u>	<u>N/A</u>
TOTAL	\$1,404,588	100.00%	\$7,854	0.56%

In 2010-11, the Golf Course budgeted for 9 positions, the same number of positions as was funded last year. The 1.41% increase in Personal Services is entirely due to the implementation of the 2% pay raise for full-time, non-uniformed employees.

Together, the Supplies and Maintenance budgets comprise 20.19% of the total Golf Course budget. Funding levels for both categories will remain the same as last year, as it is anticipated that no additional funds will be necessary to cover normal operating costs.

Services expenditures make up 40.82% of the total Golf Course budget. The bulk of this category's budget is used to maintain the fleet, lease golf carts, and pay for water and electricity. The \$255 increase is due to an increase in Internet charges.

No funds have been designated for Capital Outlay expenditures in the current fiscal year. This category's budget fluctuates from year to year, depending upon the need for large-ticket items.

The Other category consists of the General Fund Administrative Fee. The 2010-11 budget for this category is \$0. In the years prior to 2009-10, monies had been set aside to reimburse the General Fund for certain administrative services that were provided to the Golf Course. However, the Administrative Fee Cost Study has not identified the need for such a fee since 2008-09.

RATLIFF RANCH GOLF COURSE FUND

OVERVIEW

Expenditures (cont'd.)

Fund Balance

The fund balance in 2008-09 was negative \$2,078,607. By 2009-10, the fund balance was negative \$2,087,988. This deficit fund balance position is due to the closure of the Golf Course for major renovation and construction during the majority of 2007 and 2008. The projected 2010-11 fund balance is negative \$2,084,776. It is anticipated that the deficit will be repaid over the next few years, as the Golf Course becomes established and attendance increases.

RATLIFF RANCH GOLF COURSE

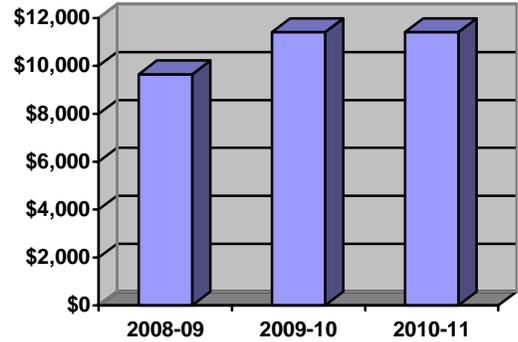
Mission

Ratliff Ranch Golf Links is responsible for providing an outstanding golf experience at an affordable price through superior customer service, high quality playing conditions, and a wide variety of golf support services to all ages and skill levels.

Departmental Goals/(City's Value Statement Goals)

1. Provide and maintain a high quality public golf course for the citizens of Odessa. /(Direction)
2. Develop and implement a wide variety of programs to advance the playing ability of all skill levels. /(Direction)
3. Increase rounds and tournaments through promotions and networking. /(Organization)
4. Provide high quality merchandise and equipment for the patrons of Ratliff Ranch Golf Links. /(Excellence)

Average Expenditure per Acre



Objectives / Performance Measures

	FY 2008-09 <u>Actual</u>	FY 2009-10 <u>Estimate</u>	FY 2010-11 <u>Target</u>
1. Average expenditure per irrigated acre.	\$9,651	\$11,407	\$11,407
2. Number of irrigated acres maintained per full-time golf course maintenance employee. (Based on 9 employees.)	13.89	17.86	13.89
3. Number of rounds.	39,647	37,000	37,000
4. Total golf shop / food and beverage sales.	\$250,293	\$250,000	\$250,000
5. Number of player development / clinics provided.	5	8	8

RATLIFF RANCH GOLF COURSE

Expenditures by Classification

	<u>2008-09</u> <u>Actual</u>	<u>2009-10</u> <u>Estimated</u>	<u>2009-10</u> <u>Budget</u>	<u>2010-11</u> <u>Budget</u>
Personal Services	\$705,524	\$540,017	\$540,017	\$547,616
Supplies	326,351	244,232	225,883	225,883
Services	547,971	573,062	573,062	573,317
Maintenance	92,325	59,870	57,772	57,772
Capital Outlay	5,030	0	0	0
Lease Payment	0	0	0	0
GF Administrative Fee Transfer	<u>4,502</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$1,681,703	\$1,417,181	\$1,396,734	\$1,404,588

Personnel by Job Title

	<u>2008-09</u> <u>Fiscal Year</u>	<u>2009-10</u> <u>Fiscal Year</u>	<u>2010-11</u> <u>Fiscal Year</u>
Golf Course Pro/Manager	1	1	1
Assistant Golf Course Pro	2	2	2
Golf Course Superintendent	1	1	1
Assistant Golf Course Superintendent	1	1	1
Golf Course Mechanic *	1	1	1
Golf Course Irrigation Technician	1	0	0
Golf Course Equipment Operator	<u>3</u>	<u>4</u>	<u>4</u>
Total Personnel	10	10	10
Funding Sources:			
Golf Course Fund	9	9	9
Equipment Service Fund *	<u>1</u>	<u>1</u>	<u>1</u>
Total Personnel	10	10	10

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Other Funds
Overview

CONVENTION AND VISITORS FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$2,678,338	\$3,359,904	\$3,516,942	\$2,756,604
CURRENT REVENUES				
Hotel/Motel Tax	\$2,527,399	\$1,800,000	\$2,200,000	\$1,800,000
Other	14,207	0	0	0
Interest Income	21,896	5,600	23,000	0
TOTAL CURRENT REVENUES	\$2,563,502	\$1,805,600	\$2,223,000	\$1,800,000
TOTAL FINANCING SOURCES	\$5,241,840	\$5,165,504	\$5,739,942	\$4,556,604
EXPENDITURES				
Black Cultural Council	\$30,000	\$30,000	\$30,000	\$20,000
Colores Productions	10,000	20,000	20,000	20,000
Commemorative Air Force	60,000	50,000	50,000	50,000
Convention & Visitors Bureau	832,514	865,232	865,232	865,232
C&V Bureau/Sports Event Recruit.	0	139,000	0	4,585
Diamond Lanes	0	6,000	6,000	0
Ector Cty - Judges /Comm Confer.	0	0	0	15,000
Friends of Ector Theatre	20,000	30,000	30,000	30,000
Heritage Holiday	40,000	40,000	40,000	14,000
Main Street Odessa	70,460	75,000	75,000	75,000
Odessa Area Pool Players	0	5,000	0	0
Odessa Council for Arts & Human.	300,419	419,919	419,919	330,791
Odessa Disc Golf	0	1,500	0	0
Odessa Jackalopes Hockey Team	40,000	50,000	50,000	40,000
Odessa Student Crime Stoppers	0	0	0	10,000
Parks - Fall Festival	0	122,301	122,301	10,000
Parks - Ratliff Ranch Golf Links	9,405	100,000	100,000	60,000
Parks - Starbright Village	191,515	121,991	121,991	30,000
Permian Basin Fair & Exposition	55,000	75,000	75,000	75,000
Rho Iota Omega	40,000	0	0	15,000
Roughnecks Football Team	0	40,000	40,000	0
Sandhills Stock Show & Rodeo	65,000	68,000	68,000	70,000
Southwest Shakespeare Festival	45,985	24,000	24,000	25,000
Texas Tours Entertainment	0	20,000	0	0
TX Assn of Local Housing Fin Ag	0	10,000	10,000	0
West Texas Baseball	5,000	0	0	0
West Texas Crossroads Marathon	0	10,000	0	10,000
West Texas Track Club	0	20,000	20,000	20,000
Ector County Coliseum	50,000	50,000	50,000	50,000
Administrative Cost/Audit Fees	16,638	15,957	15,957	16,439
TOTAL EXPENDITURES	\$1,881,936	\$2,408,900	\$2,233,400	\$1,856,047
ENDING AVAILABLE BALANCE	\$3,359,904	\$2,756,604	\$3,506,542	\$2,700,557
ENDING FUND BALANCE	\$3,359,904	\$2,756,604	\$3,506,542	\$2,700,557

MUNICIPAL COURT SECURITY FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$108,910	\$75,215	\$28,087	\$49,775
CURRENT REVENUES				
MC Security Fee	\$64,203	\$68,000	\$68,000	\$72,337
TOTAL CURRENT REVENUES	\$64,203	\$68,000	\$68,000	\$72,337
TOTAL FINANCING SOURCES	\$173,113	\$143,215	\$96,087	\$122,112
EXPENDITURES				
Personal Services	\$89,297	\$79,789	\$79,789	\$80,964
Supplies	1,400	1,900	1,900	1,900
Services	5,921	1,751	1,751	1,737
Maintenance	0	10,000	10,000	10,000
Capital Outlay	1,280	0	0	0
TOTAL EXPENDITURES	\$97,898	\$93,440	\$93,440	\$94,601
ENDING FUND BALANCE	\$75,215	\$49,775	\$2,647	\$27,511

MUNICIPAL COURT TECHNOLOGY FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$318,618	\$322,161	\$329,617	\$294,911
CURRENT REVENUES				
MC Technology Fee	\$86,689	\$92,500	\$88,000	\$100,500
TOTAL CURRENT REVENUES	\$86,689	\$92,500	\$88,000	\$100,500
TOTAL FINANCING SOURCES	\$405,307	\$414,661	\$417,617	\$395,411
EXPENDITURES				
Personal Services	\$0	\$0	\$0	\$65,666
Supplies	58	0	5,000	5,000
Services	0	0	20,000	20,000
Maintenance	24,080	25,875	25,000	32,388
Capital Outlay	59,008	93,875	90,000	90,000
TOTAL EXPENDITURES	\$83,146	\$119,750	\$140,000	\$213,054
ENDING FUND BALANCE	\$322,161	\$294,911	\$277,617	\$182,357

LEOSE FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$1,385	\$1,599	\$1,384	\$1,619
CURRENT REVENUES				
Grants & Entitlements	\$10,852	\$12,857	\$14,740	\$14,740
Interest Income	11	20	0	0
TOTAL CURRENT REVENUES	\$10,863	\$12,877	\$14,740	\$14,740
TOTAL FINANCING SOURCES	\$12,248	\$14,476	\$16,124	\$16,359
EXPENDITURES				
Fire Training	(\$1,010)	\$978	\$1,030	\$1,030
Police Training	11,659	11,879	13,710	13,710
TOTAL EXPENDITURES	\$10,649	\$12,857	\$14,740	\$14,740
ENDING FUND BALANCE	\$1,599	\$1,619	\$1,384	\$1,619

DRUG FORFEITURE FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$175,301	\$194,062	\$150,000	\$220,170
CURRENT REVENUES				
State Funds	\$17,335	\$42,545	\$0	\$0
Federal Funds	34,349	3,719	0	0
Interest Income	1,725	604	0	0
TOTAL CURRENT REVENUES	\$53,409	\$46,868	\$0	\$0
TOTAL FINANCING SOURCES	\$228,710	\$240,930	\$150,000	\$220,170
EXPENDITURES				
Personal Services	\$0	\$0	\$0	\$0
Supplies	150	3,608	100,000	143,215
Services	0	2,223	0	0
Capital Outlay	20,385	14,929	50,000	62,744
Operating Transfers Out	14,113	0	0	0
TOTAL EXPENDITURES	\$34,648	\$20,760	\$150,000	\$205,959
ENDING FUND BALANCE	\$194,062	\$220,170	\$0	\$14,211

LIQUID WASTE FUND

OVERVIEW

	2008-09 Actual	2009-10 Estimated	2009-10 Budget	2010-11 Budget
BEGINNING FUND BALANCE	\$8,317	(\$1,113)	\$0	\$0
CURRENT REVENUES				
City Participation	\$9,927	\$14,683	\$13,954	\$14,586
County Participation	9,927	14,683	13,954	14,586
Liquid Waste Fees	21,868	23,541	23,886	23,542
Interest Income	53	0	0	0
TOTAL CURRENT REVENUES	\$41,775	\$52,907	\$51,794	\$52,714
TOTAL FINANCING SOURCES	\$50,092	\$51,794	\$51,794	\$52,714
EXPENDITURES				
Personal Services	\$41,857	\$42,202	\$42,202	\$42,845
Supplies	690	1,075	1,075	1,075
Services	6,015	6,246	6,246	6,246
Maintenance	0	0	0	0
Capital Outlay	0	0	0	0
Other	2,643	2,271	2,271	2,548
TOTAL EXPENDITURES	\$51,205	\$51,794	\$51,794	\$52,714
ENDING FUND BALANCE	(\$1,113)	\$0	\$0	\$0

2010-11 GRANT SUMMARY

PUBLIC SAFETY COMMUNICATIONS

9-1-1 District Dispatcher Grant - The 9-1-1 Grant provides for three call-taker positions for Public Safety Communications. These additional call-takers will give more extensive pre-arrival instructions to callers needing emergency assistance.

Ector County Emergency Communications District GIS System Development - Graphical Interface System (GIS) development will aid public safety employees in emergency response and area communications throughout the the City of Odessa and Ector County with specialized mapping and database interfacing. This grant provides for a GIS Technician and various supplies and equipment for the system design.

School Attendance Court Grant - Ector County has awarded the City the School Court Attendance Grant in an effort to address the issue of truancy in Ector County ISD. This grant will fund one Juvenile Case Manager position, three Deputy Court Clerk positions, and some operational costs.

Neighborhood Stabilization Grant - The purpose of this grant, funded through the Texas Department of Housing and Community Affairs, is to reduce the number of foreclosed homes in the community and stabilize neighborhoods. The grant will provide funding for a) the acquisition and rehabilitation of foreclosed properties; b) a Permanent Financing Program for persons earning 50% or less of the Area Median income; c) a Homebuyer Assistance Program for persons earning up to 120% of the Area Median Income; and d) the demolition of foreclosed or abandoned properties. Funds must be utilized for the specified purposes. Any funds expended will be reimbursed by the Texas Department of Housing and Community Affairs.

2010-11 GRANT PROGRAMS

<u>Grant Name and Description</u>		<u>Total Program Cost</u>	<u>Grant Reimbursement</u>	<u>Net City Contribution</u>
<u>PUBLIC SAFETY COMMUNICATIONS</u>				
911 Dispatcher Funding	Term: (Oct-Sep) Salaries & Wages	\$110,000	\$110,000	\$0
<u>MUNICIPAL COURT</u>				
School Attendance Court	Term: (Oct-Sep) 3 Positions	\$182,548	\$182,548	\$0
<u>CITY ATTORNEY'S OFFICE</u>				
School Attendance Court	Term: (Oct-Sep) 1 Position	\$90,913	\$90,913	\$0
<u>COMMUNITY DEVELOPMENT</u>				
Neighborhood Stabilization	Term: (As Funding Remains Available) 1 Position	\$48,390	\$48,390	\$0
Total FY 2010-11 Grants		\$431,851	\$431,851	\$0

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Capital Improvement Fund
Overview

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Overview

The total Work In Process Capital Improvement Program (CIP) for the City of Odessa totals \$58,716,798 for the 2010-11 fiscal year, a decrease of almost \$12.4 million from the 2009-10 fiscal year as projects have been completed in all major categories. This year's program focuses on the planning and development of land use, maintenance of existing infrastructure, and development of parklands that will enhance the quality of life for our citizens. The CIP program is grouped into two major capital programs including \$3,641,407 General Purpose capital programs and \$55,075,391 for Enterprise capital programs. Funding for the CIP is comprised of Certificates of Obligation, Revenue Bonds and operating revenues. For the 2010-2011 fiscal year, no new Enterprise capital projects were approved during the budgeting process not already funded from the 2007 \$62 million bond issue. All of the projects are a part of the work in process CIP and are presented below in a comparative summary of the capital budgets of the City of Odessa.

Summary of Work In Process Capital Improvements Program

	<u>Planned WIP 2009-10</u>	<u>Planned WIP 2010-11</u>
General Purpose		
Parks / Golf Improvements	\$5,383,390	\$1,053,172
Public Works Improvements	841,423	550,334
Public Safety Improvements	159,406	0
Information Tech Improvements	407,068	2,037,901
Miscellaneous / Contingencies	0	0
Enterprise Fund		
Water and Sewer	64,344,154	55,075,391
Total Work in Process Capital Budget	<u>\$71,135,441</u>	<u>\$58,716,798</u>

Funding Sources of the Capital Improvement Program

	<u>2010-2011</u>	<u>Percentage</u>
Certificates of Obligation	\$1,313,646	2.24%
General Fund / Gen Construction	2,327,761	3.96%
Water and Sewer Revenue	55,075,391	93.80%
Total Funding Sources	<u>\$58,716,798</u>	<u>100.00%</u>

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

General Purpose Capital Budgets

Prior to 1998-99, the City of Odessa did not prepare a separate formalized CIP for General Purpose projects. The City did target critical capital replacement items within the General Fund and issued debt to pay for them. In 1996-97, the City decided to begin the steps involved in formalizing a capital improvements program for General Purpose with the initiation of master plans for both Parks and Public Works. These master plans became the blueprints for the CIP presented here. However, the plans were not set in stone because a critical aspect was missing: citizen input. A steering committee was formed and co-chaired by prominent leaders of the community. The objective of the approximately 30 citizens who served on the committee was to solicit feedback from the community and recommend an implementation plan for the recently completed Parks Master Plan and other needed capital improvements within the City.

The steering committee divided into several sub committees and over the next nine months held public hearings and numerous committee meetings. The recommended \$65 million funding needs were pared to a final recommendation of funding totaling \$50 million. The original steering committee evolved into a CIP advisory committee used for reviewing a ten-year CIP plan. Perhaps the greatest challenge of a formalized CIP is the development of a funding plan that creates the least amount of financial burden to the community. Also, a 1/4 cent sales tax for economic development was later adopted in November 1997, enabling the City to begin redirecting additional funds towards this effort as well.

Each year, the plan is reviewed and updated through review of the Parks Open Space Master Plan, Public Works Master Plan, Traffic Master Plan and various engineering studies and cost studies. The most recent revision to the Capital Improvement plan took place in early 2007, prior to the 2007 GO bond issue in the amount of \$4,345,000. Proceeds of this issue provided funding for a skate park, redevelopment of 5 existing parks, various traffic improvements, drainage projects and paving / curb and gutter rehab. In 2008-09, the 2009 Refunding Bonds were issued to refund the 1998 Certificates of Obligation in the amount of \$3,195,000. The issuance of these bonds resulted in a net present-value savings of 4.674% of this refunded principal.

Enterprise Fund Capital Budget

As a separate fund with separate funding sources, Water and Sewer developed its own Capital Improvement Plan that continues to guide the City in its future water and wastewater improvements. In the 2009-10 budget, \$1,155,750 was specifically allocated from the 2007 \$62.0 million bond issue for CIP projects for the Water Treatment Plant and various waterline extensions across the city, to name a couple of project areas, as part of the budget. Currently an engineering consultant is updating the Water/Sewer Master Project Plan to establish what future items are needed to address state regulations, maintenance and improvements of infrastructure along with expansion of infrastructure. The infrastructure needed to meet this utility's demand each day consists of roughly 642 miles of water mains and 504 miles of sewer lines. Three booster pump stations aid in keeping the water distributed through the system and 2,228 fire hydrants provide emergency access to water for fire services. Water storage in the system consists of 3 elevated tanks and 4 ground storage tanks. Three lift stations aid in delivering wastewater to the plant and 6,622 manholes allow for continued maintenance of the system.

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Operational Impact of Capital Improvement Program

The City of Odessa currently prepares separate departmental capital budgets from the operating budget, but they are all closely linked. The Capital Improvement Program as distinguished from the operating budget is a multi-year financial plan for the acquisition, expansion, or rehabilitation of infrastructure, capital assets, or productive capacity of City Services. Capital Projects typically apply to (1) expenditures which take place over two or more years requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; and (3) scheduled replacement or maintenance of specific elements of physical assets.

Revenues for the Capital Budget are derived primarily from General Obligation Certificate sales, Revenue Bonds, and current operating revenues. The Capital Budget, unlike the Operating Budget, is a five-year plan that is reviewed annually.

The estimated impact of the Capital Budget on the Operating Budget is approximately \$34.1 million in outstanding general debt service incurred from long term financing of capital projects approved in prior years. In mid 2009, the issuance of \$3.1 million in refunding bonds brought the total general debt service to this level. The tax rate designated for debt service is set at \$0.074635 per \$100 or 14.28% of the tax rate.

Historically, in 2006, General Obligation Refunding Bonds, were issued during the 2006-07 fiscal year in the amount of \$18,735,000 at a 4% interest rate. Of this amount, \$12,830,000 was issued to advance refund a portion of the outstanding Waterworks and Sewer System Revenue Bonds, Series 2001 in the amount of \$12,225,000. The issuance of these bonds reduced the total debt service requirements by \$651,551 over the life of the issue.

The Water and Wastewater projects in process have been funded in prior years from the rates set for Water and Wastewater. Water and Wastewater rates were increased 3% in the 2009-10 budget. This rate increase will continue to aid in funding the debt service requirement of \$7,815,244 for the current fiscal year. No new rate increase was implemented in 2010-11. This year's debt service requirement represents 19.29% of the operating budget of the Water and Sewer Enterprise Fund. A Certificates of Obligation issue in late 2007 was made in the amount of \$62,855,000 which increased the debt service requirement for the Water and Sewer Fund. However, in 2009 refunding bonds were issued to refund a portion of the 2001 Series in the amount of \$3,965,000. The issuance of these bonds resulted in a net present-value savings of 8.073% of this refunded principal.

Also, as part of the Capital Improvement Program, each department is asked to identify those proposed future capital projects that have an operating budgetary impact. To illustrate the additional cost of capital projects, through operational budgets and debt service payments, this section includes a display of the future CIP General Purpose projects and the operating impact in funding these costs. This does not imply that the City would raise the tax rate to fund these costs, however, as many variables impact the establishment of the tax rate. But the City has chosen to use this method of demonstrating the fact that capital projects do indeed impact the operational budget.

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

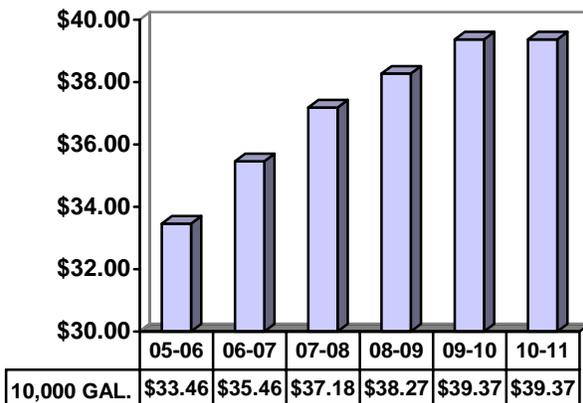
Operational Impact of Capital Improvement Program cont.

For example, replacing incandescent signal lamps with energy saving LED lamps at major intersections should generate an annual 38% energy savings in the Traffic division of Public Works when completed. No change in operating budgets for the Traffic division occurred in this year's budget, but with completion of this project in 2010 those savings should be realized each year.

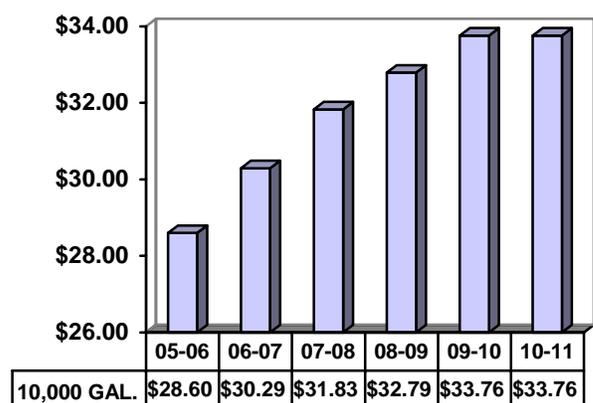
The street extension projects should eventually increase the operational budget of Public Works in maintenance costs by approximately \$1,500 per lane mile. The JBS / BI20 Extension South development coordinated with the County is to continue this year as the actual Overpass/Intersection was completed by mid 2009 with additional projected costs of \$140,000 as the General Fund share. The operational impact to the City in funding this \$5.4 million project has been minimized by contribution agreements with the Odessa Industrial Development Corporation and the Odessa Development Corporation in the amounts of \$250,000 and \$1,000,000 respectively. The Water and Sewer capital improvement projects include maintenance, replacement and state or federally mandated obligations that allow requisite water treatment and distribution and wastewater collection, treatment and disposal to the community of over 100,000 citizens. Annual replacement and maintenance of water and sewer lines assures the sale of water and sewer services to cover the \$40.5 million in operating expenses ensuring continuous, uninterrupted service to over 36,000 utility accounts.

A goal of 2,000 water valves is exercised each year to insure their effectiveness in shutting down lines during regular and emergency maintenance situations. This application will allow immediate cut off of water flows for maintenance and emergency line break repair. The maximum demand for water is approximately 35.08 million gallons per day (mgd). Prompt cut off of water via the valve system is requisite as the approximate cost for lost water is roughly \$111,000 per day of otherwise deliverable water.

Historical Cost of Water



Historical Cost of Wastewater



Additional information on projects can be found under the heading of Descriptions of 2010-11 Capital Projects in the Work In Process Capital Improvement Program section of this document.

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Descriptions of 2010-11 General Purpose Work In Process Capital Projects

Parks Improvements

Sherwood Park – Renovation is in the construction phase of this 65-acre park under the direction of Onyx Contractors (\$952,388). Objectives evaluated in the renovations include maintaining flood control levels of the Muskingum Draw, providing critical improvements in the irrigation system, rest-rooms, additional parking lots, additional picnic facilities, lighted basketball court, walking trails, baseball field improvements, security lighting, landscaping, park signage and other infrastructure upgrades.

Develop / Redevelop Parks – Miscellaneous renovation completions are to be made during 2010-11 to various area parks (\$10,924).

Civic Center Study – Feasibility study on the possibility of design and construction of a Civic Center in Odessa (\$75,000).

Parks Master Plan Update – Secure professional services and complete update to the 2005 Parks and Recreation Open Space & Urban Landscapes Master Plan project list. Texas Parks & Wildlife requires that the project list be reviewed and updated on a five-year basis (\$14,860).

Public Works Improvements

Drainage Improvements – Project is under design with Landgraf Crutcher & Associates (\$128,002).

Over-width Paving – Complete improvements in targeted developments throughout the city (\$187,552).

Downtown Growth Plan – Initiate study for downtown redevelopment in Odessa (\$200,000).

JBS / BI20 Interchange & Extension South – Construction of interchanges on JBS Parkway at BI-20 is near completion in coordination with the Texas Department of Transportation. Will coordinate an extension south with the County. Opens a corridor to Odessa businesses from the Business Interstate connecting to Midland (\$34,780).

Information Technology Improvements

Voice Over IP – VoIP can be a benefit for reducing communication and infrastructure costs by routing phone calls over existing data networks and avoiding duplicate network systems (\$367,626).

Digital P25 Motorola Radio System – Installation of digital P25 Motorola radio system to replace the failing analog 800 Mhz public safety backup radio system (\$1,670,275).

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Summary of Work In Process Projects General Purpose Capital Projects, 2010-11

Project Description	WIP	Funding Source	
		Gen Fund/ Gen Const	City Debt
Park Improvements			
Sherwood Park	\$952,388		\$952,388
Develop /Redevelop Parks	10,924		10,924
Civic Center Study	75,000	75,000	
Parks Master Plan Update	14,860	14,860	
Public Works Improvements			
Drainage Improvements	128,002		128,002
Over-width Paving	187,552		187,552
Downtown Growth Plan	200,000	200,000	
JBS BI-20 Interchange	34,780		34,780
Information Tech Improvements			
Voice Over I P	367,626	367,626	
Digital P25 Motorola Radio System	1,670,275	1,670,275	
Total General Purpose Projects	\$3,641,407	\$2,327,761	\$1,313,646

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Descriptions of 2010-11 Enterprise Fund Work In Process Capital Projects

Water System Projects

Water Line Replacement - An ongoing project that remains necessary because as the system continues to age more lines are determined to be in need of replacement. In addition, there are still numerous 4" lines, which need to be upgraded to a minimum of 6" lines. Replacement of the lines will assist in improving water pressures and water quality in the affected areas with a budget of \$2,003,601 in 2010-11.

Participation in Line Extension – Miscellaneous water line projects (\$100,000) initiated to upgrade the size of lines or otherwise participate in construction of utilities in areas of new development.

Golder Pump Station - Roof will be replaced at a cost of \$110,000.

Major Water Line Projects - Completion of two (2) waterline projects in 2010-11 will include 52nd St. to Loop 338 at a completion cost of \$199,057, and a 24" water line at Dawn/JBS/52nd Sts expensing \$146,500.

Water Treatment Plant Improvements - Renovations to the Water Treatment Plant offices, laboratory and control room (\$144,309) plus complete refurbishment of 3 filters (\$48,889) and flocculators.

Vulnerability Assessment – Initial implementation of security items identified in the previous year's vulnerability assessment study performed for the Water Treatment Plant (\$235,852).

Water Project - Miscellaneous water delivery related projects to be determined later in the fiscal year after a pending study (\$1,239,030).

AMR Meter Replacement Project – Under the Water Conservation and Drought Contingency Program, the city must initiate a small meter change out program in various areas of the city (\$967,750).

Water Tower Renovations – Inspections of the three (3) water towers in the city have revealed the need for renovation to ensure the future integrity of the structures. The cost to rehab all three towers has been budgeted at \$1,000,000.

Water Treatment Plant Pump Repairs – Needed repair and inspection of pumps (\$50,000).

Treatment Study – Dis-infection treatment study at the Water Treatment Plant to outline construction and O & M cost estimates for best alternative (\$50,000).

Sludge Dewatering – Set up emergency sludge dewatering capabilities for inclement weather and/or operational difficulties that prevent adequate sludge removal (\$50,000).

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Descriptions of 2010-11 Enterprise Fund Work In Process Capital Projects

Wastewater System Projects

Sewer Line Replacement - An ongoing project budgeted to replace miscellaneous deteriorated sewer collection lines throughout the city. In 2010-11, \$2,317,658 is allocated for this type of line replacement.

Participation in Line Extension – Miscellaneous wastewater projects (\$100,000) initiated to upgrade the size of lines or otherwise participate in construction of utilities in areas of new development.

Sewer Line "H" - Completion of phases III, IV and V of rehab of major northeast sewer line interceptor (\$750,343).

Generator – Replacement of the Derrington Plant generator (\$300,000).

Aerator Disc Replacement – Continue replacement of aerator discs at the Derrington Plant (\$100,000).

Storage Building – Construction of building to house the TV & Vacuum Truck (\$100,000).

Unallocated 2007 Bond Issue Funds - Alan Plummer and Associates is currently conducting a study to identify and prioritize infrastructure to be replaced and repaired using the 2007 C.O. bond monies in the amount of \$44,216,710. Projects will be initiated upon completion of their review.

Contingency - Completion of the construction projects listed above will improve the ability of treatment personnel to meet the increasing demands of Odessa's water and sewer customers. Contingency monies have been allocated for all projects and budgeted at \$795,692 for the above Capital Improvements Projects for the 2010-11 fiscal year.

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Summary of Work In Process Projects Enterprise Fund Capital Projects, 2010-11

<u>Project Description</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Water Line Replacement	\$ 2,003,601	\$	\$ 2,003,601
Sewer Line Replacement		2,317,658	2,317,658
Participation In Line Extensions	100,000	100,000	200,000
Water System Improvements			
Golder Pump Station Roof	110,000		110,000
Water Line – Dawn/JBS/52 nd Sts.	146,500		146,500
Water Line – 52 nd St. & Loop 338	199,057		199,057
Water Treat. Plant Improvements	144,309		144,309
Water Treat. Plant Filter (3) Refurbish	48,889		48,889
Water Treat. Plant – Vulnerability Assess.	235,852		235,852
Water Project	1,239,030		1,239,030
Replace AMR Meters	967,750		967,750
Water Tower Renovations	1,000,000		1,000,000
Plant(s) Pump Inspection & Repairs	50,000	50,000	100,000
Water Treat. Plant Study	50,000		50,000
Water Treat. Plant Sludge Dewatering	50,000		50,000
Wastewater System Improvements			
Sewer Line H, Ph III, IV, V		750,343	750,343
Derrington Plant Generator		300,000	300,000
Aerator Disc Replacement		100,000	100,000
TV / Vac Truck Building Construction		100,000	100,000
Water / Sewer Unallocated (2007 Bond Is)	22,108,355	22,108,355	44,216,710
Contingency	410,736	384,956	795,692
Total Enterprise Fund Capital Projects	<u>\$28,864,079</u>	<u>\$26,211,312</u>	<u>\$55,075,391</u>

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Summary Proposed Capital Projects For Fiscal Years 2012-2016

<u>General Purpose</u>	FY2012	FY2013
Public Works Street Impr.	\$2,300,000	\$3,500,000
Public Works Traffic Impr.	296,000	219,000
Public Works Other Impr.	3,900,000	800,000
Parks/Recreation Impr.	595,000	1,025,000
 <u>Enterprise Fund</u>		
Water and Sewer Projects *	11,577,000	11,425,000
Total Capital Improvements	\$18,668,000	\$16,969,000

<u>General Purpose</u>	FY2014	FY2015	FY2016	Total
Public Works Street Impr.	\$5,845,000	\$5,600,000	\$5,860,000	\$23,105,000
Public Works Traffic Impr.	295,000	0	0	810,000
Public Works Other Impr.	0	0	0	4,700,000
Parks/Recreation Impr.	980,000	975,000	2,580,000	6,155,000
 <u>Enterprise Fund</u>				
Water and Sewer Projects *	9,072,572	1,071,000	1,813,000	34,958,572
Total Capital Improvements	\$16,192,572	\$7,646,000	\$10,253,000	\$69,728,572

* Water & Sewer Projects Allocated From 2007 Bond Issue of \$62M

CAPITAL IMPROVEMENT PROGRAM

OVERVIEW

Capital Improvement Program 5 Year Proposed Projects Operational Impact

Bond Sale Year	Total Funding Needs	Estimated Operational Impact	Fiscal Year Budget
2011	\$7,091,000	\$354,550	2011-12
2012	5,544,000	277,200	2012-13
2013	7,120,000	356,000	2013-14
2014	6,575,000	328,750	2014-15
2015	8,440,000	422,000	2015-16
TOTAL	\$34,770,000	\$1,738,500	

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Community Profile

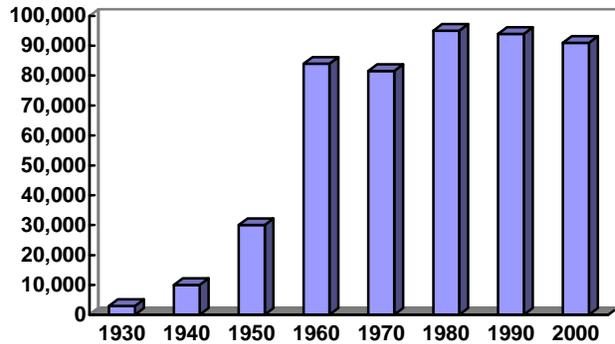
COMMUNITY PROFILE

The City of Odessa is located in the heart of West Texas between Dallas/Ft. Worth and El Paso along Interstate 20. Odessa, located in Ector County, covers approximately 41.77 square miles and is 2,851 feet above sea level.



Odessa is located in the Permian Basin, a geological phenomenon that contains one of the nation's largest reserves of oil and natural gas. Above ground, the terrain is relatively flat or slightly undulating.

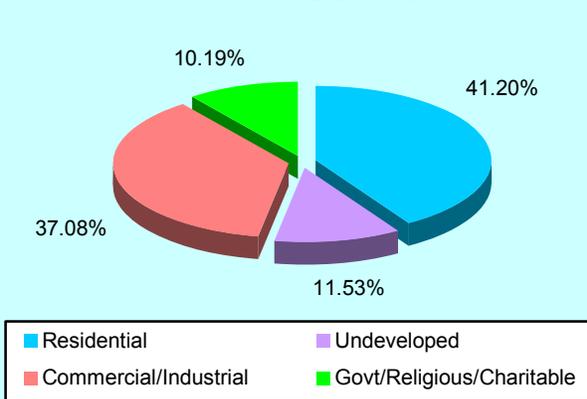
ODESSA POPULATION



Odessa's population is 103,704. For statistical purposes, Odessa is grouped together with a neighboring city, Midland, to form the Midland-Odessa Combined Statistical Area (C.S.A.) This C.S.A. consists of approximately 266,941 people, making it the 2nd largest in West Texas, the 7th largest in Texas, and the 87th largest in the U.S.



LAND ALLOCATION



Odessans enjoy an average of 266 sunny days a year, and an average rainfall of approximately 14.84 inches. The mean temperature is 64.3 degrees. Winds average 11.1 miles per hour, which puts Odessa in the top 16% of the windiest cities in the U.S.

COMMUNITY PROFILE



The City of Odessa was incorporated in April 1927, and adopted a home rule charter in April 1945. The Council-Manager form of government was adopted in December 1969. The Council consists of a Mayor at Large plus five Council Members representing the different districts within the City of Odessa.

The City Manager serves as the budget officer of the City of Odessa. He is required to prepare an annual budget of the proposed expenditures of the City. However, only the elected City Council is authorized to set the appropriate revenue mix, thereby also determining the appropriate expenditure levels. When the City Council formally approves the proposed budget, the budget is adopted.

SERVICE STATISTICS

FIRE

Fire Stations	8
Professional Firefighters	161
Fire Inspectors/Investigators	7
Support Personnel*	3
Fire Safety House	1
ALS Fire Engines	6
ALS Quint Apparatus	2
Hazmat Truck	1
ALS Ambulances	8
Tankers	2
Rescue Truck	1
Reserve Engines	2

POLICE

Police Station	1
Sworn Officers	172
Marked Patrol Cars	40
Other Marked Police Vehicles	9
Tactical K-9's	5

Major Employers in Odessa:

Ector County Independent School District
 Medical Center Hospital
 Wal-Mart
 City of Odessa
 Saulsbury Companies
 Odessa Regional Hospital
 Ector County
 Odessa College
 Nurses Unlimited
 Bobby Cox Companies, Inc.

Major Tax Payers in Odessa:

Oncor Electric Delivery Co.
 MCM Properties II, LTD
 TRA Midland Properties
 Four Star Oil and Gas
 CA New Plan Texas Assets
 Southwestern Bell Telephone
 Lithia Real Estate, Inc.
 Odessa Regional Hospital
 Lowes Home Centers
 ICA Properties, Inc.

COMMUNITY PROFILE



COMMUNITY AND RECREATIONAL RESOURCES

Land Area (Acres)	756
Parks	37
Community Centers	4
Public Swimming Pools	3
Public Tennis Courts	16
Public Basketball Courts	9
Public Baseball & Softball Fields	40
Public Volleyball Courts	14
Public Soccer Fields	27
Gymnasium	1
Playgrounds	45
Picnic Pavilions	19
Walking Trails	4
Golf Course	1
Skate Park	1

POPULATION AND ECONOMIC CHARACTERISTICS

Population by Sex
(2008 TX State Data Center Estimates)

Male	49.06%
Female	50.94%

Population by Age
(2008 TX State Data Center Estimates)

Under 5 years	9.15%
5 to 19 years	22.81%
20 to 24 years	7.77%
25 to 44 years	26.12%
45 to 64 years	22.91%
65 to 74 years	5.90%
75 years and older	5.32%

Median Age 32.3

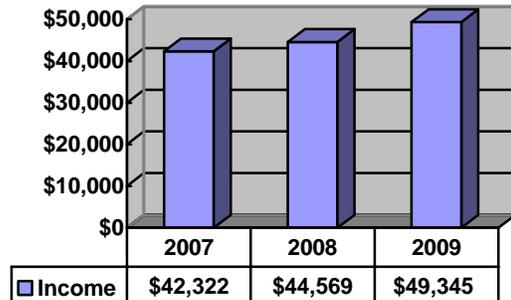
Racial Characteristics
(2008 TX State Data Center Estimates)

Anglo	41.91%
Hispanic	51.82%
African-American	4.75%
Other	1.51%

% of Single Family Homesteads
(Ector County Appraisal District)

Less than \$50,001	19.60%
\$50,001 to \$99,000	37.11%
\$99,001 to \$149,000	23.83%
\$149,001 to \$299,000	17.24%
\$299,001 to \$1,000,000	2.16%
\$1,000,001 to \$10,000,000	0.05%

AVERAGE DISPOSABLE INCOME PER HOUSEHOLD



(Odessa Chamber of Commerce)

COMMUNITY PROFILE



The University of Texas of the Permian Basin, a 600 acre campus, is located on Odessa's east side. UTPB opened its doors in 1973 as a public upper-level university, and became a four-year university in 1991. Two of its schools, Business and Education, and two programs, Social Work and Visual Arts, are nationally accredited. Two new degrees, the B.S. in Mechanical Engineering and the Ed.D in Educational Leadership (in collaboration with UT San Antonio), were added in 2009. Construction began on the new Science and Technology Building in the summer of 2008. In addition, ground was broken in the spring of 2009 for a state-of-the-art performing arts center midway between Odessa and Midland and for a student multipurpose center on the main campus.

Odessa is also home to Odessa College. Established in 1946, this two-year community college offers freshman and sophomore university-parallel courses for students planning to complete four-year degrees. OC also offers a variety of occupational-technical programs, in addition to providing credit and non-credit continuing educational programs.



QUALITY OF LIFE

PUBLIC EDUCATION IN ODESSA

Elementary Schools	25
Early Education Centers *	2
Junior High Schools	6
High Schools	2
Advanced Technical Center *	1
Virtual High School *	1
Teen Parent Center *	1
Alternative Center *	1
Youth Center *	1
Junior College	1
University	1
Health Science Center	1

* Special School District Programs



Odessans are served by two hospitals: the 362-bed Medical Center Hospital (shown at left), and Odessa Regional Medical Center (230 beds).

COMMUNITY PROFILE



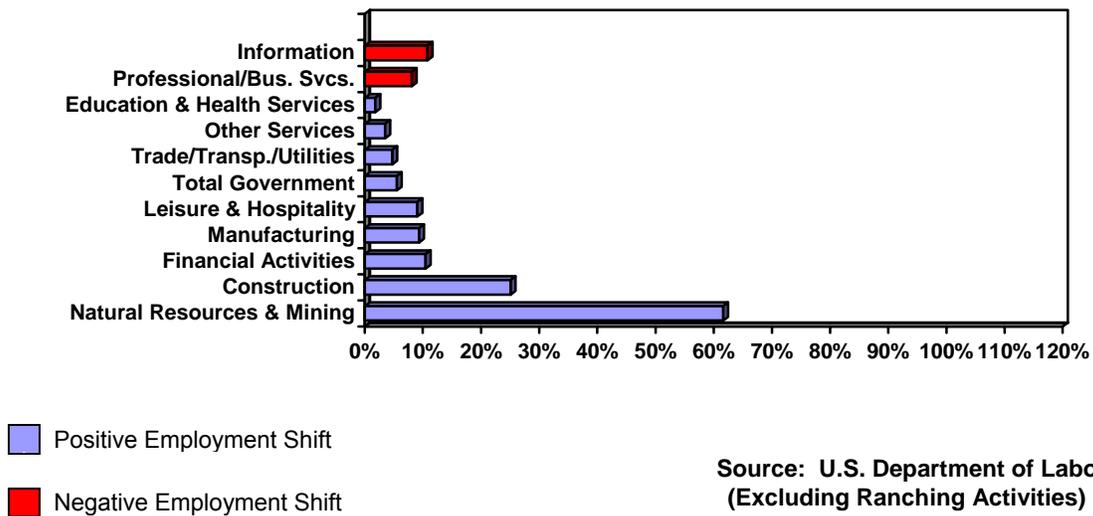
The Citizens of Odessa enjoy a diverse variety of recreational and cultural amenities. From active pursuits such as supporting the local Jackalopes Hockey Team or attending the Permian Basin Fair to more serene pastimes such as visiting the local duck pond, recreational opportunities abound. A wide variety of cultural advantages are also available, such as the Globe of the Great Southwest Theatre, the Permian Playhouse, the Midland-Odessa Symphony Chorale, the Art Institute of the Permian Basin, and Heritage Holiday events, including the annual Christmas Tree Lighting Ceremony and Starbright Village.



COMMUNITY PROFILE

ODESSA EMPLOYMENT SHIFTS

January 2005 to December 2009

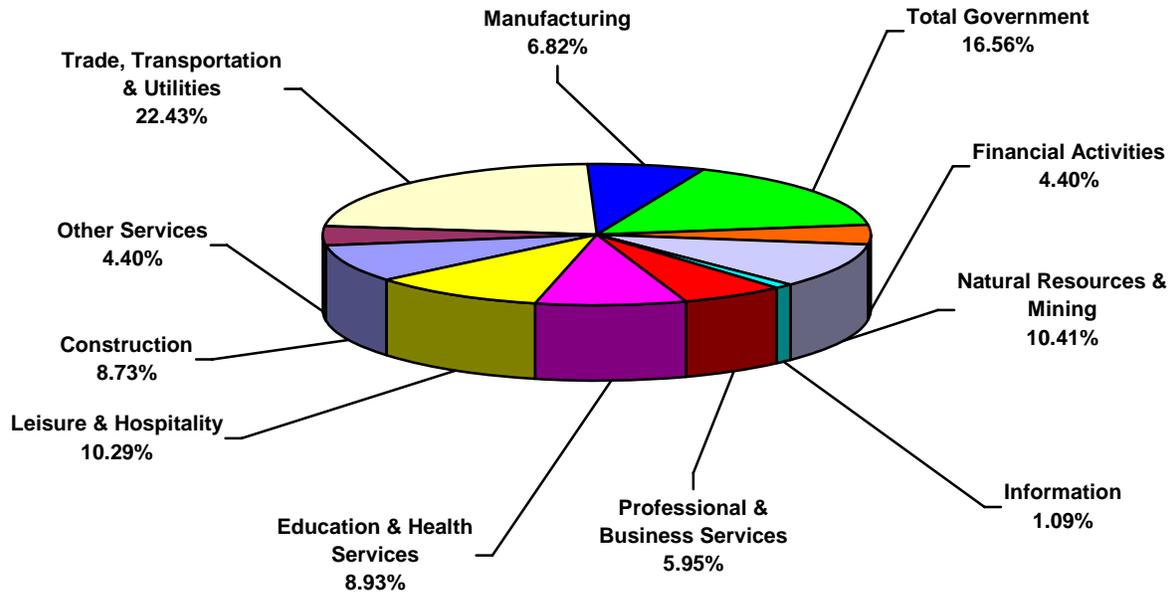


Over the past five years, fluctuating oil prices have resulted in significant shifts in Odessa's employment sectors. Natural Resources and Mining experienced the largest employment gains, with a 61.62% increase, followed by Construction (25.11%), Financial Activities, (10.47%), Manufacturing (9.37%), and Leisure and Hospitality (9.07%). Less significant gains were made in the areas of Total Government (5.51%), Trade/Transportation/Utilities (4.76%), Other Services (3.52%), and Education and Health Services (1.83%). The two remaining sectors, Professional and Business Services and Information, realized employment losses of 8.10% and 10.82%, respectively.

COMMUNITY PROFILE

MAJOR SECTORS IN ODESSA'S ECONOMY

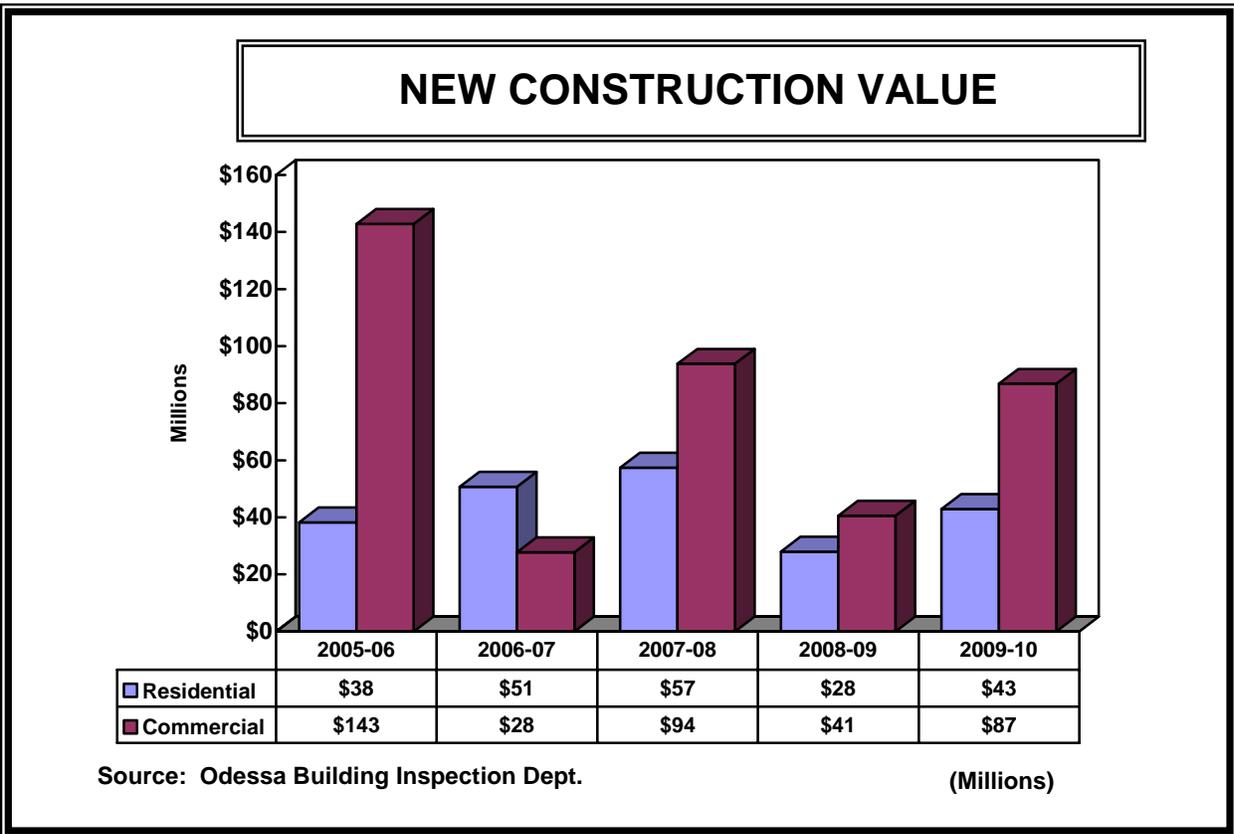
4th QUARTER 2009



Source: U.S. Department of Labor
(Excluding Ranching Activities)

Odessa's economy is comprised of many sectors of employment. The largest sector in Odessa's economy is Trade, Transportation & Utilities, at 22.43%, followed by Total Government (16.56%) and Natural Resources & Mining (10.41%). Leisure and Hospitality (10.29%), Education and Health Services (8.93%), and Construction (8.73%) follow, collectively providing 27.95% of the jobs in the area. The remaining sectors of the local economy include Manufacturing (6.82%), Professional Business Services (5.95%), Other Services (4.40%), Financial Activities (4.40%), and Information (1.09%).

COMMUNITY PROFILE

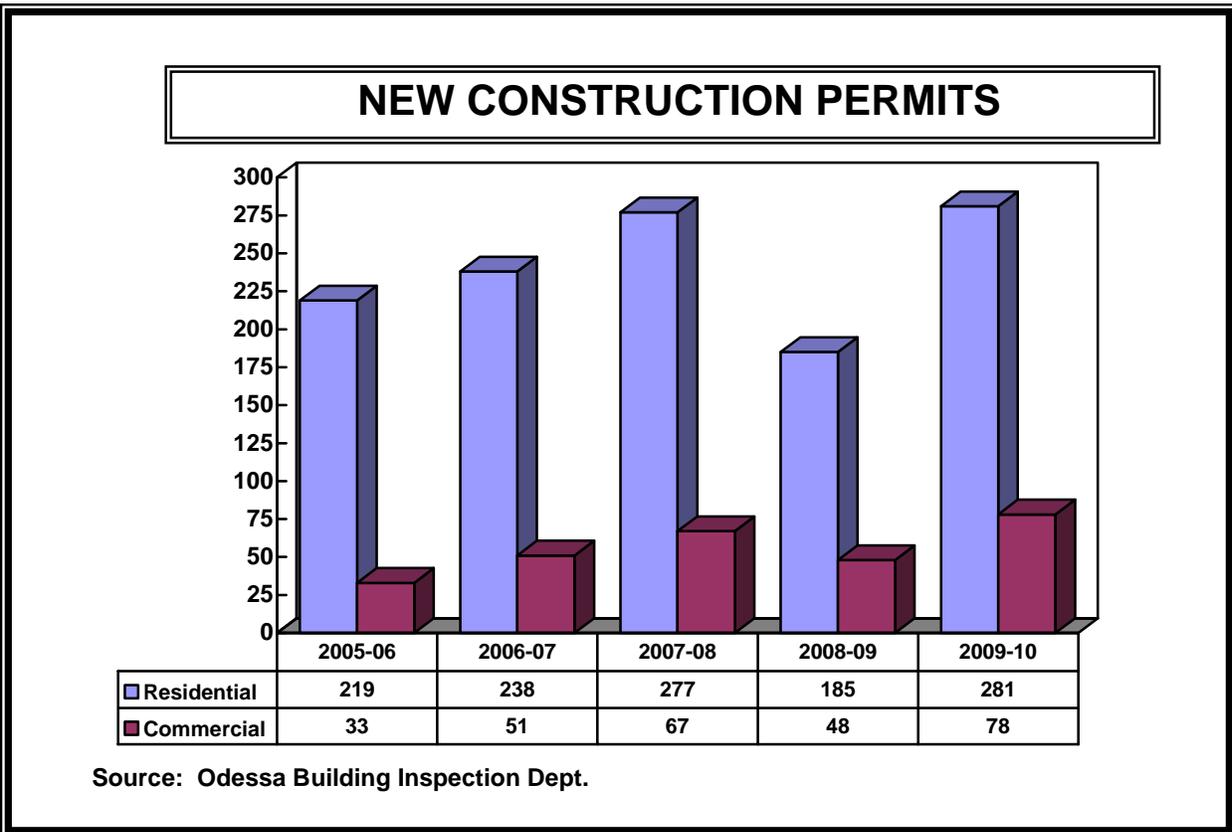


Over the past five years, Residential Values have fluctuated between \$28 million and \$57 million, a 104% spread in this five-year period. Values trended upward between 2005-06 and 2007-08 due to a 63% increase in crude oil prices. Average weekly wages rose by 21.32%, mortgage rates fell by 4.37%, and the population increased as new families moved into the area in search of work. As a result, more homes were built in an effort to meet the increasing demand for housing. All of these factors contributed to a 50% increase in New Residential Construction Values in this three-year period.

Beginning in late 2008, the price of crude oil fell dramatically, bottoming out at \$39.16 per barrel in February 2009. The resulting economic downturn effected a \$29 million decrease in Residential Values in 2008-09. The following year, crude oil prices stabilized, and New Residential Construction Values increased by \$15 million, or 53.57%.

New Commercial Construction Values are also affected by the economic factors described above. However, there is not always a direct cause-and-effect relationship between them. The Commercial Values charted above do not reflect any particular trends between 2005-06 and 2009-10. This, in part, is due to the nature of commercial construction. One or two major commercial projects can skew the construction values for an entire year. For example, in 2005-06, the Quail Run Energy Center, a 550 MW power plant, was constructed at a cost of \$102 million, making up over 71% of New Commercial Construction Values for the year. Two years later, the construction of the new Science/Technology Building on the UTPB campus made up over 50% of the \$94 million annual construction value.

COMMUNITY PROFILE

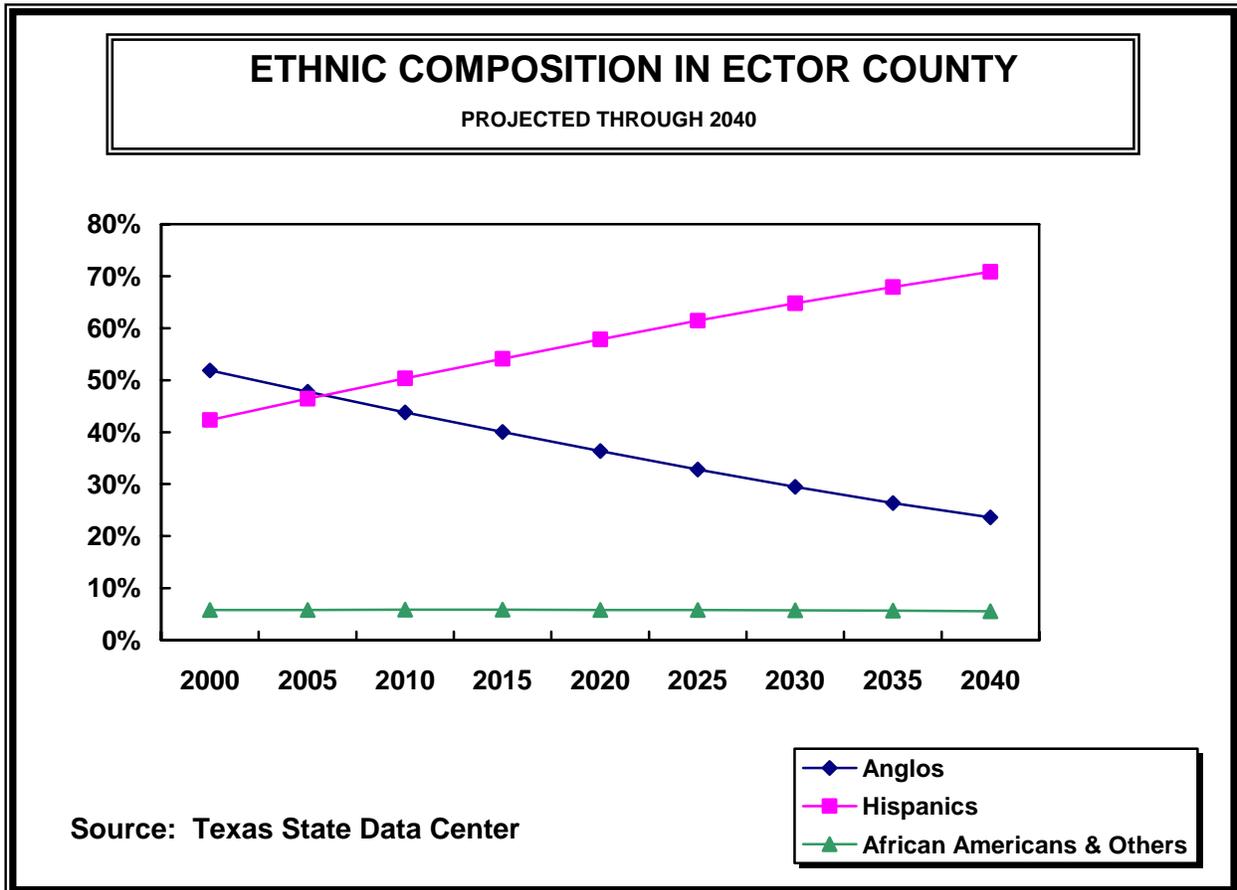


Between 2005-06 and 2007-08, the number of New Residential Construction Permits increased by 26.48% due to a boom in the local economy. However, in late 2007-08, plummeting oil prices resulted in a sudden economic downturn. From June 2008 to February 2009, the price of oil fell from \$133.93 to \$39.16 per barrel, a 70.76% decrease in an eight-month period. Lower oil prices contributed to a 52.58% decrease in the West Texas rig count and a 148.65% increase in unemployment for fiscal year 2008-09. The resulting reduction in the demand for housing is reflected in the 33.21% decrease in the number of New Residential Permits issued in 2008-09.

Oil prices stabilized in 2009-10, fluctuating between \$73.84 and \$84.48 per barrel. During this time, the rig count increased by 140%, unemployment fell by 7.8%, and disposable income for the average household increased by 10.72%. As a result of these economic gains, it is anticipated that two hundred eighty-one New Residential Permits will be issued by fiscal year end.

The number of New Commercial Construction Permits issued also reflects the economic changes that have occurred over the past five years. Between 2005-06 and 2007-08, sixty-seven Commercial Construction Permits were issued, an increase of 103% in three years. The following year, the City issued forty-eight New Commercial Permits. This number represents a 28.36% decrease compared to 2007-08 numbers. With the stabilization of the economy in 2009-10, requests for New Commercial Permits are on the rise. It is anticipated that by fiscal year end, the City will have issued 78 New Commercial Construction Permits.

COMMUNITY PROFILE



The chart above projects the changes in ethnic composition in Ector County, the county in which the City of Odessa is located, over a period of 40 years. The most current Race/Ethnicity projections (based on the June 2000 study, updated in 2008) by the Texas State Data Center indicate that 50.32% of Ector County's current estimated population is Hispanic and 43.82% of the population is Anglo. This same trend analysis shows the remaining population, including African-American, to be 5.89%.

Over the next 30 years, the Hispanic population will continue to rise, while the Anglo population continues to fall. Current projections indicate that by the year 2040, Odessa will be comprised of a population that is 70.83% Hispanic and 23.59% Anglo. The remaining population, including African-Americans, will make up 5.57% of the total.

CITY OF ODESSA
FY 2010-11
ADOPTED BUDGET

Appendix

APPENDIX

ESTIMATED STATE AND FEDERAL MANDATES

State Mandates	FY 2008-09 Estimated	FY 2009-10 Estimated	FY 2010-11 Estimated
<u>General Fund:</u>			
Election Mandates	\$9,000	\$10,000	\$15,000
Legal - State Bar Association Training	15,000	15,000	15,000
Parks Backflow Prevention	4,000	4,000	4,000
Aquatic Facility Operator Certification Fees/Renewal	1,000	1,000	1,000
Structural Pest Control Certification Fees/Renewal	1,500	1,500	1,500
Texas Irrigator Certification Fees/Renewal	1,800	1,800	1,800
Texas Department of Agriculture	1,100	1,100	1,100
Virginia Graeme Baker Pool & Spa Safety Act	34,000	2,000	2,000
Pool Water Testing	0	5,000	18,000
Bob Derrington Elevator Insp. (Bldg Serv-1 elevator)	400	600	600
RM Elevator Inspection (Bldg Serv-1 elevator)	400	600	600
City Hall Elevator Inspection (Bldg Serv-2 elevators)	0	1,200	1,200
PD Elevator Inspection (Bldg Serv-2 elevators)	0	1,200	1,200
Municipal Plaza Elevator Inspection	0	0	600
Firefighter / EMS Protective Clothing - Title 37	50,000	50,750	55,000
SCBA Testing & Certification	3,500	3,500	3,500
Firefighter Inoculations	2,000	2,000	2,000
Fire Code Enforcement Training	5,127	5,127	5,127
EMS Materials - IFSTA	4,600	4,600	4,600
Haz - Mat Physicals	2,500	2,500	2,500
Firefighter / EMS Certification Fees & Renewal	8,500	8,500	8,500
Certification of Ambulances	975	975	975
Breathing Air Quality Test	0	0	3,000
Annual Ladder Test	0	0	2,150
Training Facility Certification (every 3 years)	0	0	4,850
Public Safety VTCA Code Compliance	12,875	12,875	12,875
Police Open Records Act	30,020	30,020	30,020
Police Training	244,640	244,640	244,640
Police Officer ID Cards	10,000	10,000	10,000
Carbon Monoxide Chamber (Animal Control)	6,150	6,150	6,150
Animal Control Officer Certification	790	790	790
<u>Public Safety - Other Mandates:</u>			
Psychological Testing of Police Applicants	3,300	3,300	3,300
Police Fire Alarm Extinguisher System			
Inspection	2,420	2,420	2,420
Crime Victim Compensation Coordinator	9,922	9,922	9,922
Police NCIC / TCIC Validation of all Entries	21,021	21,021	21,021
Sexual Assault Exam	11,330	11,330	11,330
Sexual Offender Registration	10,000	10,000	10,000
Uniform Crime Report (U.C.R.)	27,500	27,500	27,500
Auction of Abandoned Vehicle-Public Notice	11,500	11,500	11,500
Dispatcher Training (TCLEOSE/DPS/EMD/TDD)	6,000	6,000	6,000
Public Safety Communications Logging Recorder	6,170	6,170	6,900
Total General Fund	<u>\$559,040</u>	<u>\$536,590</u>	<u>\$570,170</u>

APPENDIX

ESTIMATED STATE AND FEDERAL MANDATES

State Mandates	FY 2008-09 Estimated	FY 2009-10 Estimated	FY 2010-11 Estimated
<u>Solid Waste:</u>			
Solid Waste - Landfill Gas Management	\$4,000	\$8,000	\$38,000
Solid Waste - Groundwater Monitoring	25,000	54,000	40,000
TDA Structural Pest Control Certification	1,260	1,400	1,400
Total Solid Waste Fund	\$30,260	\$63,400	\$79,400
<u>Water / Sewer Fund:</u>			
Water Conservation Information - TWDB	\$1,000	\$5,000	\$5,000
Water Quality Assessment & Wastewater Plant Inspection Fee - TCEQ	55,900	85,000	85,000
Water Plant Inspection Fee	13,000	94,900	100,000
Landfill Tipping Fee - TCEQ (Water/Wwater)	16,000	17,000	17,000
Operator Licensing Training - TCEQ	18,000	18,000	18,000
Operator Licensing Renewal Fees - TCEQ	2,500	2,500	2,700
Overhead Crane Inspections	2,000	2,000	2,000
NELAC Laboratory Certification	12,000	12,000	14,000
Sludge Transportation Fee	500	500	750
Sanitary Sewer Overflow Initiative **	1,195,000	2,000,000	3,000,000
Electrical License Renewal	150	0	0
Bacteriological Testing	30,000	30,000	30,000
Annual Certification of Backflow Assemblies	2,500	3,000	3,000
Elevator Inspection/Maintenance	2,000	2,000	2,000
Fire Alarm Inspection	500	500	500
Manhole Installation Requirements	0	32,032	32,000
Total Water / Sewer Fund	\$1,351,050	\$2,304,432	\$3,311,950
<u>Equipment Services Fund:</u>			
Underground Fuel Storage Tanks Activity	\$62,000	\$62,000	\$62,000
Total Equipment Services Fund	\$62,000	\$62,000	\$62,000
<u>Community Development:</u>			
Asbestos Survey	\$5,000	\$5,000	\$5,000
Asbestos Abatement	50,000	50,000	50,000
Total Community Development Fund	\$55,000	\$55,000	\$55,000
<u>Risk Management Fund:</u>			
Workers' Compensation	\$657,220	\$657,220	\$657,220
Total Risk Management Fund	\$657,220	\$657,220	\$657,220
Total State Mandates	\$2,714,570	\$3,678,642	\$4,735,740

** Includes rehab of wastewater collection lines to reduce sanitary sewer overflows.

APPENDIX

ESTIMATED STATE AND FEDERAL MANDATES

Federal Mandates	FY 2008-09 Estimated	FY 2009-10 Estimated	FY 2010-11 Estimated
<u>General Fund:</u>			
Freedom of Information Act / Open Records	\$4,000	\$4,000	\$4,000
Police Record Keeping per Library of Congress	345,170	345,170	345,170
Pre-Employment Exams and ADA Compliance	11,000	17,596	20,000
GASB 34 & 39 Financial Reporting, SAS 99 & SAS 103-112 Compliance	30,000	30,000	30,000
GASB 43 & 45 Financial Reporting	2,000,000	4,000,000	4,000,000
Storm Water Rules - EPA	22,000	650,000	650,000
Overtime Due to FMLA	92,000	92,000	92,000
Overtime Due to 2-In-2-Out Policy	90,000	90,000	90,000
Total General Fund	<u>\$2,594,170</u>	<u>\$5,228,766</u>	<u>\$5,231,170</u>
<u>Equipment Services Fund:</u>			
Oil Filter Disposal - EPA	\$720	\$720	\$720
Battery Disposal Fee - EPA	500	500	500
Vehicle Wash Waste Disposal - EPA	1,500	1,500	1,500
Shop Hazardous Waste Disposal - EPA	7,900	7,900	7,900
Total Equip. Services Fund	<u>\$10,620</u>	<u>\$10,620</u>	<u>\$10,620</u>
<u>Water / Sewer Fund:</u>			
Lead / Copper Monitoring - EPA /TCEQ	\$1,500	\$0	\$0
Biomonitoring - EPA / TCEQ	2,000	1,000	2,000
Consumer Confidence Report - EPA/TCEQ	10,000	9,500	11,000
Wastewater Permit Testing - EPA/TCEQ *	18,000	8,000	13,575
Stormwater Permit - EPA/TCEQ	200	200	300
Long-Term Enhanced Surf. Water Trtmt-EPA/TCEQ	0	1,000	0
Unregulated Contaminate Monitoring-EPA/TCEQ	2,000	0	0
Permit Renewal	2,500	0	0
TCEQ Treatment Plant Testing	0	0	39,000
Total Water / Sewer Fund	<u>\$36,200</u>	<u>\$19,700</u>	<u>\$65,875</u>
<u>Risk Management Fund:</u>			
Commercial Drivers Testing - DOT	\$10,000	\$10,000	\$10,000
HIPPA	25,000	25,000	25,000
Total Risk Management Fund	<u>\$35,000</u>	<u>\$35,000</u>	<u>\$35,000</u>
Total Federal Mandates	<u>\$2,675,990</u>	<u>\$5,294,086</u>	<u>\$5,342,665</u>
Total State and Federal Mandates	<u>\$5,390,560</u>	<u>\$8,972,728</u>	<u>\$10,078,405</u>
** Included in NELAC Laboratory Certification.			

APPENDIX
DEBT RATIO CALCULATION

**Ratio Of Annual Debt Service Expenditures For
General Bonded Debt To Total General Expenditures
Ten Year Period Ended September 30, 2010**

Fiscal Year	Total Current General Fund Expenditures	Total Debt Service Expenditures	Percentage	\$ Ratio
2000-01	\$38,752,714	\$1,870,624	4.83%	\$20.72 TO 1
2001-02	\$40,427,429	\$1,916,713	4.74%	\$21.09 TO 1
2002-03	\$41,505,429	\$1,883,874	4.54%	\$22.03 TO 1
2003-04	\$42,536,447	\$1,899,498	4.47%	\$22.39 TO 1
2004-05	\$44,646,621	\$1,935,881	4.34%	\$23.06 TO 1
2005-06	\$52,586,659	\$2,047,128	3.89%	\$25.69 TO 1
2006-07	\$51,368,955	\$2,072,162	4.03%	\$24.79 TO 1
2007-08	\$55,240,644	\$2,637,148	4.77%	\$20.95 TO 1
2008-09	\$62,519,727	\$2,924,318	4.68%	\$21.38 TO 1
2009-10	\$59,464,941	\$2,931,982	4.93%	\$20.28 TO 1

Note:

The City of Odessa is governed by the home rule amendment to the Constitution of the State of Texas and, consequently, has no legal debt margin requirement.

APPENDIX

PER CAPITA DEBT CALCULATION

Net General Bonded Debt To Assessed Value and Net General Bonded Debt Per Capita Ten Year Period Ended September 30, 2010

Fiscal Year	Population	Assessed Value	Gross General Bonded Debt	Amount in Debt Service Fund	% of Net General Bonded Debt To Assessed Value	Net General Bonded Debt Per Capita
2000-01	90,943	\$1,961,178,755	\$17,990,000	\$245,552	0.92%	\$198
2001-02	93,195	\$2,052,362,566	\$17,005,000	\$196,186	0.83%	\$182
2002-03	93,385	\$2,108,487,428	\$15,975,000	\$150,401	0.76%	\$171
2003-04	93,195	\$2,266,305,457	\$20,675,000	\$142,866	0.91%	\$222
2004-05	93,952	\$2,431,976,336	\$25,170,000	\$217,553	1.03%	\$268
2005-06	96,948	\$2,715,109,284	\$24,345,000	\$311,979	0.90%	\$251
2006-07	98,214	\$3,135,144,279	\$33,650,000	\$378,704	1.42%	\$356
2007-08	100,118	\$3,548,501,378	\$36,860,000	\$308,390	1.04%	\$368
2008-09	102,876	\$3,878,228,854	\$35,520,000	\$517,217	0.92%	\$345
2009-10	103,704	\$3,906,950,316	\$34,135,000	\$517,217	0.87%	\$329

Note:

The City of Odessa is governed by the home rule amendment to the Constitution of the State of Texas, and consequently has no legal debt limit.

Source of Population Data: City of Odessa Planning and Development Department

RESOLUTION NO. 2010R-70

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ODESSA, TEXAS, ADOPTING THE ANNUAL BUDGET FOR THE CITY OF ODESSA, TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011, A SUMMARY COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A"; ESTABLISHING POLICY FOR ENCUMBERED AND UNENCUMBERED FUNDS; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, in compliance with Chapter 102 of the Local Government Code, the City Manager filed with the City Secretary a copy of the budget of the proposed expenditures for the fiscal year beginning October 1, 2010 and ending September 30, 2011, such filing being done thirty (30) days prior to the date on which the City Council makes its tax levy for said fiscal year; and

WHEREAS, notice of a public hearing to consider said budget was published in a newspaper of general circulation in the City of Odessa, Ector County, Texas; and

WHEREAS, the public hearing, notice of which was published in a newspaper of general circulation in the City of Odessa, Ector County, Texas, was held to consider said budget; and

WHEREAS, all legal requirements of Chapter 102, Local Government Code, Section 72 of the Charter of the City of Odessa, a well as all other pertinent laws, have been complied with and fulfilled;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ODESSA, TEXAS:

Section 1. That the budget for the proposed expenditures for the fiscal year beginning October 1, 2010 and ending September 30, 2011, a summary copy of which is attached hereto as Exhibit "A", and a complete copy of which is located on the 2nd floor of City Hall and available for inspection, is hereby approved and adopted as the official budget for the City of Odessa, Texas, for the fiscal year beginning October 1, 2010 and ending September 30, 2011.

Section 2. That all unencumbered or unobligated funds for the prior fiscal year shall lapse at the end of the prior fiscal year. All appropriations for encumbered or obligated funds shall carry over to the subsequent fiscal year in order to complete these transactions.

Section 3. That this resolution shall be effective at the time of its adoption.

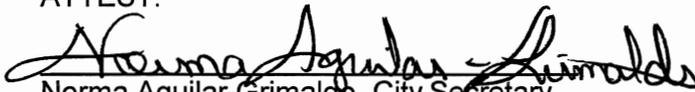
The foregoing resolution was approved and adopted on the 14th day of September, A.D., 2010, by the following vote:

Bill Cleaver	AYE
James B. Goates	AYE
Barbara Graff	AYE
Dean Combs	AYE
Roy Hunton	AYE

Approved the 14th day of September, A.D., 2010.


Larry L. Melton, Mayor

ATTEST:


Norma Aguilar-Grimaldo, City Secretary

APPROVED AS TO FORM:

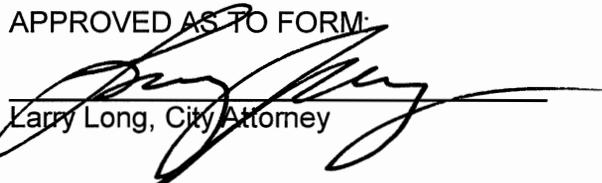

Larry Long, City Attorney

EXHIBIT A - PROPOSED BUDGET 2010-11

Financing Sources:	Total All Funds
Beginning Fund Balance	\$37,008,700
Less Required Reserves	15,991,523
Available Fund Balance	\$21,017,177
CURRENT REVENUES:	
Property Tax	\$17,606,749
Sales Tax	17,287,932
Franchise/Gross Receipts	6,486,000
Other Operating Revenues	50,717,989
Water and Sewer	38,475,200
Rental Revenue	0
Interest Income	233,000
Intergovernmental	2,515,193
Other Revenue	1,635,680
Administrative Transfers	
General Fund	200,000
Water/Sewer	2,358,920
Equipment Service	446,188
Risk Management	368,115
Solid Waste	542,810
Liquid Waste	2,548
Hotel-Motel	12,184
Odessa Development Corp.	44,184
Motor MPO	6,000
Total Current Revenues	\$138,938,692
Total Financing Sources	\$159,955,869
CURRENT EXPENDITURES:	
Personal Services	\$56,385,819
Supplies	18,942,077
Services	23,262,702
Maintenance	6,632,245
Capital Outlay	802,648
Other Requirements	8,537,266
Debt Service/Lease	11,281,977
Housing Incentive Program	0
Insurance Requirements	7,778,889
Outside Agencies	2,054,214
Transfers Out	329,000
Total Current Expenditures	\$136,006,837
Capital Outlay-Replacement	1,939,000
Total Expenditures	\$137,945,837
Ending Available Balance	\$22,010,032
Plus Required Reserves	15,991,523
Ending Fund Balance	\$38,001,555

ORDINANCE NO. 2010-28

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ODESSA, TEXAS, LEVYING TAXES FOR THE OPERATION OF THE MUNICIPAL GOVERNMENT OF THE CITY OF ODESSA, TEXAS, FOR THE 2010 TAX YEAR AND THE 2010-2011 FISCAL YEAR; ESTABLISHING THE AD VALOREM TAX RATE OF 52.2750 CENTS PER ONE HUNDRED DOLLARS PROPERTY VALUATION; PROVIDING FOR THE APPORTIONMENT OF TAXES FOR INTEREST AND SINKING FUND FOR CERTAIN BOND INDEBTEDNESS AND FOR GENERAL OPERATING NEEDS; AND DECLARING AN EFFECTIVE DATE OF OCTOBER 1, 2010.

WHEREAS, a budget has been adopted by the City Council of the City of Odessa, Texas, covering the proposed expenditures of the municipal government of the City of Odessa for the fiscal year beginning October 1, 2010 and ending September 30, 2011; and

WHEREAS, said budget reflects the needs for revenue to meet the expenses proposed therein;

WHEREAS, the City is required to accumulate interest and a sinking fund for certain outstanding bond indebtednesses; and

WHEREAS, it has been moved that property taxes be increased by the adoption of a tax rate of Fifty-Two and Two Hundred Seventy-five Thousandths Cents (52.275¢) on each One Hundred Dollars (\$100.00) property valuation;

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

Section 1. That there is hereby levied, and there shall be collected, for the use and support of the municipal government of the City of Odessa, Texas, and to provide the legally required interest and sinking fund on certain outstanding bond indebtednesses for the 2010 tax year and the 2010-2011 fiscal year upon all property, real, personal or mixed within the corporate limits of Odessa, Texas, which is subject to taxation, an ad valorem tax of Fifty-Two and Two Hundred Seventy-five Thousandths Cents (52.275¢) on each One Hundred Dollars (\$100.00) property valuation, said tax levied for and apportioned to the following specified purposes:

- (1) The rate of 7.4635¢ on each One Hundred Dollars (\$100.00) valuation of taxable property to be levied, assessed and ordered collected for the purpose of paying the interest on and creating a sinking fund for the redemption of the City of Odessa, Texas, Series 2000, 2001, 2004, 2005, 2006 and 2007 Certificates of Obligation, plus a 2006 and 2009 Refunding Issue.
- (2) The rate of 44.8115¢ on each One Hundred Dollars (\$100.00) valuation of taxable property to be levied, ordered and collected for the purpose of creating a General Fund for the City operations, as provided by law and ordered collected to meet the requirements.

Section 2. That the citizens of Odessa are hereby advised:

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

THE TAX RATE WILL EFFECTIVELY BE RAISED BY A NEGATIVE ZERO POINT ONE PERCENT (NEGATIVE 0.1%) AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY A NEGATIVE THIRTY-THREE CENTS (NEGATIVE \$0.33).

THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$156,296 OR 0.80%, AND OF THAT AMOUNT, \$478,503 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE ROLL THIS YEAR.

Section 3. That there is hereby levied and there shall be collected from every person, partnership firm, association or corporation pursuing any occupation or business whatsoever which is taxable by the City of Odessa under the general laws of the State of Texas, an annual occupation tax equal in each instance to one-half of the State occupation tax on each such person, partnership, firm, association or corporation, and said taxes shall be paid annually in advance except where otherwise provided by State laws, in which event the same may be paid to the City in the manner as is provided by State law.

Section 4. That there is hereby levied and there shall be collected from every person, partnership, corporation, association or firm holding any permit under the Texas Liquor Control Act and which is subject to the imposition of a license fee by municipalities by virtue of said Texas Liquor Control Act, a license fee in the maximum amount that municipalities are authorized to impose pursuant to said Act.

Section 5. That all monies collected under this ordinance for the specific items described in Section 1, shall be and the same are hereby appropriated and set apart for the specific purposes indicated in each item and the Assessor and Collector of taxes and the Comptroller shall keep these accounts so as to readily and distinctly show the amount collected and the amounts expended and the amount on hand at any time belonging to such funds. It is hereby made the duty of the Assessor and Collector of taxes and the Controller at the time of depositing any monies, to make a statement showing to what fund such deposit should be made and from what sources it was received. All receipts for the City not specifically apportioned by this ordinance are hereby made payable to the General Fund of the City.

Section 6. That at the time of first approval on August 24, 2010, the Council Members voting on the ordinance announced and declared by the approval of this ordinance that the City Council will finally vote on the tax rate on September 14, 2010, 6:00 p.m., City Council Chamber, 411 W. 8th Street, Odessa, Texas, and such notice shall be published. Section 6 is effective on August 24, 2010.

Section 7. That this ordinance shall go into effect on October 1, 2010.

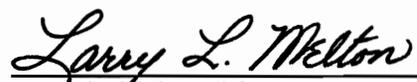
The foregoing ordinance was first approved on the 24th day of August, A.D., 2010, by the following vote:

Bill Cleaver	AYE
James B. Goates	AYE
Barbara Graff	AYE
Dean Combs	AYE
Roy Hunton	AYE

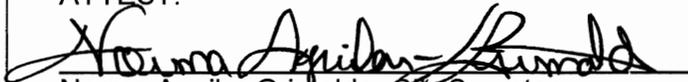
The foregoing ordinance was adopted on second and final approval on the 14th day of September, A.D., 2010, by the following vote:

Bill Cleaver	AYE
James B. Goates	AYE
Barbara Graff	AYE
Dean Combs	AYE
Roy Hunton	AYE

Approved this the 14th day of September, A.D., 2010.


Larry L. Melton, Mayor

ATTEST:


Norma Aguilar-Grimaldo, City Secretary

APPROVED AS TO FORM:


Larry Long, City Attorney

APPENDIX

GLOSSARY

The Annual Budget contains specialized and/or technical terminology, along with acronyms, that are unique to public finance and budgeting. To assist the reader in understanding the Annual Budget document, a glossary of terms is provided.

Account Classification: A basis for distinguishing types of expenditures. The five major classifications used by the City of Odessa are: personal services (001's), supplies/materials (002's), services (003's), maintenance (004's), and capital outlay (005's).

Accrual Basis of Accounting: A method of accounting wherein revenue and expenses are recorded in the period in which they are earned or incurred regardless of whether cash is received or disbursed in that period. This is the accounting basis that generally is required to be used in order to conform to generally accepted accounting principles (GAAP) in preparing financial statements for external users.

Ad Valorem Taxes: Also referred to as property tax, this is the charge levied on all real personal, and mixed property according to the property's assessed valuation and the tax rate, in compliance with the State Property Tax Code.

Aeration Disc: A component of a machine that mechanically beats wastewater to oxygenate it during treatment.

Annual Budget: The total budget as approved by the City Council, as revised.

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 Property Valuation: A value established by the Ector County Appraisal District which approximates market value of real or personal property. By state law, one hundred percent (100%) of the property value is used for determining the basis for levying property taxes.

Balanced Budget: A budget in which the expenditures incurred during a given period are matched by revenues.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayments of the principal are detailed in a bond ordinance. The most common type of bonds are general obligation (G.O.) and revenue bonds. These are most frequently used for construction for large capital projects, such as buildings, streets, and water and sewer lines.

Budget: A financial plan for a specified period of time (fiscal year) that matches planned revenues with appropriations. The "preliminary" budget designates the financial plan initially developed by departments and presented by the City Manager to the Council for approval. The "adopted budget" is the plan as modified and finally approved by that body. The "approved" budget is authorized by resolution and thus specifies the legal spending limits for the fiscal year.

Budget Contingency Plan: Details various courses of action that may be undertaken when varying levels of revenue shortfalls are anticipated.

APPENDIX

GLOSSARY

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 revenue and expenditure plan.

Budget Highlights: Significant changes in expenditures or programs within a fund, department or division.

Budget Message: The opening section of the budget provides the City Council and the public with a general summary of the most important aspects of the budget. The message explains principal budget issues against the background of financial experience in recent years, and represents the assumptions and policies upon which the City's budget is based.

Budget Stabilization Account: Monies set aside in the General Fund or the Water & Sewer Fund for those years that expenditures exceed revenues.

Budget Summary: Provides a listing of revenues, expenditures, and available resources for all funds.

Budgetary Integration: The means by which expenses are incurred during one fiscal year and paid in the next. (Examples of such expenditures include purchase orders and contracts.)

Capital Budget: Covers outlays for the acquisition of major long-lived assets, including assets to be purchased from restricted monies, and the resources (current monies and debt) to be employed for purchase of the assets.

Capital Outlay: Expenditures for equipment, vehicles, or machinery, and other improvements that result in the acquisition of assets with an estimated useful life of more than one year, a unit cost of \$1,000 or more, and capable of being identified as an individual unit of property.

Certificates of Obligation: Legal debt instruments that finance a variety of public projects such as streets, building, and improvements. These bonds are backed by the full faith and credit of the issuing government and are financed through property tax revenues. In Texas, Certificates of Obligation do not have to be authorized by public referenda.

Certified Property Values: To be in compliance with the Property Tax Code, the chief appraiser certifies the approved appraisal roll to each taxing unit on or before July 25.

Compensated Absences Reserve: Funds that are set aside to compensate employees for unileave and/or old sick leave upon their retirement, resignation, or termination from the City.

Co-Pay: A per-service charge paid by employees for approved medical services.

CopLogic: The name of an online police reporting system made available for citizens' use.

Council of Governments: A voluntary association of local governments formed under Texas law to deal with the problems and planning needs that cross the boundaries of individual local governments or that require regional attention. (Also referred to as regional planning commissions, associations of governments, regional councils and area councils.)

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GLOSSARY

Curb Miles: Linear miles of actual curbing multiplied by two when both edges of the street have curbing.

Debt Service Fund: A fund used to account for the monies set aside for the payment of interest and principal to holders of the City's general obligation and revenue bonds, the sale of which finances long-term capital improvements, such as facilities, streets and drainage, parks and water/wastewater systems.

Delinquent Taxes: Real or personal property taxes that remain unpaid on and after February 1st of each year, and upon which penalties and interest are assessed.

Department: A major administrative segment responsible for management of operating Divisions that provide services within a functional area.

Depreciation: A method of recovering the cost of an asset over the asset's useful life or recovery period.

Disposition Rate: Rate that court cases are finalized and closed within a 12-month period.

Division: A basic organizational unit that is functionally unique and provides service under the administrative direction of a Department.

Economic Diversification: Having more than one financial or monetary factor, industry or sector contributing to the production, development and consumption of commodities within a specific region.

Effective Tax Rate: The prior year's taxes divided by the current year's taxable values of properties that were on the tax roll in both years. Excludes taxes on properties no longer in the taxing unit and the current taxable value of new properties.

Encumbrances: Commitments for the expenditure of monies.

Enterprise Fund: A fund established to account for operations that are financed and operated in a manner similar to private business. The rate schedules are established to insure that revenues are adequate to meet all necessary expenditures. The Water/Sewer Fund, Solid Waste Fund and Natural Gas Fund are enterprise funds in the City of Odessa.

Entitlement: Funds supporting or distributed by a government program which provides benefits to members of a specified group.

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.

Family Health Clinic: Free health clinic created for all city employees and their dependents covered under the City's health plan.

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GLOSSARY

Fines & Forfeitures: Monies imposed as penalty for an offense and collected as revenue by the municipal court for the city.

Fiscal Year: A consecutive 12-month period that signifies the beginning and ending dates for recording financial transactions. The City of Odessa's fiscal year begins October 1 and ends September 30 of the following calendar year. This is also called the budget year.

Fund: An accounting device established to control receipt and disbursement of income from sources set aside to support specific activities or attain certain objectives. Each fund is treated as a distinct fiscal entity with a self-balancing set of accounts. In the budget process, a formal Annual Budget is adopted for the General Fund, General Debt Service Fund, Water/Sewer Fund, Solid Waste Fund, Risk Management Fund, Convention & Visitors Fund, and Community Development Fund.

Fund Balance: The excess of current assets over current liabilities, representing the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

GASB 31: A statement issued by the Government Accounting Standards Board, requiring that investments be reported in financial statements at their fair value.

GASB 34: Requires state and local governments to report the value of their infrastructure assets, including roads, bridges, water and sewer facilities, and dams, in their annual financial reports on an accrual accounting basis.

GASB 39: Amends Statement 14 to provide additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units. Generally, it requires reporting , as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. Organizations that are legally separate, tax-exempt entities and that meet certain criteria are also required to be presented as component units.

GASB 43: Establishes uniform financial reporting standards for Other Post-employment Benefit (OPEB) plans and supersedes the interim guidance included in Statement 26.

GASB 45: Establishes standards for the measurement, recognition, and display of Other Post-employment Benefit expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers.

General Fund: The largest fund within the City, the General Fund accounts for the majority of the financial resources of the government. General Fund revenues include property taxes, sales taxes, licenses and permits, service charges, and other type of revenue. This fund includes most of the basic operating functions such as fire and police protection, municipal court, finance, planning and inspection, public works, parks/recreation, and general administration.

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General Obligation (G.O.) Bonds: Legal debt instruments that finance a variety of public projects such as streets, building, and improvements. These bonds are backed by the full faith and credit of the issuing government and are financed through property tax revenues. In Texas, G.O. Bonds must be authorized by public referenda.

Geographic Information System: A system which has the ability to translate implicit geographic data (such as a street address, national grid coordinates or latitude and longitude coordinates) into an explicit map location.

Goal: Long-term continuing target of an organization (vision of the future).

Government Access Channel: A type of TV channel created by government entities. Government Access TV programming generally deals with public affairs, board meetings, explanation of government services, and other public service related programming.

Governmental Fund: Any fund that is not a profit and loss fund (e.g. enterprise fund, internal service fund, or trust and agency fund). Examples of governmental funds include: general fund, special assessment fund, special revenue fund, capital projects fund, and debt service fund.

Gulf Coast Authority: Operates the Industrial Wastewater Treatment Plant.

Homestead: A tax-exempt qualifying declaration by a property taxpayer for his actual dwelling place or home.

Hospital District: Entity within the city supported by a portion of sales taxes for the local hospital.

Industrial District Contract: Contract with businesses in the Industrial District for water, sewer and/or trash services.

Infrastructure: General fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems.

Infrastructure Transfer: Funds that have been set aside to encourage development in certain areas by extending water and sewer mains to those areas.

Intergovernmental Revenue: Grants, entitlements and cost reimbursements from another federal, state or local governmental unit.

Internal Service Fund: Accounts 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 Equipment Services Fund and the Risk Management Fund are operated as internal service funds in the City of Odessa.

Lane Miles: Centerline miles of actual lane(s) multiplied by the number of lanes.

Levy: To impose or collect by legal authority. The City Council has the authority to levy taxes, special assessments, and service charges as stated in the City Charter.

APPENDIX

GLOSSARY

Lift Station: A type of pump station that pumps wastewater to the waste treatment plant when there is a lack of gravitational flow.

Limited Tax Note: Direct obligations of the City payable from ad valorem taxes levied against taxable property located therein, within the limits prescribed by law.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

Maintenance: Cost of upkeep of property or equipment (account classification 004's)

Mandates or Mandated Expenses: Any expenses relating to an authoritative command or instruction. Refers to the federal and state mandates governing municipalities, such as regulations establishing testing for water quality.

Metropolitan Statistical Area: A cluster of heavily settled communities that are geographically, socially and economically related to one another and to a central urban core. A core consists of at least one central city having at least 50,000 inhabitants, or "twin cities with a combined population of at least 50,000.

Minimum Control Measures: Six minimum control measures that must be included in a storm water management program for municipal separate storm sewer systems (MS4s).

Modified Accrual Basis of Accounting: A method of accounting that is a mixture of the cash and accrual basis. The modified accrual basis should be used for governmental funds. To be recognized as a revenue or expenditure, the actual receipt or disbursement of cash must occur soon enough after a transaction or event has occurred to have an impact on current spendable resources. In other words, revenues must be both measurable and available to pay for the current period's liabilities. Revenues are considered available when collectible either during the current period or after the end of the current period, but in time to pay year-end liabilities. Expenditures are recognized when a transaction or event is expected to draw upon current spendable resources rather than future resources.

MOTOR-MPO: A state-funded agency that is involved with metropolitan transportation issues.

Neighborhood Sweep: An organized neighborhood clean up event within the city utilizing city personnel and community volunteers.

Net Taxable Value: The total assessed value of all property within the city that is available for taxation minus property eligible for tax exemption.

Objectives: Time bound and measurable result of an organization's activity which advances the organization toward a goal.

Odessa Development Corporation: Separate entity responsible for pursuing, negotiating and administering economic development tax monies to enhance increased development within the community.

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Operating Budget: Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the City are controlled. The use of an annual operating budget is required by State law.

Ordinance: A statute or regulation especially enacted by a city government.

Outside Agencies: Non-profit service organizations funded partially or entirely by the General Fund.

Participation In Line Extensions: Miscellaneous projects for upgrading the size of lines or otherwise participate in construction of utilities in areas of new development.

Payment In Lieu Of Tax: Monies received for provision of city services to property owners located outside the municipal taxing district.

Performance Measures: Specific quantitative and qualitative measures of work performed or results obtained within an activity or program.

Personal Services: Costs relating to compensating employees, including salaries, wages, insurance, payroll taxes, and retirement contributions (account classification 001's).

Pick-Six Cities (or Pick-Six Comparables): Six Texas cities that Odessa compares itself to in several areas, including salaries, services, permit fees, property tax rates, performance measures.

Property Tax: Also called ad valorem tax, this is the charge levied on all real, personal, and mixed property according to the property's valuation and the tax rate, in compliance with the State Property Tax Code.

Proprietary Fund: The activities of proprietary funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. The activities are usually financed with user charges that are directly related to the services received. Proprietary funds include enterprise funds and internal service funds.

Reserve: An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

Resolution: A formal statement of a decision, determination or course of action placed before a city council and adopted.

Revenue Bonds: Legal debt instruments that finance public projects for such services as water or sewer. Revenues from the public project are pledged to pay principal and interest of the bonds. In Texas, revenue bonds may or may not be authorized by public referenda.

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GLOSSARY

Revenues: Funds received by the government as income, including tax payments, fees for specific services, receipts from other governments, fines and forfeitures, grants and interest income.

Right-of-Way: Land over which public roads/access are located.

Roll Year: Refers to the calendar year in which the property valuations that form the basis for the current fiscal year's property tax revenue projections were certified.

Rollback Rate: A property tax rate that is 3 percent above the effective tax rate.

Roll-Off Containers: Large open top rectangular containers for holding trash, debris, brush and other non-food waste. There is a charge for container use depending on the size of the container and the amount of use.

Seal Coat: Asphalt restoration and maintenance technique used to recondition city streets and thoroughfares.

Service and Work Programs: Tangible "end products" provided to the public or user department/division.

Services: Professional or technical expertise purchased from external sources (account classification 003's).

Special Revenue Fund: A separate fund that accounts for resources that are legally restricted to expenditures for specific operational purposes. Convention and Visitors Fund would be an example of a special revenue fund.

Standard Metropolitan Statistical Area: See "metropolitan statistical area".

Storm Water Program: A program that is implemented by government entities to control storm water run-off in urban areas.

Strategy: A plan to achieve an objective.

Street Miles: Centerline miles of actual street.

Supplies: Cost of goods consumed by the City in the course of its operation (account classification 002's).

Tax Rate: The amount of tax levied for each \$100 of assessed value for real, personal, or mixed property. The rate is set by September 1 of each year by the City Council of the City of Odessa, Texas.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

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Tiburon: Tiburon, Inc. provides fully integrated command and control, information management and analysis solutions to public safety organizations.

Total Tax Rate: Property tax rate including both of the portions used for operations and that for debt service.

Transfer In Revenue: Primarily reflects administrative services provided by the General Fund to other funds. An independent study is conducted each year by an outside firm to determine the distribution of costs associated with the administrative services provided to the other funds.

Transmittal Letter: A general discussion of the proposed budget presented in writing by the City Manager to the Mayor and City Council. The transmittal letter highlights the major budget items including any changes made in the current budget year, issues affecting the decisions and priorities of the current year, and actions incorporated into the adopted budget.

Trend Analysis: Graphs which analyze historical data, projected information, or comparisons from one year to the next. A brief narrative or summary data is included with the graphs.

Unileave: Paid Employee Leave; A combination of Sick Leave and Vacation Leave. Can be used for any reason.

Urban Run-Off Management Program: A program implemented by government entities to control storm water run-off in urban areas.

User Fee (User Charge): The payment of a fee for direct receipt of a public service by the part benefiting from the service.

Voice Over IP: Voice Over Internet Protocol phone system can be a benefit for reducing communication and infrastructure costs by routing phone calls over existing data networks and avoiding duplicate network systems.

West Texas Intermediate: Also known as Texas Light Sweet is a type of crude oil used as a benchmark in oil pricing and oil futures contracts. Very relative to the economy of Odessa, Texas.

Working Capital: The difference between current assets and current liabilities. Working Capital measures the margin of protection for current creditors and reflects the ability of a company to finance current operations.

APPENDIX

ACRONYMS

ADA	American Disabilities Act
ALS	Advanced Life Support
AMR	Automated Meter Reading (Water Meters)
AS/400	Network Computer System
BI-20	Business Interstate 20
C&V	Convention and Visitors
CAD	Computer Aided Dispatch
CAFR	Certified Annual Financial Report
CAPP	Cities Aggregation Power Project
CD	Community Development Fund
CDBG	Community Development Block Grant
CIP	Capital Improvements Program
CO	Certificate of Obligation
COGA	City of Odessa Grant Application
CRMWD	Colorado River Municipal Water District
C.S.A.	Combined Statistical Area
DOT	Department of Transportation
DPS	Department of Public Safety
DRW	Dual Rear Wheel
E.C.I.S.D.	Ector County Independent School District
EMD	Emergency Medical Dispatcher
EMS	Emergency Medical Services
EPA	Environmental Protection Agency
ES	Equipment Service Fund
FMLA	Family Medical Leave Act
FTE	Full-Time Employee
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GC	Golf Course Fund
GF	General Fund
GFOA	Government Finance Officers Association
GIS	Graphical Interface System
G/L	General Liability
GO	General Obligation (Bond)
GPS	Global Positioning System
HAZMAT	Hazardous Materials
H.E.	Heavy Equipment
HIPAA	Health Insurance Portability and Accountability Act
HOME	Home Investment Partnerships Program
HR	Human Resources (Department)
HTE	Accounting Software Company
HVAC	Heating Vent Air Conditioning
I-20	Interstate 20
ICP	Inductively Coupled Plasma
ID	Identification
IP	Internet Protocol
IFSTA	International Fire Service Training Association

APPENDIX

ACRONYMS

ISD	Independent School District
IVR	Interactive Voice Response
JBS	John Ben Shepperd (Parkway), a local thoroughfare
K-9	Canine
LED	Light-Emitting Diode
LEOSE	Law Enforcement Officers Standard Education
LGC	Local Government Code
LULAC	League of United Latin American Citizens
MC	Municipal Court
MCM	Minimum Control Measures
mgd	Millions of Gallons per Day
MHMR	Mental Health and Mental Retardation
MOTOR-MPO	Midland-Odessa Transportation Organization – Metropolitan Planning Organization
MS4	Municipal Separate Storm Sewer System
MW	Mega Watt
NCIC/TCIC	National Crime Information Center/Texas Crime Information Center
NDS	Neighborhood Development Services
NELAC	National Environmental Laboratory Accreditation Conference
NFPA	National Fire Protection Association
NG	Natural Gas
OC	Odessa College
ODC	Odessa Development Corporation
O&M	Operating and Maintenance or Operation & Maintenance
PC	Personal Computer
PD	Police Department
PGA	Professional Golf Association
PSAP	Public Safety Answering Point
PT	Proficiency Test
PTC	Property Tax Code
RF	Risk Management Fund
RM	Risk Management
Rx	Medical prescription
SAS	Statements of Auditing Standards
SCADA	Supervisory Control and Data Acquisition
SCBA	Self Contained Breathing Apparatus
SSO	Sanitary Sewer Overflow
ST	Storm Water Fund
SW	Solid Waste
SWAT	Special Weapons And Tactics
T-Bill	Treasury Bill
TCEQ	Texas Commission on Environmental Quality
TCLEOSE	Texas Commission on Law Enforcement Officer Standards and Education
TDA	Texas Department of Agriculture
TDD	Telecommunication Device for the Deaf
TMRS	Texas Municipal Retirement System
TX	Texas
TWDB	Texas Water Development Board
UCR	Uniform Crime Report

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ACRONYMS

US	United States
USA	United States of America
UT	University of Texas
UTPB	University of Texas of the Permian Basin
VOIP	Voice Over Internet Protocol (Phone System)
VTCA	Vernon's Texas Civil Statutes Annotations
WC	Workers' Compensation
WIP	Work in Process
W/R	Water Reclamation
WS	Water and Sewer Fund
WSSIP	Water Sewer System Infrastructure Program
WT	Water Treatment
W/W	Wastewater

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